



IN THE NATIONAL COMPANY LAW TRIBUNAL  
SPECIAL BENCH, COURT-I, KOLKATA

CP (IB) No. 27/KB/2024

*A petition under section 7 of the Insolvency and Bankruptcy Code, 2016, and Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016*

In the matter of:

**State Bank of India**

*...Financial Creditor*

*Versus*

**S R Timber Products Private Limited**  
[CIN: U20299WB2001PTC093537]

*...Corporate Debtor*

**Date of pronouncement: 07.04.2025**

**Appearances (through video conferencing):**

For the Financial Creditor : Mr. Snehasish Chakraborty, Advocate

For the Corporate Debtor : Mr. Shaunak Mitra, Advocate  
: Mr. Sourav Jain, Advocate


**Coram:**

**Smt. Bidisha Banerjee** : **Member (Judicial)**  
**Shri Sameer Kakar** : **Member (Technical)**

**ORDER**

**Per Bidisha Banerjee, Member (Judicial)**

1. The hearing was conducted in hybrid mode.
2. Ld. Counsels were heard.
3. This is a petition preferred by State bank of India, the Financial Creditor or FC against S R Timber Products Private Limited, the Corporate Debtor or CD under




section 7 of the Insolvency and Bankruptcy Code, 2016 seeking to initiate Corporate Insolvency Resolution Process (“CIRP”). The FC claims that a sum of Rs.111,70,27,214.78 (Rupees One Hundred and Eleven Crore Seventy Lakh Twenty Seven Thousand Two Hundred Fourteen and Seventy Eight Paise Only) is due from the CD.

4. **Submissions of the Financial Creditor:**

- i.* The Corporate Debtor or CD is a company limited by shares incorporated on 02.11.2004 under the Companies Act, 2013, having its registered office at 268, G.T. Road, Narayani Complex, 1<sup>st</sup> Floor, Liluah, Howrah-711204.
- ii.* On 21.01.2008, the CD by its representatives applied for sanction/renewal of the working capital credit facilities for the purpose of expansion of its business.
- iii.* The Financial Creditor or FC considered the said application and by sanction letter dated 28.03.2008 sanctioned the credit facilities aggregating to a sum of Rs.1300 Lacs only as follows:


SL No.	Facility	Limit
A.	FUND BASED LIMITS:	
	a. Cash Credit	400.00
	Total of Fund Based Limits:	400.00
B.	NON FUND BASED LIMITS	
	a. Letter of Credit (/FLC) (Sub Limit for ILC within the overall LC limit)	900.00 (450.00)
	Total of Non Fund Based Limits:	900.00
	TOTAL LIMITS	1300.00

- iv.* The CD as well as the guarantor accepted and acknowledged the terms and conditions of the aforesaid letter of arrangement dated 28.03.2008 given by the FC by putting their seal and signature thereon.
- v.* On 29.03.2008 in the meeting of the Board of Directors the CD resolved that to avail loan to the extent of Rs.1300 Lacs from the Financial Creditor



which is secured by hypothecation/Pledge of the Company's entire property movables and in as much as other assets present and future, including documents of the title of property and goods and other assets. Mr. Akhilesh Singh, Director of the Company was authorized to execute the necessary security documents in favour of bank.

- vi. Pursuant to the sanction of overall credit limit of Rs.1300 Lacs sanctioned by the FC to the CD company, the Directors of the CD on 22.08.2008 deposited the original Title Deed No. I-3702 of 2001, 1-3460 of 2001 and I-1581 of 2003 with an intent to create equitable mortgage in respect of the properties as mentioned in the schedule of the said deeds standing in the name of M/S. S.R. Timber Products Pvt. Ltd, CD.
- vii. The CD also executed a Supplemental Agreement of Loan cum Hypothecation on 31.03.2008 whereby the CD hypothecated all the present and future stocks, goods, raw materials, book debts, movable plant and machineries and other movable assets in favour of the bank as security and by way of first charge for the various credit facilities upto the aggregate limit mentioned thereunder on the terms and conditions contained in the said agreement.
- viii. Subsequently on 15.01.2009, the CD by its representatives applied for sanction/renewal of the working capital credit facilities for the purpose of expansion of its business. The FC considered the said application and by sanction letter dated 19.06.2009 sanctioned the credit facilities aggregating to a sum of Rs. 2090 Lacs.
- ix. The CD as well as its guarantor accepted and acknowledged the terms and conditions of the aforesaid letter of arrangement dated 19.06.2009 given by the FC by putting their seal and signature thereon followed by execution of a Supplemental Agreement of Loan cum Hypothecation on 20.06.2009 whereby the CD hypothecated all the present and future stocks, goods, raw materials, book debts, movable plant and machineries and other movable assets in favour of the bank as security and by way of first charge for the various credit facilities upto the aggregate limit mentioned thereunder on the terms and conditions contained in the said agreement.
- x. Pursuant to the sanction of overall credit limit of Rs.2090 Lacs, the CD through its Directors declared that the equitable mortgage previously



created by deposit of title deeds on 22.08.2008 in respect of the properties bearing Title Deed No. 1-3702 of 2001, 1-3460 of 2001 and I-1581 of 2003 standing in the name of M/S S.R Timber Products Pvt. Ltd. would be extended to secure the extended limit granted by the financial creditor along with interest, costs and expenses accrued thereon.

