NATIONAL COMPANY LAW TRIBUNAL
CUTTACK BENCH
C.P. (IB) No. 20/CB/2026

(An application under Section 7 of the Insolvency and Bankruptcy Code, 2016)

IN THE MATTER OF:

PIRAMAL CAPITAL & HOUSING FINANCE LTD.
(Formerly known as Dewan Housing Finance Corporation Ltd.)
601, 6th Floor, Amiti Building,
Agastya Corporate Park, Kamani Junction,
Opp. Fire Station, LBS Marg, Kurla (West),
Mumbai, Maharashtra - 400070

... **FINANCIAL CREDITOR / APPLICANT**

VERSUS

TULSI SPICES AND FOODS PRIVATE LIMITED
Gopabandhu Nagar, Jagatpur,
Cuttack, Odisha- 754021.
E-Mail: tulasispices@yahoo.com

... **CORPORATE DEBTOR / RESPONDENT**

DATE OF PRONOUNCEMENT: 05.08.2026

CORAM: CHEEKATI RADHA KRISHNA (MEMBER JUDICIAL)
BANWARI LAL MEENA (MEMBER TECHNICAL)

APPEARANCE:
FOR APPLICANT: SASWAT KUMAR ACHARYA, ADVOCATE.
SUBHAM AGRAWAL, ADVOCATE.
FOR RESPONDENT: *EX PARTE*

ORDER

PER: BANWARI LAL MEENA, MEMBER (TECHNICAL):

1. The present application has been filed under Section 7 of the Insolvency and Bankruptcy Code, 2016 by Piramal Capital & Housing Finance Ltd (SRA of Dewan Housing Finance Corporation Ltd) against **Tulsi Spices and Foods Private Limited ("Corporate**

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Debtor/TSFPL"). The Financial Creditor had extended a project loan facility to Shree Baladevjew Infrastructure (**Co-Borrower/SBIPL**) and to the present Corporate Debtor, as Co-Borrower, for development and construction purposes. In order to secure the said facility, several security and finance documents were executed between the parties, including a Loan Agreement, Personal Guarantee Deeds, Equitable Mortgage Deeds, Escrow Agreement, Demand Promissory Note and Hypothecation of Receivables.

2. The loan was sanctioned on 17.05.2013 and the Loan Agreement along with the connected security documents such as Personal Guarantee Deed, Equitable Mortgage Deeds. Demand Promissory Note etc. were executed on 22.05.2013. Under the terms of the Loan Agreement, the Corporate Debtor and its Co Borrower was required to repay the loan in 24 equated monthly installments commencing after a moratorium period of 36 months from the date of first disbursement. The total amount sanctioned was Rs. 7,55,00,000/-, which was disbursed in tranches between 22.05.2013 and 29.01.2015.

3. It is stated that the Corporate Debtor committed its first default on 01.12.2014 by failing to pay the first installment as per the agreed repayment schedule. Due to persistent defaults, the loan account was classified as Non-Performing Asset on 31.03.2015. Thereafter, a demand-cum-recall notice dated 01.06.2015 was issued to the Corporate Debtor, Tulsi Spices & Foods Private Limited, the Co-Borrower Shree Baladevjew Infrastructure and the Guarantors. Since no payment was made pursuant thereto, a statutory demand notice under Section 13(2) of the SARFAESI Act was issued on 22.09.2015 calling upon them to clear the outstanding dues to the Corporate Debtor herein and the Co Borrower and the Guarantors

4. The Co Borrower of the loan i.e. SBIPL, by its letter dated 02.11.2015, agreed to pay the irregular amount within one month but

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simultaneously raised objections under Section 13(3A) of the SARFAESI Act by another letter dated 12.11.2015. The Financial Creditor responded to the same on vide letters dated 16.11.2015 addressed to the Co-Borrower, rejecting the request for restructuring and denying any assurances of additional funding. Further requests for restructuring and rehabilitation were also made by the Co Borrower of the Corporate Debtor on 18.11.2015, which were declined vide its letter dated 27.11.2015 addressed to the Co Borrower, the Corporate Debtor and the Guarantors.

