



**IN THE NATIONAL COMPANY LAW TRIBUNAL**  
**AHMEDABAD**  
**COURT - 2**

ITEM No.301  
C.P. (IB)/148(AHM)2024

**Proceedings under Section 7 IBC**

**IN THE MATTER OF:**

Rajradhe Finance Limited  
V/s  
Decolight Ceramics Limited

.....Applicant

.....Respondent

**Order delivered on: 12/01/2026**

**Coram:**

Mrs. Chitra Hankare, Hon'ble Member(J)  
Dr. Velamur G Venkata Chalapathy, Hon'ble Member(T)

**ORDER**

This case is fixed before pronouncement of order.


The order is pronounced in open court vide separate sheet.

Sd/-

DR. V. G. VENKATA CHALAPATHY  
MEMBER (TECHNICAL)

Sd/-

CHITRA HANKARE  
MEMBER (JUDICIAL)



**IN THE NATIONAL COMPANY LAW TRIBUNAL  
AHMEDABAD (COURT - II)**

**CP(IB) No. 148/(AHM)/2024**

*(Filed under Section 7 of the Insolvency and Bankruptcy Code,  
2016 r/w Rule 4 of Insolvency and Bankruptcy Application to  
Adjudicating Authority Rules 2016)*

**IN THE MATTER OF:**

**M/s. RajRadhe Finance Limited**

(CIN: U67120GJ1985PLC007576)

A Company incorporated under the relevant provisions of the Companies Act, 1956 and also registered as Non-Banking Financial Company with the Reserve Bank of India in accordance with the provisions contained under Section 45-IA of the Reserve Bank of India Act, 1934.

Having its registered office at:  
47, Shyamal Row House 3/B,  
Nr. Shyamal Cross Roads, Satellite,  
Ahmedabad, Gujarat – 380 015.

...Applicant/  
Financial Creditor

Versus

**M/s. Decolight Ceramics Limited**

(CIN: L26914GJ2000PLC037494)

A Company incorporated under the relevant provisions of the Companies Act, 1956.

Having its registered address at:

B/h. Romer Ceramic,  
Old Ghuntu Road, At Ghuntu,  
Morbi, Gujarat – 363 642.

E-mail: decolight2004@yahoo.com /  
decolight2012@yahoo.com

...Respondent/  
Corporate Debtor

**Order pronounced on 12.01.2026**

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**Coram:****MRS. CHITRA HANKARE, MEMBER (JUDICIAL)****MR. V G VENKATA CHALAPATHY, MEMBER (TECHNICAL)****Present:**

For the Applicant : Mr. Jaimin Dave, Adv.

For the Respondent : Mr. D H Rathore, Adv.

**JUDGEMENT**


1. This Application has been filed under Section 7 of Insolvency and Bankruptcy Code, 2016 by M/s. RajRadhe Finance Limited (Financial Creditor) seeking initiation of Corporate Insolvency Resolution Process (CIRP) against M/s. Decolight Ceramics Limited (Corporate Debtor) for having committed default of Rs. 38,35,55,949.14/- (Rupees Thirty-Eight Crores Thirty-Five Lakhs Fifty-Five Thousand Nine Hundred Forty-Nine and Fourteen Paise Only) as on 30.01.2024. The default is continuous from 30.09.2013 and the debt is last acknowledged on 07.04.2023

**2. Facts of the case:**

- i. The applicant submits that originally Bank of India had sanctioned credit facilities worth Rs. 27,35,00,000/- in favour of the corporate debtor, vide sanction letter dated

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24.11.2004. It is submitted that Corporate Debtor duly passed a Board Resolution on 25.11.2004 for availing the said credit facilities, which were secured by hypothecation of stock, book debts, plant and machinery, and by equitable mortgage of factory land and building etc.

- ii. The applicant further submits that pursuant to the said sanction, the Corporate Debtor and its guarantors had, inter alia, executed a Demand Promissory Note dated on 25.11.2004 for an amount Rs. 7,00,00,000/-, Forms of Guarantee for Letters of Credit, Term Loan Agreement dated 25.11.2004, Hypothecation cum Loan Agreement dated 25.11.2004, Hypothecation of Tangible Movable Plant and Machinery dated 15.12.2004 was also executed by the guarantors, etc.
- iii. The Applicant submits that on 17.06.2006, the Bank of India had renewed/enhanced the additional credit facilities with aggregate limit of Rs. 16,82,00,000 / - thereby raising the total limit of the credit facilities to Rs. 44,17,00,000/- pursuant to which corporate debtor had

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executed first supplemental deed of hypothecation on 17.06.2006 in favour of the bank.