- xi. Subsequently again on 15.07.2010, the CD applied for further sanction/renewal of the working capital credit facilities and the FC vide sanction letter dated 30.08.2010 sanctioned the credit facilities aggregating to a sum of Rs.3802.68 Lacs secured by hypothecation/Pledge of the company's entire property movables and in as much as other assets present and future, including documents of the title of property and goods and other assets, the company is accepting terms and conditions of the sanction letter dated 30.08.2010 of the FC. Pursuant to the said sanction the CD executed a Supplemental Agreement of Loan cum Hypothecation on 31.08.2010 with the same condition as before and declared that the equitable mortgage previously created by deposit of title deeds on 22.08.2008 in respect of the properties bearing Title Deed No. 1-3702 of 2001, 1-3460 of 2001 and 1-1581 of 2003 standing in the name of M/S S.R Timber Products Pvt. Ltd would be extended to secure the extended limit.
- xii. On 18.12.2010 the CD through its directors along with its guarantors executed a revival letter for revival of the loan account of the corporate debtor whereby they have acknowledged that the said revival letter shall be treated for the purpose of Section 18 of the Limitation Act, 1963.
- xiii. Subsequently on, 20.10.2011, the CD applied for sanction/renewal of the working capital credit facilities for the purpose of expansion of its business. The FC by sanction letter dated 14.12.2011 sanctioned the credit facilities aggregating to a sum of Rs.5725.68 Lacs.
- xiv. On 20.12.2013, the CD again by its representatives applied for renewal of the working capital credit facilities and the FC renewed the credit facilities aggregating to a sum of Rs.4841 Lacs only. The CD as well as the guarantor accepted and acknowledged the terms and conditions of the aforesaid letter of arrangement dated 28.03.2014 and executed a Supplemental Agreement of Loan cum Hypothecation on 28.03.2014.




- xv. The CD enjoyed and utilised the said credit facilities but in spite of repeated requests did not clear the outstanding dues within the time as specified. As a result, the loan accounts of the CD became irregular and was consequentially classified as NPA on 31.03.2014.
- xvi. Consequently, pursuant to default committed by the corporate debtor, the FC on 09.02.2015 issued a Demand Notice upon the corporate debtor calling him to pay a sum of Rs.48,24,20,924.26 (Rupees Forty Eight Crores Twenty Four Lacs Twenty Thousand Nine Hundred and Twenty Four and paise Twenty Six only) inclusive of interest calculated upto 31.12.2014 together with further interest at the contractual rate from 01.01.2015 within 7(seven) days from the date of the said Demand notice failing which the financial creditor shall be constrained to initiate legal actions.
- xvii. According to the FC, the Corporate Debtor under the said facility ) and after giving credit to the comparty for all monies received and/or realized by the Financial Creditor in the said Accounts as per particulars below and after appropriating the items of debits towards items of credits order of time, a sum of Rs. 111,70,27,214.78 (Rupees One Hundred and Eleven Crores Seventy Lacs Twenty Seven Thousand Two Hundred and Fourteen and paise Seventy Eight only) is now due and payable by the Corporate Debtor inclusive of interest up to 31.03.2023, depicted as under:

PARTICULARS


No.	Account No.	Principal Outstanding in Rs.	Accrued Interest upto 31.03.2023 in Rs.	Total in Rs.
1	33760452118	31,91,62,899.00	46,86,34,547.45	78,77,97,446.45
2	30361463997	14,03,87,382.26	17,77,11.074.06	31,80,98,456.32
3	31635940828	42,15,000.00	69,16,312.01	111,31,312.01
		46,37,65,281,26	65,32,61,933.52	111,70,27,214,78

- xviii. The Corporate Debtor herein has filed a balance sheet before the ROC Kolkata for the financial year 31 March, 2016, 31 March, 2018, 31 March, 2020, 31 March, 2021 wherein the said Corporate Debtor has admitted its



default in repayment of the loan lying with Financial Creditor. All such acknowledgement in the balance sheets which shall be deemed to be acknowledgement of debts under Section 18 of the Limitation Act.