5. Subsequently, a possession notice under Section 13(4) of the SARFAESI Act was issued to the Co Borrower, the Corporate Debtor and the Guarantors on 06.01.2016 seeking possession of the secured assets. Though the Co-Borrower again sought rescheduling by its letter received on 01.02.2016, the Financial Creditor, by reply dated 08.02.2016, refused to put the recovery proceedings on hold. An application under Section 14 of the SARFAESI Act being Misc. Application No. 27 of 2016 was thereafter filed before the District Magistrate, Cuttack on 27.02.2016. By order dated 13.01.2017, the District Magistrate allowed the application and authorized taking of physical possession of the secured Assets SBIPL, TFSPL and its guarantors with police assistance. Actual possession notice was issued on 08.06.2018 to both the Co-Borrowers and the Guarantors.

6. SBIPL vide its letter dated 23.09.2016 put forth another proposal and inter alia sought for moratorium for six months to re-pay the outstanding instalments. On 04.10.2016, DHFL issued a letter to SBIPL in response to the aforesaid letter thereby, inter alia informing that SBIPL, TSFPL have failed to re-pay the loan instalments despite multiple reminders, in view of which, DHFL will not be able to accede to the request of SBIPL as requested in its letter dated 23.09.2016

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7. Thereafter, the Co-Borrower SBIPL proposed a One Time Settlement on 05.01.2018. However, during this period, Corporate Insolvency Resolution Process was initiated against the Financial Creditor itself by Ld. National Company Law Tribunal, Mumbai Bench on 03.02.2019. During the pendency of the CIRP, the Financial Creditor informed the Corporate Debtor on 07.11.2020 that the OTS proposal could not be considered. The Resolution Plan of DHFL was subsequently approved on 07.06.2021 in favour of Piramal Capital & Housing Finance Limited (**PCHFL**).

8. After approval of the Resolution Plan, SBIPL again submitted an OTS proposal on 23.07.2024 with the subject- *One Time Settlement Proposal of M/s Shree Baldevjew Infrastructure Pvt Ltd & M/s Tulsi Spoces and Food Pvt Ltd.* which was rejected as non-viable by the successor Financial Creditor i.e. Piramal Capital and Housing Private Limited on 21.08.2024 addressed to both the Co Borrowers. A revised proposal dated 23.08.2024 made by SBIPL on behalf of both the Co Borrowers was also rejected on 18.09.2024 by PCHFL.

9. As per Part IV of the Form-1 application, the total amount claimed to be in default as on 31.12.2025 is Rs. 37,92,57,711/-, which includes principal of Rs. 6,91,99,319/-, interest of Rs. 6,91,84,269/-, penal charges of Rs. 23,97,92,367/- and cheque return charges including GST of Rs. 10,81,757/-. The default is stated to be continuing since 01.12.2014.

10. It is further pleaded that the Corporate Debtor has neither disputed the disbursement of the loan amount nor denied its liability to repay the same. Despite repeated opportunities, statutory notices, enforcement proceedings under the SARFAESI Act and multiple OTS proposals, no repayment has been effected. It is thus asserted that the Corporate Debtor has committed a continuous and subsisting default,

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warranting initiation of the Corporate Insolvency Resolution Process under Section 7 of the Insolvency and Bankruptcy Code, 2016.

11. The notice issued to the Corporate Debtor having been returned with the endorsement "*Addressee left without instruction*", as recorded in the orders dated 07.04.2026. Subsequently vide the same order registry was directed to send notices to the CD through email. On 11.05.2026 a counsel appeared for the respondent and took time to file Vakalatnama and reply however no one appeared for the respondent on the next date of hearing. Accordingly *vide* order dated 11.06.2026 the right to file reply by the respondent was forfeited however the respondent was permitted to appear in the next date to make submissions failing which the respondent will be set *ex-parte* and accordingly due to continuous non representation by the respondents even after in receipt of notice, the respondent was set *ex parte* vide order dated 18.06.2026. The matter was thereafter heard finally on 30.06.2026 in the absence of the Corporate Debtor, and upon completion of arguments, the order was reserved.

