

NATIONAL COMPANY LAW APPELLATE TRIBUNAL
AT CHENNAI
(APPELLATE JURISDICTION)

IA No. 1009/2026
in
Company Appeal (AT) (CH) (Ins) No. 285/2023
(IA Nos. 870/2023 & 1010/2026)

In the matter of:

The State Bank of India

... Appellant

Vs

Indo Unique Flame Ltd. & Anr.

... Respondents

Present :

For Appellant : Mr. Pranava Charan, Advocate

For Respondents : Mr. Amir Bavani, Advocate for R1
Mr. Vikas Gupta, Liquidator / R2

ORDER
(Hybrid Mode)

30.07.2026:

This appeal is preferred by M/s. State Bank of India, which is a major financial creditor of the corporate debtor, which challenges an order passed by the Adjudicating Authority in an application taken out by another financial creditor as concerning the priority in disbursement of sale proceeds. The issue is while both claim to be the secured creditor but SBI claims priority over the other financial creditor. This however has been negated by the Adjudicating Authority and it is now under challenge before us in this appeal.

2. We are informed that there is a similar matter involving another financial creditor and this is a subject matter of CA (Ins)-280/2023. Be that as it may, even

as these appeals were pending the liquidator has been discharged by the Adjudicating Authority since the corporate debtor has been dissolved. The liquidator appeared online and submitted that he moved for discharge only as instructed.

3. Our notice was drawn to Section 54 as amended vide IBC (Amendment) Act, 2026, which came into effect on 22.05.2026. The amended provision enables continuity of the pending litigation and has authorised the CoC to take it forward. However, the connecting card should be the liquidator since it is he who can convene the meeting. And the statute has not created any new officer to deal with the situation. Indeed Section 54 concern itself only with the dissolution of the company and not with discharging of liquidator.

4. Necessarily, we have to keep the order of discharge as passed by the Adjudicating Authority on 22.07.2026, which was brought to our notice would be kept in abeyance for the limited purpose of participating in these twin appeals mentioned herein above. The liquidator also assures of his best assistance to this tribunal in disposing of these two appeals and also to abide by such direction this tribunal might give him.

5. Turning to the present case, IA No.1009/2026 is taken out by the respondent herein for advancing the hearing but in view of the order that we have now passed there is hardly any need for us to advance the hearing of this case. Both the appeals which are now listed for hearing on 02.09.2026 will be taken up

on that day. In the meantime, both the parties in both the appeals are required to file their pointed notes of submission.

[Justice N. Seshasayee]
Member (Judicial)

[Jatindranath Swain]
Member (Technical)

AR/MS/AK