- xix. The CD has extended a One Time Settlement letter (OTS) on 30.03.2023 to the FC for full and final settlement of the loan account where it has admitted the debt lying with the FC. However, the OTS offer was rejected by the bank. Copies of the ROC Search Report for 01.08.2001 to 23.06.2023 are annexed as ANNEXURE-‘2-A’
5. The date of default as mentioned in the petition is the date of NPA which is 31.03.2014.
6. The NESL report supporting the debt and default in repayment is annexed at pages 608-612 of the petition.
7. For the proposition that the date of NPA may be taken as the date of default, reliance is placed on :-
- i. *Reliance Asset Reconstruction Company Ltd. Vs. Narendra Plastics Pvt. Ltd. Company Appeal (AT) (Ins) No. 779 of 2021, dated 22 Feb. 2022, NCLAT New Delhi (Para 11(d))*
- ii. *Jagdish Prasad Sarada Vs Allahabad Bank, Company Appeal (AT) Unsolvency) No. 183 of 2020, dated 28th August, 2020, NCLAT New Delhi (Para 10,11)*
8. The FC claims that the CD has acknowledged its “debt” and “default” in the Balance Sheets for the year ended 31<sup>st</sup> March, 2016, 31<sup>st</sup> March 2018, 31<sup>st</sup> March 2020, 31<sup>st</sup> March 2021 which extends the limitation from 2017 (2014 + 3 years) till 31.03.2024. In support of the same, the following documents are placed:
- a. Working Capital Loan from Banks as on 31.03.2016 is Rs. 31,91,62,899/- (page 267 of CP)
- b. admission/acknowledgement of debt in the balance sheet for the year 2018:- (Page 337, 346, 362, 363 of CP)
- Working Capital Loan from Banks as 31,91,62,899/- (Page 362 of CP)
- Footnotes: WCTL from SBI: 31,91,62,899/-



c. admission/acknowledgement of debt in the balance sheet for one at the year 2020 are at Pages 416, 423, 435 of CP

Working capital loan from Banks as on 31.03.2020, Rs.31,91,62,899/- at page 436 of the CP

d. admission/acknowledgement of debt in the balance sheet for one at the year 2021 at page 488,496,509 of CP

Working Capital Loan from Banks as on 31.03.2021, Rs.31,91,62,899 at page 509 of CP.

9. It is submitted that though the name of the bank has not been mentioned in the revertheles balance sheets for the year 2016, 2020 and 2021, however the name of SBI has been categorically mentioned in the balance endig sheet for the year ended 31 March, 2018 (Pages 362, 363 of CPY and the amount which has been acknowledged are the same for the year 2016, 2020 and 2021, as stated herein above. As such it can be ascertained that the sald acknowledgement of debt with regards to the Working Capital Term Loan from Banks are with regards to SBI, the financial creditor herein for all the balance sheets from 2016 to 2021.

10. For the proposition that acknowledgement of debt as well as the default in the balance sheets of the corporate debtor constitutes an "acknowledgement in writing" within the meaning of section 18 of the Limitation Act, 1963 the FC has placed reliance on the following:

*Asset Reconstruction Company (India) Ltd -versus- Bishal Jaiswal and Another-2021 SCC Online SC 321. [Paragraph 14 onwards]*

11. It is submitted that the CD has extended an OTS settlement proposal on 31 March, 2023 to the financial creditor herein. The said settlement proposal shall also be construed as an acknowledgement of debt under Section 18 of the Limitation Act.

12. The section 7 Application (CP) has been filed by the financial creditor which in on 3 December, 2023 which is within three years from the last acknowledgement of debt as well as default by the corporate debtor in its balance sheet for the year ended 31 March, 2021 as well as from the OTS settlement proposal extended on 31 March, 2023. Thus the present application is well within the laws of limitation.

13. The amount in default crosses the threshold of 1 crore.

14. Per contra, Ld. Counsel for the CD would submit as follows:

- i. The loan was sanctioned in 2008.
- ii. A revival letter was issued in 2010 which is annexed at Page 165 of the petition. A scanned copy is reproduced below:

-165- ANNEXURE-1-P

Annexure-2-14  
REVIVAL LETTER SME-11 267

To  
The Chief Manager  
State Bank of India  
SSI Branch Bhowanipore, Kolkata  
39, Shakespore Sarani,  
Kolkata-700 017