ANALYSIS AND FINDINGS

12. This Adjudicating Authority has carefully considered the pleadings on record, the documents filed along with the application, the affidavits placed by the Financial Creditor, and the submissions advanced at the time of final hearing. Since the Corporate Debtor was proceeded ex parte, the application has been examined on the basis of the material available on record. It has also been brought to the notice of this Adjudicating Authority that the Co-Borrower of the loan i.e. M/s Shree Baldevji Infrastructure Private Limited has been admitted into CIRP by this Adjudicating Authority vide order dated 19.12.2025 in CP (IB) No. 19/CB/2025.

13. At the outset, it is noted that the Financial Creditor has established the existence of a **financial debt** within the meaning of

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Section 5(8) of the Insolvency and Bankruptcy Code, 2016. The sanction of the loan on 17.05.2013, execution of the Loan Agreement and allied security documents on 22.05.2013, and disbursement of the loan amounts in tranches are supported by documentary evidence. The nature of the transaction clearly reflects disbursement against consideration for time value of money.

14. The occurrence of **default** is also borne out from the record. The first date of default has been consistently stated as 01.12.2014, being the date on which the Corporate Debtor failed to pay the installment as per the agreed repayment schedule. The subsequent classification of the account as Non-Performing Asset on 31.05.2015, issuance of demand-cum-recall notice dated 01.06.2015, and further measures under the SARFAESI Act reinforce the existence of default. The Corporate Debtor has neither disputed the disbursement nor denied its liability to repay the debt.

15. As regards the **quantum of default**, the amount claimed to be in default as on 31.12.2025 is Rs.37,92,57,711/-, which exceeds the minimum threshold prescribed under Section 4 of the Code. The details of principal, interest, penal charges, and other charges have been specifically pleaded in Part IV of Form-1.

16. The principal issue that arises for consideration is whether the present application is **within limitation** but as noted above this Adjudicating Authority vide its order dated 19.12.2025 has admitted the co borrower of the loan into CIRP and has found that the application i.e. CP(IB) No. 19/CB/2025 which was filed on 01.03.2025 is well within limitation. The relevant portion of the order dated 19.12.2025 is reproduced heinebelow:

> ***17.*** *It is noted from the record that an OTS Proposal was made by the CD on 28.09.2020 and hence in lieu of this OTS Proposal the limitation period would have ceased to exist on 28.09.2023.*

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However, on account of the fact that the Financial Creditor was undergoing CIRP from 03.02.2019 till 07.06.2021 and hence the entire period by operation of Sec 60(6) of the Code stands excluded for the purpose of computing limitation. Furthermore, in light of the Suo Motto Judgement of the Hon'ble Supreme Court in regard to limitation due to Covid, the entire period from 15.03.2020 till 28.02.2022, also stands excluded for computing the limitation period. Hence, the limitation clock which ought to have started from 28.09.2020 on account of the OTS proposal stated above, actually started from 01.03.2022.

***18.** Again, the limitation of 3 years would have ended on 28.02.2025 but the respondent on 23.08.2024 made another OTS proposal which restarted the Limitation Clock for 3 years due to expire on 23.08.2027 and the present application was filed on 01.03.2025, which is within the period of limitation.*

***19.** It is a settled position of law that OTS proposals and restructuring requests constitute valid acknowledgments of liability, even if the liability is not expressly admitted, provided they are in writing and made before expiry of limitation. Reliance placed by the Financial Creditor on the judgments of the Hon'ble Supreme Court in Dena Bank v. C. Shivakumar Reddy and Vidyasagar Prasad v. UCO Bank is apposite and supports the said proposition.*

20. Hence the limitation period has been computed to expire on 23.08.2027 and the present petition has been filed on 03.02.2026. It is seen that, in CP(IB) No. 19/CB/2025 the limitation period was computed by taking into consideration the OTS proposals as per Section 18 of the Limitation Act and since the last OTS proposal was dated 23.08.2024 given by SBIPL to Piramal Capital & Housing Pvt Ltd, hence the last date for expiry of limitation was computed to be

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23.08.2027. However, issue that arises before us for consideration is as to whether the OTS proposal made by the Managing Director of SBIPL which is a valid acknowledgement under section 18 of the Limitation Act can be considered an acknowledgement of Debt with respect to the present corporate Debtor under section 18 of the Limitation Act.

