NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH COURT VI

Item No. P2.

C.P. (IB)/126(MB)2026

CORAM:

SHRI SAMEER KAKAR
HON'BLE MEMBER (TECHNICAL)

SHRI NILESH SHARMA
HON'BLE MEMBER (JUDICIAL)

ORDER SHEET OF HEARING (HYBRID) DATED **25.08.2026**

NAME OF THE PARTIES: **Bank of Maharashtra**

Vs

Pooja Diam LLP

Under Section 7 of the IBC.

ORDER

The case is fixed for pronouncement of the order. The order is pronounced in the open court, *vide* separate order. Detailed order is being uploaded on the NCLT portal today.

Sd/-
NILESH SHARMA
MEMBER (JUDICIAL)

Sd/-
SAMEER KAKAR
MEMBER (TECHNICAL)

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IN THE NATIONAL COMPANY LAW TRIBUNAL MUMBAI BENCH-VI

CP (IB) No.126/MB/2026

[Under Section 7 of the Insolvency and Bankruptcy Code, 2016 read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016]

IN THE MATTER OF:

BANK OF MAHARASHTRA
[CIN: U99999MH1935PTC002399]
Lok Mangal, 1501, Shivaji Nagar
Pune– 411005, Maharashtra.

…Financial Creditor/Applicant

V/s

POOJA DIAM LLP
(Erstwhile known as M/s. Pooja Exports)
[LLPIN: AAQ-6784]
428, Rawal Building No. 1
First Floor, Lamington Road
Mumbai– 400004, Maharashtra.

...Corporate Debtor

Pronounced: 25.08.2026

CORAM:
HON’BLE SHRI NILESH SHARMA, MEMBER (JUDICIAL)
HON’BLE SHRI SAMEER KAKAR, MEMBER (TECHNICAL)

Appearances: Hybrid

Financial Creditor: Adv. Mr. Sachin Patil i/b Adv. Mr. Hitesh Agrawal
Corporate Debtor: Adv. Mr. Harsh i/b Adv. Mr. Devanshu Desai

ORDER

[PER: BENCH]

1. BACKGROUND

1.1 This is an Application bearing C.P.(IB) No.126/MB/2026 filed on 09.01.2026 by Bank of Maharashtra, the Applicant (Financial Creditor) under Section 7 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as “the Code”) read with Rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 (hereinafter referred to as “the AAA Rules”) through Mr. Dipak Kumar – Branch Manager of the Applicant authorised *vide* Authority Letter dated 27.12.2024 for initiating Corporate Insolvency Resolution Process (hereinafter referred to as “CIRP”) in respect of Pooja Diam LLP, the Corporate Debtor (CD).

1.2 The Applicant is a nationalised bank constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970. The CD is engaged in the business of manufacturing and trading of diamonds, precious stones, and jewellery. It was earlier operating as a partnership firm under the name M/s. Pooja Exports and was converted into a limited liability partnership with effect from 27.09.2019.

1.3 The Applicant has proposed the name of Mr. Anil Kashi Drolia to act as an IRP. The Applicant has attached Form 2 of the IRP thereby stating that no disciplinary proceedings are pending against the IRP. The Applicant has also attached AFA in Form B of the IRP having validity till 30.06.2026. On perusal on the IBBI website, it is noticed that the AFA of the IRP is valid up till 30.06.2027.

1.4 The Applicant has relied on the following documents:

i. Copy of Authority Letter in favour of the Authorized Representative

ii. Copy of Written Consent of Proposed IRP alongwith IRP Validity certificate

iii. Copy of Sanction Letters issued from time to time

iv. Copy of Security Documents and Schedule of Mortgaged Properties

v. Copy of NPA Classification Documents along with Loan Account Statement

vi. Copy of Demand Notice dated 13.12.2023 with proof of service

vii. Copy of OTS letter and Sanctioned OTS Proposal

viii. Copy of Independent Audit Report and Balance Sheet

ix. Copy of Bankers Certificate as per Bankers Book Evidence Act

x. Copy of record from information utility in Form-D

xi. Copy of Credit information Report

xii. Copy of DRT Application

xiii. Computation Sheet of Outstanding Dues

2. AVERMENTS OF THE APPLICANT

2.1 As per Part -IV of the Application the amount claimed to be in default by the Applicant is Rs. 61,30,58,044/- (Sixty-One Crore Thirty Lakhs Fifty-Eight Thousand and Forty-Four Rupees.