1. Name of the Borrower/s (Father's/Husband's name also to be mentioned)	M/s. S.R. Timber Products Pvt Ltd
2. Name of the Guarantors (Father's/Husband's name also to be mentioned)	1. Sri Akhlesh Singh, S/o. Late Ramakant Singh 2. Sri. Vivek Kumar Singh, S/o. Late Ramakant Singh 3. Sri. Sashi Bhushan Singh, S/o. Late Ramakant Singh 4. Smt. Chitra Singh, D/o. Late Ramakant Singh 5. Corporate Guarantee of M/s S.R. Worth Ltd (erstwhile M/s. S.R. Worth Aayat Niryat Pvt Ltd)
3. Name of the Mortgagor/s (Father's/Husband's name also to be mentioned)	1. Sri. Akhlesh Singh S/o. Late Ramakant Singh 2. Sri. Vivek Kr. Singh, S/o. Late Ramakant Singh 3. Sri. Sashi Bhushan Singh, S/o. Late Ramakant Singh 4. Smt. Chitra Singh, D/o. Late Ramakant Singh 5. M/s. S.R. Worth Ltd (erstwhile M/s. S.R. Worth Aayat Niryat Pvt Ltd) 6. S.R. Timber Products Pvt Ltd
4. Full name, designation/capacity of the person executing the revival for and on behalf of Firm/ Company/Trust/Society, etc.	1. Sri Akhlesh Singh, Director-41 years
5. Name of the Documents*	Date
a. Letter of Arrangement	28.03.2008
b. Agreement of Loan-cum-Hypothecation	31.03.2008
c. Guarantee Agreement(Personal)	31.03.2008
d. Guarantee Agreement(Corporate)	31.03.2008
e. General Indemnity Agreement	19.06.2009
f. Letter of Arrangement	20.06.2009
g. Supplemental Agreement of Loan-cum-Hypothecation	20.06.2009
h. Guarantee Agreement(Personal)	20.06.2009
i. Guarantee Agreement(Corporate)	20.06.2009
j. General Indemnity Agreement	30.08.2010
k. Letter of Arrangement	31.08.2010
l. Supplemental Agreement of Loan-cum-Hypothecation	31.08.2010
m. Guarantee Agreement(Personal)	31.08.2010
n. Guarantee Agreement(Corporate)	31.08.2010
o. General Indemnity Agreement	31.08.2010

\* Refer also all security documents such as hypothecation, Regd. Mortgage, Guarantees, etc.]

We hereby acknowledge for the purpose of Section 18 of the Limitation Act, 1963, and any like limitation law in order to preclude any question of limitation law, that we are liable to the Bank for the payment of all outstanding with interest, cost, charges and expenses and other monies due and payable by us to the bank in respect of the credit facilities granted and/or to be granted or continued under the aforesaid documents or in any other manner and which said documents shall remain in full force with all relative securities, agreements and obligations.

Dated the 18.12.2010,

*Akhlesh Singh*  
Borrower(s) / Mortgagor

We, the Guarantors hereby confirm the above and make similar acknowledgement in respect of our liability under the said Guarantee Agreement.

Dated the 18.12.2010

*Akhlesh Singh* (Sri. Akhlesh Singh)  
*Vivek Kr. Singh* (Sri. Vivek Kr. Singh)  
*Sashi Bhushan Singh* (Sri. Sashi Bhushan Singh)  
*Chitra Singh* (Smt. Chitra Singh)  
*S.R. Worth Ltd* (M/s. S.R. Worth Ltd)

The letter neither mentions quantum nor default.

- iii. There was no fresh disbursements after 2010.
- iv. There is no acknowledgment of debt from 2008-2014.
- v. The account turned NPA in 2014.
- vi. The balance sheets of 2015-2016 does not mention the name of the Financial Creditor i.e., State Bank of India. (Page 240 of the petition)
- vii. Similarly at page 328 the name of the Financial Creditor is not reflected.
- viii. There is no acknowledgment of debt between 2008-2014 therefore the petition is barred by limitation.

ix. The OTS proposal of 30.03.2023 cannot extend the limitation which has expired long back.

15. We have considered the rival contentions and perused records.

16. Analysis and Findings:

- i. Admittedly an OTS proposal was given by the CD to the FC on 30.03.2023 which is a clear acknowledgment of debt and default.
- ii. The NeSL report at pages 608-612 reads as under:

ANNEXURE - '2-D'

-608-

**NeSL** NATIONAL E-GOVERNANCE SERVICES LIMITED  
India's First Information Utility  
Record of Financial Information - Form C

Submission Details			
Unique Debt Identifier	AAACS8577K_3612309556	Submission ID	2
Submitted by	State Bank of India	Submitted Date & Time	26/10/2023 19:16:17
Submission Type	Default	Information as on	27/03/2018