- iv. The Applicant submits that on 29.09.2006, at the request of Corporate Debtor, the Bank of India sanctioned a corporate loan with limit of Rs. 10,00,00,000/- within the total limit of the credit facilities to Rs. 44,17,00,000/- and corporate debtor had executed second supplemental deed of hypothecation on 29.09.2006 in favour of the Bank of India.
- v. The Applicant states that on 05.10.2007, the Bank of India had renewed/enhanced the loan by granting additional credit facilities with limits of fund based of Rs. 14,00,00,000/- raising the total limit of the credit facilities to Rs. 53,91,00,000/- pursuant to which the corporate debtor had executed third supplemental deed of hypothecation in favour of the Bank of India on 12.10.2007.
- vi. The Applicant submits that again on 20.10.2008, the Bank of India had renewed/enhanced the loan by granting additional credit facilities with limits of fund based of Rs. 13,00,00,000/- enhancing the total limit of



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the credit facilities to Rs. 55,55,00,000/- and corporate debtor executed fourth supplemental deed of hypothecation in favour of the bank on 23.10.2008.

- vii. The Applicant states on 28.12.2010, once again the Bank of India had enhanced the limits of the credit facilities by Rs. 6,00,00,000/- pursuant to which corporate debtor executed fifth supplemental deed of hypothecation in favour of the Bank of India on 30.12.2010.
- viii. The applicant submit that thereafter vide sanction letter dated 18.01.2013, the Bank of India at the request of Corporate Debtor, reduced the total limit of the credit facilities to Rs. 33,81,00,000/-. It is submitted that certain amount disbursed by Bank of India in earlier sanctioned limits remained outstanding and payable by Corporate Debtor. Applicant submits that the said sanction letter dated 18.01.2013 was the last renewal granted.
- ix. Applicant further contends that the corporate debtor defaulted in making repayments of credit facilities from 30.06.2013. Therefore, the account of the corporate debtor was classified as non-performing asset (NPA) on

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30.09.2013. Consequently, on 04.02.2014, the Bank of India issued notice under Section 13(2) of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act) for repayment of Rs. 36,81,86,806/- with interest @ 14.25% Per annum with monthly rest within a period of 60 days from the date of the notice. It is submitted that thereafter Bank of India had taken symbolic possession on 04.06.2014. It is submitted that being aggrieved, the Corporate Debtor filed Securitisation Application No. 62 of 2014 under Section 17(1) of the SARFAESI Act before the Ld. Debts Recovery Tribunal-II, Ahmedabad, which came to be allowed, and the notice dated 04.02.2014 was quashed and set aside.

- x. The Applicant submitted that Corporate Debtor has also acknowledged the outstanding debt vide letter dated 11.03.2015. Subsequently, on 08.05.2015, the Bank of India again issued a notice under Section 13(2) of the SARFAESI Act for recovery of the outstanding dues, followed by a corrigendum notice dated 23.05.2015 seeking recovery of Rs. 44,39,71,966/-



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- xi. The Applicant submits that on 14.07.2015, the Bank of India filed Original Application No. 425 of 2015 under Section 19 of the Recovery of Debt and Bankruptcy Act, 1993 before the Ld. DRT-II, Ahmedabad, which is stated to be pending adjudication. It is submitted that the Corporate Debtor again acknowledged its liability towards the outstanding debt vide letter dated 17.02.2017, but failed to repay the dues.
- xii. It is further submitted that on 30.01.2019, the Bank of India addressed a letter to the Corporate Debtor intimating a One Time Settlement (OTS) scheme for NPAs, which was accepted by the Corporate Debtor vide letter dated 28.02.2019, with a request for extension of 15 days for depositing the upfront amount. Between March 2019 and December 2019, various correspondences were exchanged to negotiate OTS offer, wherein the Corporate Debtor repeatedly acknowledged the outstanding dues but insisted upon certain conditions which were not acceptable to the Bank of India, as communicated vide letter dated 10.12.2019. The Applicant submits that vide letter dated 31.12.2019, the Corporate Debtor refused to

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accept the OTS without fulfilment of its conditions and sought refund of the upfront amount of Rs. 1,80,00,000/-, which was refunded by the Bank of India on 27.02.2020, resulting in failure of the OTS.