2.2 The date of default is mentioned as 29.09.2021.

2.3 The total debt granted to the CD is as follows:

Particulars	Date of Disbursement	Amount Disbursed / granted
Loan Account Number – 60368030257	24 September 2020	Rs. 4,00,00,000/-
Loan Account Number – 60319030845		Rs. 40,77,00,000/-
TOTAL		Rs. 44,77,00,000/-

2.4 The CD availed credit facilities from the Applicant as part of a consortium banking arrangement. The consortium was led by Canara Bank (erstwhile Syndicate Bank) and included multiple lenders including the Applicant - Bank of Maharashtra. The facilities were sanctioned and enhanced from time to time over several years.

2.5 The CD's performance continued to be unsatisfactory, leading to defaults in the repayment of loan liabilities. The CD failed to maintain regular operations and made defaults in payment of interest and principal amounts due to the consortium lenders. Consequently, the loan accounts associated with CD were classified as Non-Performing Assets (NPAs) with effect from 28.05.2021 by Canara Bank, the lead banker of the consortium, and by 29.09.2021 by the Applicant - Bank of Maharashtra.

2.6 The CD failed to fulfil its obligations to repay the dues owed to the Applicant, the Applicant, through its Authorized Officer, issued a Legal Notice dated 13.12.2023 calling upon the CD to settle the outstanding amounts due and payable. The said notice was duly served upon the CD and its partners/guarantors.

2.7 The CD vide its letter dated 15.06.2023 requested for OTS proposal along with its repayment Schedule. The Applicant had considered the proposal of the CD and Sanctioned the OTS proposal of CD on 14.03.2024 and the same was communicated to the CD. Pursuant to the receipt of the Sanctioned OTS, the CD rather than depositing the 10% of the OTS Amount, again sought modification in the Sanctioned OTS plan as a delay tactics. The Applicant had received the letter issued by the CD for modification of Sanctioned terms and rejected/cancelled the OTS Sanctioned proposal issued to the Corporate Debtor due to non-fulfilment of the initial condition of deposit of 10% of the OTS Amount.

2.8 The CD itself acknowledged the NPA classification and default status in its audited financial statements filed with statutory authorities, which acknowledgments constitute admissions binding upon the CD and serve as acknowledgments of debt for purposes of limitation, The. relevant admissions include:

i. Financial Statements for FY 2021-22: Note 6 to audited financial statements expressly states:

"The account of the LLP with various banks has been classified as Non-performing asset wef. 28.05.2021, Accordingly, there are certain overdue principal and interest amount has not been paid. In that respect The LLP is in default."

ii. Financial Statements for FY 2022- 23: Note 5 contains identical admission of NPA status and default.

iii. These admissions are contained in financial statements audited by independent chartered accountants, signed by designated partners, and filed with the Registrar of Companies/Registrar of LLPs, thereby constituting solemn and binding acknowledgments of liability.

2.9 The CD lacks the capacity to settle the outstanding dues as evidenced by the statements of account duly certified in accordance with Section 4 read with Section 2(8) of the Banker's Books Evidence Act, 1891, as amended by the provisions of the Information Technology Act, 2000. This statement includes the accumulated interest on the facilities up to the date of filing of the current Application and constitutes a debt owed to the Applicant by the CD.

2.10 In accordance with the provisions of the Code, and to establish the existence of debt and default in a transparent and verifiable manner, the Applicant has made necessary enquiries regarding the availability of information with Information Utilities registered under Section 210 of the Code. The Applicant has submitted the details of the debt and default to the National E-Governance Services Limited (NESL), being an Information Utility registered with the Insolvency and Bankruptcy Board of India under

Section 210 of the Code. The record of default is available with NESL and the same evidences the debt owed by the CD to the Applicant.