Authentication Status				
Party Name	Relationship	User Id	Status	Date and Time of Authentication
Chitra Singh	Guarantor	SYSTEM	AUTHENTICATED	11/11/2023 00:08:54
S R TIMBER PRODUCTS PVT LTD	Debtor	SYSTEM	AUTHENTICATED	12/11/2023 00:03:45
Sashi Bhusan Singh	Guarantor	SYSTEM	AUTHENTICATED	11/11/2023 00:08:54
Vivek Kr. Singh	Guarantor	SYSTEM	AUTHENTICATED	11/11/2023 00:08:54
S R WORTH Ltd	Guarantor	SYSTEM	AUTHENTICATED	11/11/2023 00:08:54
Akhilesh Singh	Guarantor	SYSTEM	AUTHENTICATED	11/11/2023 00:08:54

Submitter Information			
Name	State Bank of India	UIN (PAN)	AAACS8577K
Relationship	Creditor	Comm. Address PIN	400021
DOI / DOB	01/07/1955	Mobile No.	3xxxxxxxx0
Telephone No.	3xxxxxxxx9	Billing / Comm. Address	Madam Cama Road
Email ID	*****@sbi.co.in	Email ID - Dispute Alert	*****@sbi.co.in
Email ID - Default Alert	*****@sbi.co.in		

Other Party Details			
Debtor			
Name	S R TIMBER PRODUCTS PVT LTD	Relationship	Debtor
Regd. / Permanent Address	Howrah	Regd. Address PIN	711204
Billing / Comm. Address	266 GT Road Narayani complex 1st Floor Liluah Howrah	Comm. Address PIN	711204
Legal Constitution	PVTL	DOI / DOB	01/08/2001
CIN/LLPIN	U20299WB2004PLC100281	PAN	AAGCS3652P
Contact Person Name	Akhilesh Singh	Mobile No.	9830066303
Alternative Mobile No.	9830066303	Email ID	infoca.aks@gmail.com

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<b>Guarantor 1</b>			
Name	Akhilesh Singh	Relationship	Guarantor
Regd. / Permanent Address	Liluah Howrah west Bengal 711204	Billing / Comm. Address	268 GT Road Narayani complex 1st Floor
Comm. Address PIN	711204	Legal Constitution	RESI
PAN	AKUPS0920P	Contact Person Name	Akhilesh Singh
Mobile No.	9830066303	Alternative Mobile No.	9830066303
Email ID	infoca.aks@gmail.com		

<b>Guarantor 2</b>			
Name	Vivek Kr, Singh	Relationship	Guarantor
Regd. / Permanent Address	Liluah Howrah west Bengal 711204	Billing / Comm. Address	268 GT Road Narayani complex 1st Floor
Comm. Address PIN	711204	Legal Constitution	RESI
PAN	AUPPS0006D	Contact Person Name	Vivek Kr, Singh
Mobile No.	9830066303	Alternative Mobile No.	9830066303
Email ID	infoca.aks@gmail.com		

<b>Guarantor 3</b>			
Name	Sashi Bhusan Singh	Relationship	Guarantor
Regd. / Permanent Address	Liluah Howrah west Bengal 711204	Billing / Comm. Address	268 GT Road Narayani complex 1st Floor
Comm. Address PIN	711204	Legal Constitution	RESI
PAN	AKWPS9256Q	Contact Person Name	Sashi Bhusan Singh
Mobile No.	9830066303	Alternative Mobile No.	9830066303
Email ID	infoca.aks@gmail.com		

<b>Guarantor 4</b>			
Name	Chitra Singh	Relationship	Guarantor
Regd. / Permanent Address	Liluah Howrah west Bengal 711204	Billing / Comm. Address	268 GT Road Narayani complex 1st Floor
Comm. Address PIN	711204	Legal Constitution	RESI
PAN	ATNPS5320B	Contact Person Name	Chitra Singh
Mobile No.	9830066303	Alternative Mobile No.	9830066303
Email ID	infoca.aks@gmail.com		

<b>Guarantor 5</b>			
Name	S R WORTH Ltd	Relationship	Guarantor
Regd. / Permanent Address	Liluah Howrah west Bengal 711204	Billing / Comm. Address	268 GT Road Narayani complex 1st Floor
Comm. Address PIN	711204	Legal Constitution	RESI
PAN	AAICS5399H	Contact Person Name	S R Timber Product Ltd
Mobile No.	9830066303	Alternative Mobile No.	9830066303
Email ID	infoca.aks@gmail.com		