- xiii. It is submitted that thereafter, vide registered deed of assignment dated 27.10.2020 bearing registration number 15111, the Bank of India has assigned debts along with underlying securities mentioned therein to the Financial Creditor for a valuable consideration. Accordingly, the existing charge registered with the Registrar of Companies was modified in name of the Financial Creditor and a certificate to that effect was issued on 06.01.2021.
- xiv. The applicant submitted that, vide letters dated 05.04.2021 and 07.04.2023, the corporate debtor has also acknowledged its debt. The Applicant contends that after assignment, despite repeated efforts, only a meagre amount could be recovered, the last payment of Rs. 25,00,000/- having been made on 23.09.2022, and no further payments were made thereafter. It is submitted that as on 30.01.2024, a sum of Rs. 38,35,55,949.14/-

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remains outstanding and payable by the Corporate Debtor.

- xv. The applicant submits that the default occurred on 30.06.2013 when the Corporate Debtor defaulted in repayment of credit facilities as Per terms and conditions of the sanction letter dated 18.01.2013. Therefore, account of Corporate Debtor was classified as non-performing asset on 30.09.2013. It is further submitted that the debt is acknowledged in writing by the Corporate Debtor vide letters dated 11.03.2015, 17.02.2017, various OTS correspondence letters between February 2019 to December 2019, 31.03.2021 and 07.04.2023. Not only that, the Corporate Debtor has made last repayment on 23.09.2022. Hence, the present application is not barred by limitation.
- xvi. The Applicant has proposed the name of Mr. Vikash Gautamchand Jain having Registration No. IBBI/IPA-001/IP-P00354/2017-18/10612 to act as the Interim Resolution Professional.
3. Applicant has relied upon following documents to substantiate its claim:



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- i. Acknowledged sanction letter dated 24.11.2004.
  - ii. Guarantee Agreement dated 25.11.2004.
  - iii. Board Resolution of the Corporate Debtor dated 25.11.2004.
  - iv. Copies of the security documents executed in favour of the lender.
  - v. Supplemental Deeds of Hypothecation dated 29.09.2006, 12.10.2007, 23.10.2008 and 30.12.2010, along with the supplemental memorandum of deposit of title deeds dated 30.12.2010.
  - vi. Acknowledged sanction letter dated 18.01.2013.
  - vii. Notices issued under Section 13(2) of the SARFAESI Act dated 04.02.2014, 08.05.2015, and 23.05.2015.
  - viii. Letters of acknowledgement of debt dated 11.03.2015 and 17.02.2017.
  - ix. Letter of OTS scheme dated 30.01.2019
  - x. One Time Settlement correspondence exchanged between March 2019 and December 2019.
  - xi. Deed of Assignment dated 27.10.2020 along with certificate of registration for modification of charge.
  - xii. Letters acknowledging liability dated 05.04.2021 and 07.04.2023.
  - xiii. Computation of outstanding debt along with interest.
  - xiv. Record of Default registered with the Information Utility (NeSL).

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4. The respondent has filed its reply dated 08.06.2024 and submitted that the company admits the outstanding dues of Rs. 38,35,55,949.14/- (Rupees Thirty-Eight Crores Thirty-Five Lakhs Fifty-Five Thousand Nine Hundred Forty-Nine and Fourteen Paise Only) and has no objection if the matter is admitted for CIRP against itself. It is submitted that the company is going through financial crunch and is unable to pay the dues of the applicant.
5. This present matter was dismissed vide order dated 09.07.2024. However Company Appeal (AT) (Ins.) No. 1617 of 2024 was filed against the impugned order before Hon'ble National Company Law Appellate Tribunal, where vide order dated 05.08.2025 the captioned matter was remanded back for giving opportunity to the Applicant-Financial Creditor to comply with requirements of paragraph no. 16 of the order dated 09.07.2024 passed by this Tribunal. The relevant paragraph of the order passed by the Hon'ble National Company Law Appellate Tribunal reads as follow:

*"7. In any case, since the Ld. NCLT was of the view the compliances as were required and noted in the para 16 of its impugned order were not made, hence, it would be appropriate if the impugned order is set aside and the matter*

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*is remanded to the Ld. NCLT for giving an opportunity to the appellant to comply with the requirements per para 16 of the impugned order. Accordingly, the observation of the Ld. NCLT qua an advice to move under Section 10 of the IBC is also set aside. The company petition bearing no. CP(IB) 148(AHM)2024 is, thus, restored at its original number and after completion of compliances, the Ld. NCLT may take a fresh view of the matter in accordance with law.”*