2.11 The Applicant has obtained a Credit Information Report from [CIBIL/TransUnion CIBIL Limited/other registered Credit Information Company], being a credit information company registered with the Reserve Bank of India under the Credit Information Companies (Regulation) Act, 2005. The said report confirms the default status of the CD and corroborates the claim of the Applicant.

2.12 It is pertinent to note here that on account of the defaults of the CD, the Applicant has initiated proceedings before the Hon'ble Debt Recovery Tribunal, Mumbai under Section 19 of the Recovery of Debts Due to the Banks and Financial Institution Act, 1993. The said proceedings are pending adjudication before the Hon'ble DRT.

2.13 In consideration of the Applicant's approval of the aforementioned credit facilities, the CD has undertaken several contractual obligations and executed Various documents including:

i. Deed of Mortgage dated 15.12.2006

ii. Extension of Memorandum of Entry dated 18.12.2006

iii. Second Working Capital Consortium Agreement dated 17.11.2008

iv. Supplemental Deed of Working Capital Consortium Agreement dated 05.10.2010 along with allied loan documents

v. Deeds of Guarantee dated 08.08.2011

vi. Supplemental Deed of Working Capital Consortium Agreement dated 08.08.2011 along with allied loan documents

vii. Supplemental Deed of Working Capital Consortium Agreement dated 07.09.2012 along with allied loan documents

viii. Supplemental Deed of Working Capital Consortium Agreement dated 24.05.2014 along with allied loan documents

viii. Supplemental Deed of Working Capital Consortium Agreement dated 23.02.2016 along with allied loan documents

ix. Supplemental Deed of Working Capital Consortium Agreement dated 12.10.2017 along with allied loan documents

x. Deeds of Guarantee dated 29.09.2020

2.14 The following persons have provided personal guarantees and/or mortgage security for the facilities availed by the CD:

i. Mr. Sunil Sudhir Kothari (Partner, Mortgagor and Guarantor)

ii. Mrs. Sarojben Sudhir Kothari (Partner, Mortgagor and Guarantor)

iii. Mr. Sanju Sudhir Kothari (Guarantor)

iv. Mrs. Sneha Sanju Kothari (Partner, Mortgagor and Guarantor)

v. Mrs. Ami Sunil Kothari (Mortgagor and Guarantor)

vi. Sidd's Jewels Private Limited (Partner and Corporate Guarantor)

2.15 The credit facilities granted to the CD are secured by:

i. All and Singular the Borrower's current assets including Stock in trade comprising of raw materials, semi-finished and finished goods

ii. Stores and Spares not relating to the Plant and Machinery (Consumable Stores and Spares)

iii. Bills Receivable, Book Debts, claims and all monies receivable and all other movables of the Borrower

iv. Documents of title to goods and other assets, such as outstanding moneys, receivables including receivables by way of cash assistance and/or cash

v. Claims including claims by way of refund of customs/excise duties under the Duty Drawback Credit Scheme or any other Scheme

vi. Bills, invoices, documents, contracts, engagements, securities, investments and rights, both present and future

vii. All the Fixed Deposits of the borrower

Collateral Security: First Pari Passu charge by way of Equitable Mortgage of immovable properties:

viii. A Residential Flat admeasuring about 10,900 sq. feet Carpet Area or thereabouts or 18,260 sq. feet inhabitable area or thereabouts bearing Flat No. 003 on the 3rd Floor of the building known as Vandan Co-Op. Housing Society Ltd., constructed on all those piece and parcels of land admeasuring about 5,620 sq. Mtrs. Bearing Cadastral Survey No. 191 have collector's Old No. 572. Collector's New Nos. C/2718, CA/2730, VWD/2718 & 1/D/2730. Collector's Old survey Nos. 21 New survey Nos. 6/7255 & 9/7255 situated at Malabar & Cumballa Hill | Division, Doongersey Street No. 29/A in the Registration District & Sub-District of Mumbai City and Mumbai Suburban.

ix. A Residential Flat admeasuring about 10,900 sq. feet Carpet Area or thereabouts or 18,260 sq. feet inhabitable area or thereabouts bearing Flat No. 004 on the 4th Floor of the building known as Vandan Co-Op. Housing Society Ltd., with the same survey details as above.