21. It is seen that both the OTS Proposals dated 23.07.2024 and 23.08.2024 has been made by the MD of SBIPL but has been made on behalf of both SBIPL and TFSPL. It is not the fact that the MD of SBIPL and TFSPL is one and the same and hence it cannot be said that it is an acknowledgement per se issued by TFSPL. However, is an established principle of law that acknowledgement of debt by the action of one borrower does bind the co-borrower and the guarantors, as their liabilities are co extensive in nature. In this regard the law laid down by the Hon'ble Supreme Court in ***Laxmi Pat Surana vs. Union Bank of India, (2021) Vol 8 SCC page 481*** may be recalled and paragraph 44 of the same is reproduced as under:

> *"44. In the present case, NCLT as well as NCLAT have adverted to the acknowledgments by the principal borrower as well as the corporate guarantor-corporate debtor after declaration of NPA from time to time and lastly on 08.12.2018.* ***The fact that acknowledgment within the limitation period was only by the principal borrower and not the guarantor, would not absolve the guarantor of its liability flowing from the letter of guarantee and memorandum of mortgage. The liability of the guarantor being coextensive with the principal borrower under Section 128 of the Contract Act, it triggers the moment principal borrower commits default in paying the acknowledged debt.*** *This is a legal fiction. Such liability of the guarantor would flow from the guarantee deed and memorandum of mortgage, unless it expressly provides to the contrary".*
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> ***(Emphasis Added)***

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22. In the present case the Corporate Debtor and SBIPL took the loan as Co Borrower through the same instrument and jointly executed all documents for availing such loan and hence the liability repay the loan of the co borrower is coextensive and coterminous with that of the other co borrower and hence the acknowledgment of debt by SBIPL by its OTS proposal dated 23.08.2024 also binds the present corporate Debtor and hence the present application is well within limitation.

23. The procedural requirements under Section 7 of the Code read with the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 have been duly complied with. Service has been effected after due orders of this Tribunal, and the Corporate Debtor has been granted sufficient opportunities to contest the matter but has failed to do so.

24. In view of the above discussion, this Adjudicating Authority is satisfied that:

- a financial debt exists;
- default has occurred and is continuing;
- the application is complete in all respects; and
- the application is within limitation.

Accordingly, the application deserves to be admitted.

25. In view of the aforesaid observations and findings recorded hereinabove, this Adjudicating Authority is satisfied that the application filed under Section 7 of the Insolvency and Bankruptcy Code, 2016 is complete in all respects and that a financial debt exists and default has occurred. Accordingly, the application deserves to be admitted. Hence, the following orders are passed:

26. The application bearing **C.P. (IB) No. 20/CB/2026** filed under Section 7 of the Insolvency and Bankruptcy Code, 2016 read with Rule 4(1) of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 by **PIRAMAL CAPITAL & HOUSING FINANCE LIMITED**

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against **TULSI SPICES AND FOODS PRIVATE LIMITED** , the Corporate Debtor, is hereby **ADMITTED**.

27. A **moratorium** is declared under Section 14 of the Insolvency and Bankruptcy Code, 2016, prohibiting the following actions in terms of Section 14(1) of the Code:

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 the possession of the Corporate Debtor.

28. The moratorium shall remain in force from the date of this order till the completion of the Corporate Insolvency Resolution Process or until this Adjudicating Authority approves a resolution plan under Section 31(1) of the Code or passes an order for liquidation of the Corporate Debtor under Section 33 of the Code, whichever is earlier.