<b>Debt Information</b>			
Type of debt	Financial	Debt Reference No.	36123095567

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*[Handwritten signature]*



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RM Email	sbi.18192@sbi.co.in	Debt Contract Date	12/03/2008
Debt Start Date	12/03/2008	Sanction Ref Number	SANCTION
Debt Currency	INR	Sanction Currency	INR
Sub Type - Debt	CCOD	Funded Type	FUNDED
Security Flag	Secured	Sanctioned Amount	330000000.00
Drawing Power	330000000.00	Facility Name	Cash Credit
Lending Arrangement	SOLE BANKING	Total Outstanding Amount	1052127046.00
Amount Overdue	1052127046.00	Principal Outstanding	319162899.00
Interest Outstanding	731746147.00	Other Chg Outstanding	1218000.00
Days Overdue	3315	Account Closed Flag	No
Old Debt Reference No.	36123095567	Part-A Remarks	Cash Credit

**Security Information**

**Security 1**

Type of Charge Created	Mortgage	Assets ID	assetid1
Assets Type	Immovable	Security Type	LNDB
Security Category	Collateral	Description of Security	Land & Building at G T Road Durgapur
Currency of Security	INR	Value of Security	53300000.00
Date of Valuation	12/03/2023	ROC Charge ID	10099409
CERSAI ID	100000000000	Part-B Remarks	Owner-S R Timber

**Security 2**

Type of Charge Created	Mortgage	Assets ID	assetid2
Assets Type	Immovable	Security Type	LNDB
Security Category	Collateral	Description of Security	Office at 268 GT Road Liluah
Currency of Security	INR	Value of Security	6800000.00
Date of Valuation	15/02/2021	ROC Charge ID	10099409
CERSAI ID	100000000000	Part-B Remarks	Owner-S R Timber

**Security 3**

Type of Charge Created	Mortgage	Assets ID	assetid3
Assets Type	Immovable	Security Type	LNDB
Security Category	Collateral	Description of Security	Flat at City Centre Durgapur
Currency of Security	INR	Value of Security	1800000.00
Date of Valuation	15/02/2021	ROC Charge ID	10099409
CERSAI ID	100000000000	Part-B Remarks	Owner-Sashi Bhusan singh

**Security 4**

Type of Charge Created	Mortgage	Assets ID	assetid4
Assets Type	Immovable	Security Type	LNDB
Security Category	Collateral	Description of Security	Land & Building Durgapur
Currency of Security	INR	Value of Security	16000000.00
Date of Valuation	15/02/2021	ROC Charge ID	10099409
CERSAI ID	100000000000	Part-B Remarks	Owner-Akhilesh singh

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Security 5			
Type of Charge Created	Mortgage	Assets ID	assetid5
Assets Type	Immovable	Security Type	LNDB
Security Category	Collateral	Description of Security	Flat at Chowrange Kolkata
Currency of Security	INR	Value of Security	12700000.00
Date of Valuation	15/02/2021	ROC Charge ID	10099409
CERSAI ID	100000000000	Part-B Remarks	Owner-S R Worth Ayat Niryat Ltd

Security 6			
Type of Charge Created	Mortgage	Assets ID	assetid6
Assets Type	Immovable	Security Type	LNDB
Security Category	Collateral	Description of Security	Land at UP
Currency of Security	INR	Value of Security	6300000.00
Date of Valuation	21/03/2023	ROC Charge ID	10099409
CERSAI ID	100000000000	Part-B Remarks	Owner-Chitra Singh

Security 7			
Type of Charge Created	Mortgage	Assets ID	assetid7
Assets Type	Immovable	Security Type	LNDB
Security Category	Collateral	Description of Security	Land at Budha Park Nadia
Currency of Security	INR	Value of Security	10600000.00
Date of Valuation	13/02/2023	ROC Charge ID	10099409
CERSAI ID	100000000000	Part-B Remarks	Owner-Akhilesh singh

Security 8			
Type of Charge Created	Mortgage	Assets ID	assetid8
Assets Type	Immovable	Security Type	LNDB
Security Category	Collateral	Description of Security	Land & Building at Bally
Currency of Security	INR	Value of Security	10300000.00
Date of Valuation	06/03/2023	ROC Charge ID	10099409
CERSAI ID	100000000000	Part-B Remarks	Owner-Sashi Bhusan singh

Security 9			
Type of Charge Created	Mortgage	Assets ID	assetid9
Assets Type	Immovable	Security Type	LNDB
Security Category	Collateral	Description of Security	3 Flat at Faridpur Durgapur
Currency of Security	INR	Value of Security	6300000.00
Date of Valuation	12/03/2023	ROC Charge ID	10099409
CERSAI ID	100000000000	Part-B Remarks	Owner-S R Timber

Default Details			
Date Of Default	31/03/2014	Days Past Due	3315
Default Amount	1052127046.00	Date Of Filing Suit	23/05/2015

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Total Outstanding Amount	105,21,27,046/-	PART-C Remarks	None
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Inarguably and irrefutably the CD owes FC an amount of Rs.105,21,27,046/- as amount overdue.