3. CONTENTIONS OF CORPORATE DEBTOR

3.1 This Tribunal issued notice to the CD on 23.02.2026. The same was served upon the CD *vide* email dated 02.03.2026. The CD states that they received the court notice and copy of the petition and requested extension of time to file Reply which was allowed and the same is recorded in this Tribunal's order dated 24.03.2026.

3.2 Further, it is also recorded vide the same order that the CD gave an OTS offer to the Applicant and deposited a sum of Rs. 4.30 crores in the no lien account.

3.3 Vide order dated 24.04.2026, the right to file Reply of the CD was closed. The said order is reproduced herein:

> *"1. This matter had come up for our consideration on 24.03.2026. The service had been complied on the Respondent on 11.03.2026 and in the order dated 24.03.2026, the Respondent was given 10 days' time to file reply, which was in any case, the extended time.*
>
> *2. Ld. Counsel for the Respondent today makes a similar request as on 24.03.2026 submitting that they have been pursuing with the Financial Creditor for settlement of outstanding dues and therefore, some more time may be given for filing the reply.*
>
> *3. It is noted that the service of the petition as also the additional affidavit since been made on 07.03.2026 and as per the request further time of 10 days was granted to the Respondent herein dated 24.03.2026 to file the reply, but they have not done so. The IBC being time bound, the time sought by the Respondent herein on the ground of their settlement being pursued with the Financial Creditor, cannot be granted, especially, in view that one such OTS undertaken in March, 2024 was also cancelled.*
>
> *4. <u>Accordingly, this Bench is not inclined to grant them further time for filing their reply. Right to file reply is closed.</u>*
>
> *5. The Petitioner as well as the Respondent are granted one-week time to file their short synopsis with respect to their arguments to be advanced along with the Authorities, if any, within a period of 7 days."*

3.4 Subsequently, the matter was listed on 19.06.2026 and 15.07.2026, wherein the CD made similar submissions regarding the settlement.

3.5 On 15.07.2026, this Tribunal heard the Applicant and CD, wherein the CD's plea was limited to the following:

> *"3. The only plea being raised by Ld. Counsel for the Respondent is that OTS negotiations are at advance stage and they will be able to pay outstanding in regard to the same*

within a short period of time, however, it is observed that the account was classified as NPA by the Applicant in the year 2021 and that in this matter, notice was issued on 23.02.2026 and thereafter since then, the matter is getting adjourned on one ground or the other.

4. The Respondent states that from the very starting they are in the process entering into settlement, however, more than 4 months have passed, there is no settlement reached.

5. Accordingly, we reserve this matter for order, however, we allow the Ld. Counsel for the Respondent to file legal written submissions, if any, within a period of 3 days. The right of the Respondent to file Reply has already been closed vide order dated 24.04.2026."

3.6 Therefore, the matter was reserved on 15.07.2025 for order.

4. WRITTEN SUBMISSIONS OF THE APPLICANT and CD

4.1 The written submissions of the Applicant are similar to the Application, hence, the same is not reiterated for the sake of brevity.

4.2 The CD has not filed written submissions.

5. ANALYSIS AND FINDINGS

5.1 We have heard the Ld. Counsels for the Applicant and the CD and have perused the records as placed before us. Our findings in the matter are as under: -

5.2 The Applicant has stated that the CD availed various credit facilities under a consortium banking arrangement led by Canara Bank, with the Applicant being one of the consortium lenders. The facilities were sanctioned and enhanced from time to time and were secured by various security documents, guarantees and mortgages.