29. The Financial creditor in its application has proposed a name of a different Insolvency Professional as IRP, however through IA (IB) No. 255/CB/2026 the Financial Creditor has proposed the name of one Mr Pratap Mukherji as IRP which was allowed vide order dated 08.07.2026

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and accordingly **Mr. Pratap Mukherjii, having registration number IBBI/IPA-001/IP-P0251512021-2022113851, residing at- 27A, Bhattacharjee Para Road, Paschim Barisha, P.O.- Thakurpukur, Kolkata- 700063**, is hereby appointed as **Interim Resolution Professional (IRP)** of the Corporate Debtor to carry out the functions as per the Code, subject to his possessing a valid Authorisation for Assignment (AFA) in terms of Regulation 7A of the Insolvency and Bankruptcy Board of India (Insolvency Professional) Regulations, 2016.

30. The Interim Resolution Professional shall be appointed separately in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016 and the rules and regulations made thereunder, subject to confirmation of possession of a valid Authorisation for Assignment in terms of Regulation 7A of the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016.

31. The Interim Resolution Professional so appointed shall make a **public announcement** of the initiation of the Corporate Insolvency Resolution Process and call for submission of claims in terms of Section 15 read with Section 13(1)(b) of the Code.

32. The supply of essential goods or services to the Corporate Debtor, if continuing, shall not be terminated, suspended or interrupted during the moratorium period. The Corporate Debtor shall extend full assistance and cooperation to the Interim Resolution Professional in discharge of his duties as and when he takes charge of the assets and management of the corporate debtor.

33. The IRP shall perform all its functions as contemplated, inter alia, by Sections 17, 18, 20 & 21 of the Code. It is further made clear that all personnel connected with Corporate Debtor, its Promoter or any other person associated with the management of the Corporate Debtor are under a legal obligation under Section 19 of the Code to extend every assistance and co-operation to the Interim Resolution Professional. Where any personnel of the Corporate Debtor, its

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Promoter, or any other person is required to assist or co-operate with IRP, but does not assist or co-operate, the IRP is at liberty to make an appropriate application to this Adjudicating Authority with a prayer for passing an appropriate order.

34. The IRP shall be under a duty to protect and preserve the value of the property of the Corporate Debtor and manage the operations of the Corporate Debtor as a going concern as a part of the obligation imposed by Section 20 of the Insolvency & Bankruptcy Code, 2016.

35. The Interim Resolution Professional / Resolution Professional shall submit **periodic progress reports** before this Adjudicating Authority in accordance with the provisions of the Code and the regulations framed thereunder.

36. The Financial Creditor shall deposit an initial amount of **Rs. 2,00,000/- (Rupees Five Lakhs Only)** within **Three Days** from the date of receipt of this order towards the expenses of the Corporate Insolvency Resolution Process. Proof of such deposit shall be filed before this Adjudicating Authority along with the first progress report. The Interim Resolution Professional shall be at liberty to seek further interim finance, as required, in accordance with law.

37. In terms of Section 7(7)(a) of the Code, the Registry is directed to communicate a copy of this order to the Financial Creditor, the Corporate Debtor, the Interim Resolution Professional and the concerned Registrar of Companies within seven working days and upload the same on the website of this Tribunal immediately after pronouncement.

38. The Interim Resolution Professional shall also serve a copy of this order upon statutory authorities including the Income Tax Department, GST authorities, State Commercial Tax Department, Provident Fund authorities and such other authorities as may have claims against the Corporate Debtor, as well as employees or workmen associations, if any.

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39. The Corporate Insolvency Resolution Process shall commence from the date of this order.

40. The Resolution Professional shall submit reports and compliances before this Adjudicating Authority strictly in accordance with the timelines prescribed under the Insolvency and Bankruptcy Code, 2016 and the regulations made thereunder.

41. The application bearing **C.P. (IB) No. 20/CB/2026** stands **ALLOWED**.

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BANWARI LAL MEENA
MEMBER (TECHNICAL)

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CHEEKATI RADHA KRISHNA
MEMBER (JUDICIAL)