- iii. The Balance Sheets of 2015-2016 till 2020-2021 may not specifically mention State Bank of India nevertheless the rundown balance at page 267 matches with the outstanding.

[200300] Notes - Borrowings

Classification of borrowings [Table] --(1)

Unless otherwise specified, all monetary values are in INR

Classification based on time period (Axis)	Long-term (Member)		Current (Member)	
	Classification of borrowings (Axis)	Borrowings (Member)	Classification of borrowings (Axis)	Borrowings (Member)
Subclassification of borrowings (Axis)	Secured borrowings (Member)	Unsecured borrowings (Member)	Secured borrowings (Member)	Unsecured borrowings (Member)
	31/03/2016	31/03/2015	31/03/2016	31/03/2015
Borrowings notes [Abstract]				
Details of borrowings [Abstract]				
Details of borrowings [LineItems]				
Borrowings	32,64,96,899	32,48,01,622	73,53,910	56,38,723

Classification of borrowings [Table] --(2)

Unless otherwise specified, all monetary values are in INR

Classification based on time period (Axis)	Long-term (Member)		Short-term (Member)	
	Classification of borrowings (Axis)	Term loans from banks (Member)	Classification of borrowings (Axis)	Rupee term loans from banks (Member)
Subclassification of borrowings (Axis)	Secured borrowings (Member)	Unsecured borrowings (Member)	Secured borrowings (Member)	Unsecured borrowings (Member)
	31/03/2016	31/03/2015	31/03/2016	31/03/2015
Borrowings notes [Abstract]				
Details of borrowings [Abstract]				
Details of borrowings [LineItems]				
Borrowings	42,15,000	23,93,410	42,15,000	23,93,410

Classification of borrowings [Table] --(3)

Unless otherwise specified, all monetary values are in INR

Classification based on time period (Axis)	Long-term (Member)		Current (Member)	
	Classification of borrowings (Axis)	Term loans from others (Member)	Classification of borrowings (Axis)	Rupee term loans from others (Member)
Subclassification of borrowings (Axis)	Secured borrowings (Member)	Unsecured borrowings (Member)	Secured borrowings (Member)	Unsecured borrowings (Member)
	31/03/2016	31/03/2015	31/03/2016	31/03/2015
Borrowings notes [Abstract]				
Details of borrowings [Abstract]				
Details of borrowings [LineItems]				
Borrowings	31,18,910	32,45,313	31,18,910	32,45,313

Classification of borrowings [Table] --(4)

Unless otherwise specified, all monetary values are in INR

Classification based on time period (Axis)	Long-term (Member)		Short-term (Member)	
	Classification of borrowings (Axis)	Working capital loan from banks (Member)	Classification of borrowings (Axis)	Borrowings (Member)
Subclassification of borrowings (Axis)	Secured borrowings (Member)	Unsecured borrowings (Member)	Secured borrowings (Member)	Unsecured borrowings (Member)
	31/03/2016	31/03/2015	31/03/2016	31/03/2015
Borrowings notes [Abstract]				
Details of borrowings [Abstract]				
Details of borrowings [LineItems]				
Borrowings	31,91,62,899	31,91,62,899	14,07,65,940	16,12,43,173

Classification of borrowings [Table] --(5)

Unless otherwise specified, all monetary values are in INR

Classification based on time period (Axis)	Term loans (Member)		Term loans from L10AY (Member)	
	Classification of borrowings (Axis)	Secured borrowings (Member)	Classification of borrowings (Axis)	Secured borrowings (Member)
	31/03/2016	31/03/2015	31/03/2016	31/03/2015
Borrowings notes [Abstract]				
Details of borrowings [Abstract]				
Details of borrowings [LineItems]				
Borrowings	3,78,558	22,00,148	0	18,21,590



- iv. Creation of equitable mortgage on properties of CD for securing the existing limits and /or enhanced limits and Additional facilities as it appears from page 90 for securing repayment of original mortgage debt as well as enhanced limits and/or additional facilities would go a long way to explicitly demonstrate the indebtedness of the CD to the FC which documents having not denied would fail to extenuate CD's liability to repay the debt.