5.3 The facilities were for working capital and term loan facility. The following are the details of the loan accounts:

i. Post Shipment Credit facility bearing account no. 60319030845

ii. Term Loan facility bearing account no. 60368030257

5.4 These facilities were periodically enhanced under the consortium under various occasions which details are given below:

i. On 20.09.2010, the loan facilities availed from the Applicant Bank were enhanced to Rs. 21,00,00,000.

ii. On 21.07.2011, the said facilities were enhanced to Rs. 28,00,00,000

iii. On 16.07.2012, the facilities were enhanced to Rs. 39,50,00,000.

iv. On 07.03.2018, the facilities were enhanced to Rs. 40,77,00,000.

v. On 04.05.2020, an additional ad-hoc facility of Rs. 2,00,00,000 was sanctioned, and on 09.06.2020 the loan facilities availed through such ad-hoc facility were operationalised.

5.5 The CD defaulted in making payment in the term loan facility and thereafter, the Applicant's accounts were declared as NPA on 29.09.2021 and the NPA certificate is attached on page no. 958-961 along with loan account statement. The Applicant has also attached Certificate under Bankers Book Evidence Act, 1891 at page no.1082 of the Application.

5.6 Further, it is to be noted that the CD made submissions several times as to settlement and the same is recorded in the interim orders of this Tribunal, which are reproduced in this order.

5.7 The Applicant has placed on record the NeSL record of default in Form D. The status of the default is "Authenticated" and shows a default amount of Rs. 42,98,27,984.10/-

5.8 The Applicant has mentioned date of default as 29.09.2021, when the account was declared as NPA. Further, there is acknowledgment of debt by the CD which is reflected in the balance sheet for the FY 2021-22 and 2022-23. Also, the CD proposed an OTS *vide* letter dated 13.06.2023 along with repayment schedule which was accepted by the Applicant on 14.03.2024. As these acknowledgments are made by the CD before the expiry of the limitation period, the limitation gets extended. Further, this Tribunal relies on the judgment of Hon'ble Supreme Court in ***Asset Reconstruction Company (India) Limited Vs. Bishal Jaiswal and Another reported in (2021) 6 SCC 366***, wherein it was held that an entry made in the CD's balance sheet amounts to an acknowledgment of debt and has the effect of extending the period of limitation under section 18 of Limitation Act 1963. The OTS proposals given by the CD further enhance the limitation. Hence, relying upon the above judgment we note that the Application is within limitation period.

5.9 The following table shows the working of the limitation period:

Particulars	**Dates/Limitation Period**
Date of default	29.09.2021
Period of limitation ends on	28.09.2024
Balance Sheet acknowledgment by the CD for FY 2021-2022 and 2022-2023	Extends limitation from 31.03.2022 to 31.12.2025 and 31.03.2023 to 31.03.2026
OTS offer by CD	13.06.2023
Limitation extends until	12.06.2026
Application filed on	09.01.2026

5.10 Therefore, the Application having been filed on 09.01.2026, is within limitation.

5.11 The Applicant has placed on record certificate of Bankers Book Evidence Act, 1891 under Section 2A.

5.12 Thus, in view of the above findings, it is clear that the Applicant has placed on record the necessary evidences and materials to demonstrate the existence of the financial debt exceeding the minimum threshold of Rs.1 Crore prescribed under Section 4 of the Code due and payable by the CD as well as the default in payment thereof by the CD. The Application is complete as all the relevant documents have been attached by the Applicant along with the Application.

5.13 The Applicant has proposed the name of Mr. Anil Kashi Drolia having registration no. IBBI/IPA-001/IP-P-02327/2020-2021/13482 to act as the Interim Resolution Professional (IRP) having AFA valid till 30.06.2027. The Applicant has placed on record Form 2 of the IRP stating that no disciplinary action is pending against the proposed IRP.

5.14 We find that all pre-requisites of Section 7 of the Code are fulfilled and, accordingly, we are satisfied that the instant Application is fit for admission under Section 7 of the Code. The Applicant has attached all the documents as required and therefore the Application is complete.