6. As per the order of Hon'ble NCLAT, the petition was restored back to its original number and applicant filed affidavit in compliance. It is submitted in the affidavit by the Applicant that in terms of Section 7(3)(a) of the Insolvency and Bankruptcy Code, 2016 read with Regulation 2A of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, a Financial Creditor is required to furnish either the record of default recorded with an Information Utility or such other record or evidence of default as specified therein, and it is not mandatory to furnish all categories of evidence enumerated under Regulation 2A. It is submitted that in the present case, the Applicant-Financial Creditor has duly furnished Form-D: Record of Default obtained from the Information Utility,





namely M/s National e-Governance Services Limited, which is deemed to be authenticated as on 14.03.2024, thereby fully satisfying the requirement of Section 7(3)(a) of the Code. Without prejudice thereto, the Applicant submits that he has also placed on record a duly certified ledger account statement at Annexure-V, which qualifies as bankers' books within the meaning of Section 2(3) of the Bankers' Books Evidence Act, 1891. It is further submitted that apart from multiple acknowledgements of debt issued from time to time, the Corporate Debtor has categorically admitted the debt as well as default by way of Affidavit-in-Reply dated 08.06.2024. In view of the admitted default and continuous inability of the Corporate Debtor to discharge its liabilities in the ordinary course of business, it is submitted that the Corporate Debtor has lost its substratum and the present application is complete and fit for initiation of Corporate Insolvency Resolution Process under the Code.

7. Heard the submissions of the counsels for both the parties and perused the documents placed on record.
8. Observations:

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- a) The applicant being the assignee of the original loan which became NPA (30.09.2013) and default occurred on 30.06.2013, acquired the debt from Bank of India on 27.10.2020. The compliance to limitation is explained by various OTS proposals offered, and acknowledgments including the repayment made on 23.09.2022 of Rs.25 lakhs to the applicant. The respondent had initially challenged the notice before DRT. The form D filed by the applicant dated 14.03.2024 reflects the date of default as 30.06.2013.
- b) The applicant has not fully complied with Sec 2A of IBBI Regulations (Resolution Process for Corporate Persons) with certified copies either entries in the relevant books of the financial creditor nor has been furnished an order by any court or tribunal has adjudicated on non payment of debt. What the applicant has given is that he has recorded the default in NESL and the same is deemed to be authenticated and the other details as per Sec 2(3) of Bankers Book of Evidence Act are not mandatory. There is no record provided as to which account the repayment is made.
- c) Since the respondent CD has filed its reply that he is not able to pay the amount and does not object CIRP, we have to allow

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the application despite the Applicant not giving compliance even after obtaining the relevant documents from the assignor, the option before this tribunal is to allow the application with directions to RP to examine the documents at the time of admission of claims.

In view of the same we pass the following order.

**ORDER**

- I. CP (IB) No.148 of 2024 is allowed.
- II. The CIRP is ordered to be initiated against the corporate debtor - Decolight Ceramics Limited.
- III. We hereby appoint Mr. Vikash Gautamchand Jain having Registration No. IBBI/IPA-001/IP-P00354/2017-18/10612 email id- ca.vikasjain2@gmail.com to act as IRP. The IRP is directed to take charge of the Corporate Debtor's management immediately. The IRP is also directed to cause public announcement as prescribed under Section 15 of the IBC, 2016 within three days from the date the copy of this order is received, and call for submissions of claim by the creditors in the manner as prescribed under Regulation 6 of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.

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- IV. We direct the Applicant/Financial Creditor to deposit a sum of Rs. 2.00 lacs (Rupees two lacs only) with the IRP to meet the expenses for performing functions assigned to him in accordance with regulation 6 of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Person) Regulations, 2016. The needful shall be done within one week from the date of receipt of this order by the Financial Creditor. The amount, however, be subject to adjustment by the Committee of Creditors, as accounted for by IRP and shall be paid back to the Financial Creditor.
- V. As a consequence of the application being admitted in terms of Section 7(5) of IBC, 2016, moratorium as envisaged under the provisions of Section 14 (1) shall follow in relation to the Corporate Debtor, prohibiting actions as per clauses (a) to (d) of Section 14 (1) of the Code. However, during the pendency of the moratorium period, terms of Section 14(2) to 14(4) of the Code shall remain in force.
- VI. The Registry is directed to communicate this order to the applicant, IRP and the corporate debtor. In addition, a copy of the order shall also be forwarded to IBBI for its records and to take steps for updating the Master Data of the

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corporate debtor in the MCA portal and shall forward the compliance report to the Registrar, NCLT.

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**DR. V. G. VENKATA CHALAPATHY**  
**MEMBER (TECHNICAL)**

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**CHITRA HANKARE**  
**MEMBER (JUDICIAL)**

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