**17. Legal Propositions:**

- a) The Hon'ble Supreme Court of India in the matter of **Anuj Jain v Axis Bank Limited**<sup>1</sup> has held:

***“The essentials for financial debt and financial creditor***

*43. Applying the aforementioned fundamental principles to the definition occurring in [Section 5\(8\)](#) of the Code, we have not an iota of doubt that for a debt to become 'financial debt' for the purpose of Part II of the Code, the basic elements are that it ought to be a disbursal against the consideration for time value of money.....In any case, the definition, by its very frame, cannot be read so expansive, rather infinitely wide, that the root requirements of 'disbursement' against 'the consideration for the time value of money' could be forsaken in the manner that any transaction could stand alone to become a financial debt.....”*

- b) In **Indus Biotech Private Limited v. Kotak India Venture (Offshore) Fund**<sup>2</sup>, the Apex Court held:

***“14. ....in order to trigger an application there should be in existence four factors: (i) there should be a 'debt' (ii) 'default' should have occurred (iii) debt should be due to 'financial***

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<sup>1</sup> (2020) 8 SCC 401


<sup>2</sup> (2021) 6 SCC 436

*creditor' and (iv) such default which has occurred should be  
by a corporate debtor'..."*

18. The debt, default, limitation and threshold being met, we find that the present petition filed by the Financial Creditor is complete in all respects and deserves to be *admitted*.

19. In the light of the above position of facts, record and law, it is, hereby ordered as follows: -

- a. The application bearing *CP (IB) No. 27/KB/2024* filed by State Bank of India, the Financial Creditor, under section 7 of the Code read with rule 4(1) of the Insolvency & Bankruptcy (Application to Adjudicating Authority) Rules, 2016 for initiating CIRP against S R Timber Products Private Limited, the Corporate Debtor, is hereby *admitted*.
- b. There shall be a moratorium under section 14 of the IBC.
- c. The moratorium shall have effect from the date of this order till the completion of the CIRP or until this Adjudicating Authority approves the resolution plan under sub-section (1) of section 31 of the IBC or passes an order for liquidation of Corporate Debtor under section 33 of the IBC, as the case may be.
- d. Public announcement of the CIRP shall be made immediately as specified under section 13 of the Code read with regulation 6 of the Insolvency & Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.
- e. **Mr. Neeraj Kumar Sureka**, registration number IBBI/IPA-001/IP-P01539/2019-2020/12517, email: [ipneerajsureka@gmail.com](mailto:ipneerajsureka@gmail.com), is hereby appointed as Interim Resolution Professional (IRP) of the Corporate Debtor to carry out the functions as per the Code subject to submission of a valid Authorisation of Assignment in terms of regulation 7A of the Insolvency and Bankruptcy Board of India (Insolvency Professional) Regulations, 2016.



The fee payable to IRP or the RP, as the case may be, shall be compliant with such Regulations, Circulars and Directions as may be issued by the Insolvency & Bankruptcy Board of India (IBBI). The IRP shall carry out his functions as contemplated by sections 15, 17, 18, 19, 20 and 21 of the Code.

- f. During the CIRP period, the management of the Corporate Debtor shall vest in the IRP or the RP, as the case may be, in terms of section 17 of the IBC. The officers and managers of the Corporate Debtor shall provide all documents in their possession and furnish every information in their knowledge to the IRP within one week from the date of receipt of this Order, in default of which coercive steps will follow. There shall be no future opportunities in this regard.
- g. The Interim Resolution Professional is expected to take full charge of the Corporate Debtor, its assets and its documents without any delay whatsoever. He is also free to take police assistance in this regard, and this Court hereby directs the concerned Police Authorities to render all assistance as may be required by the Interim Resolution Professional in this regard.
- h. The IRP/RP shall submit to this Adjudicating Authority periodical report with regard to the progress of the CIRP in respect of the Corporate Debtor.
- i. The Financial Creditor shall deposit a sum of **Rs 3,00,000/- (Rupees Three Lakhs only)** with the IRP to meet the expenses arising out of issuing public notice and inviting claims. These expenses are subject to approval by the Committee of Creditors (CoC).
- j. In terms of section 7(5)(a) of the Code, Court Officer of this Court is hereby directed to communicate this Order to the Financial Creditor, the Corporate Debtor and the IRP by Speed Post, email and WhatsApp immediately, and in any case, not later than two days from the date of this Order.
- k. Additionally, the Financial Creditor shall serve a copy of this Order on the IRP and on the Registrar of Companies, West Bengal, by all available means for updating the Master Data of the Corporate Debtor. The said



Registrar of Companies shall send a compliance report in this regard to the Registry of this Court within seven days from the date of receipt of a copy of this order.

20. **CP (IB) No. 27/KB/2024** to come up on **15.05.2025** for filing the periodical report.

21. A certified copy of this order may be issued, if applied for, upon compliance with all requisite formalities.

**(Sameer Kakar)**  
**Member (Technical)**

**(Bidisha Banerjee)**  
**Member (Judicial)**

This order is pronounced on the 07<sup>th</sup> day of April, 2025.

*(FA\_LRA)*