5.15 We make it clear that at this stage we have not crystalized the amount as claimed in this Application, the same is left to be collated by the IRP.

ORDER

In view of the aforesaid findings, Application bearing C.P.(IB) No.126/MB/2026 filed under Section 7 of the Code by Bank of Maharashtra, the Applicant, for initiating CIRP in respect of **Pooja Diam LLP** the Corporate Debtor is hereby **admitted**.

We further declare moratorium under Section 14 of the Code with consequential directions as mentioned below: -

I. We prohibit-

a) the institution of suits or continuation of pending suits or proceedings against the Corporate Debtor including execution of any judgment, decree or order in any court of law, tribunal, arbitration panel or other authority;

b) transferring, encumbering, alienating or disposing of by the Corporate Debtor any of its assets or any legal right or beneficial interest therein;

c) any action to foreclose, recover or enforce any security interest created by the Corporate Debtor in respect of its property including any action under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;

d) the recovery of any property by an owner or lessor where such property is occupied by or in possession of the Corporate Debtor.

II. That the supply of essential goods or services to the Corporate Debtor, if continuing, shall not be terminated or suspended or interrupted during the moratorium period.

III. That the order of moratorium shall have effect from the date of this order till the completion of the CIRP or until this Tribunal approves the resolution plan under Section 31(1) of the Code or passes an order for the liquidation of the Corporate Debtor under Section 33 thereof, as the case may be.

IV. That the public announcement of the CIRP shall be made in immediately as specified under Section 13 of the Code read with Regulation 6 of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 and other Rules and Regulations made thereunder.

V. That this Bench hereby appoints **Mr. Anil Drolia** a registered Insolvency Professional having Registration Number **IBBI/IPA-001/IP-P-02327/2020-2021/13482** and e-mail address anildrolia.ip@gmail.com having valid Authorisation for Assignment up to 30.06.2027 as the IRP to carry out the functions under the Code.

VI. That the fee payable to IRP/RP shall be in accordance with such Regulations/Circulars/ Directions as may be issued by the IBBI.

VII. That during the CIRP Period, the management of the Corporate Debtor shall vest in the IRP or, as the case may be, the RP in terms of Section 17 or Section 25, as the case may be, of the Code. The officers and managers of the Corporate Debtor are directed to provide effective assistance to the IRP as and when he takes charge of the assets and management of the Corporate Debtor. Coercive steps will follow against them under the provisions of the Code read with Rule 11 of the NCLT Rules for any violation of law.

VIII. That the IRP/IP shall submit to this Tribunal quarterly reports with regard to the progress of the CIRP in respect of the Corporate Debtor.

IX. In exercise of the powers under Rule 11 of the NCLT Rules, 2016, the Applicant is directed to deposit a sum of Rs.3,00,000/- (Rupees Three Lakh) with the IRP to meet the initial CIRP cost arising out of issuing public notice and inviting claims, etc. The amount so deposited shall be interim finance and paid back to the Applicant on priority upon the funds available with IRP/RP from the Committee of Creditors (CoC). The expenses incurred by IRP out of this fund are subject to approval by the CoC.

X. A copy of this Order be sent to the Registrar of Companies, Maharashtra, Mumbai for updating the Master Data of the Corporate Debtor.

XI. The IRP is directed to issue notice of admission upon all the statutory authorities of the Corporate Debtor without fail within a period of 7 days from the date of this order.

XII. A copy of the Order shall also be forwarded to the IBBI for record and dissemination on their website.

XIII. The Registry is directed to immediately communicate this Order to the Applicant, the Corporate Debtor and the IRP by way of Speed Post, e-mail and WhatsApp.

XIV. **Compliance report of the order by Designated Registrar is to be submitted today.**

Sd/-

NILESH SHARMA
MEMBER (JUDICIAL)

Sd/-

SAMEER KAKAR
MEMBER (TECHNICAL)

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