



**IN THE NATIONAL COMPANY LAW TRIBUNAL**  
**NEW DELHI BENCH (COURT – II)**

**Item No. 204**  
**IB-1671/ND/2019**  
**IA- 13/2024 R.Plan, IA-1727/2024,**  
**IA-1261/2024, IA-3690/2024**

**IN THE MATTER OF:**

**M/s. Northern ARC Capital Ltd**

...

**Applicant**

**Versus**

**M/s. Five Core Electronics Ltd.**

...

**Respondent**

**Under Section: 7 of IBC, 2016**

**Order delivered on 21.03.2025**

**CORAM:**

**SH. ASHOK KUMAR BHARDWAJ**  
**HON'BLE MEMBER (J)**

**MS. REENA SINHA PURI**  
**HON'BLE MEMBER (T)**

**PRESENT:**

**For the Applicant :**

**For the RP**

**: Sr. Adv. Rudhreshwar Singh, Adv. Saurabh  
Jain, Adv. Amarnath, Adv. Chirag Bhati**

**Hearing Through: VC and Physical (Hybrid) Mode**

**ORDER**

**IA-1727/2024:** Ld. Sr. Counsel for the Applicants argued for some time. Mr. Rahul, Ld. Standing Counsel for Income Tax Department seeks adjournment to prepare his submissions in the matter. At his request, the hearing is deferred to **01.05.2025.**

**IA-1261/2024:** Our attention is drawn to the memo of parties, which reads thus:

**AMENDED**

**MEMO OF PARTIES**

**Manoj Kulshrestha**  
**Resolution Professional**  
**Five Core Electronics Limited (IN CIRP)**  
**4<sup>th</sup> Floor, CS-14, Ansal Plaza,**  
**Opp. Dabur Vaishali, Ghaziabad, UP-201010**  
**E-mail: costadviser@hotmail.com**  
**Mob:+919811220157**

....Applicant

**Versus**

- 1. Amarjit Singh Kalra**  
**Director**  
**C-130, Ground Floor,**  
**Mansarover Garden**  
**New Delhi – 110015**
- 2. Surinder Kaur Kalra**  
**Director**  
**C-130, Ground Floor,**  
**Mansarover Garden**  
**New Delhi – 110015**





3. Jagjit Kaur Kalra  
Director  
C-130, Ground Floor,  
Mansarover Garden  
New Delhi – 110015

...Respondents

As can be seen from the above, the Respondents namely Amarjit Singh Kalra, Surinder Kaur Kalra and Jagjit Kaur Kalra are members of one family and they are suspended directors qua the Corporate Debtor. As can be seen from paragraph -4 of the order dated 11.01.2024 passed in IA- 3804/2020, IA-2718/2022, IA-2855/2022, all the aforementioned Respondents are presumed absconding and their whereabouts are not known. Para-4 of the order reads thus:

*“4. The Promoter and Ex-MD, Mr. Amarjit Singh Kalra and the other two Non-Executive Directors (related to the Promoter and Ex-MD) viz. (i) Mrs. Surinder Kaur Kalra and (ii) Mrs. Jagjit Kaur Kalra qua the Corporate Debtor were presumed to be absconding and their whereabouts were not known as on the insolvency commencement date i.e. 23.01.2020.”*

As can be seen from above para-64 of the aforementioned order passed in IA-3804/2020, IA-2718/2022, IA-2855/2022, this Tribunal found that the transactions referred to in the captioned applications were not covered by Section 43 of IBC, 2016 and were the transactions which could be hit by Section 66 of IBC, 2016. Para-64 of the order reads thus:

*“64. In the backdrop of the aforementioned facts and circumstances, the IA3804/2020 is disposed of with the following directions: -*

- (i) Ms Surinder Kaur Kalra shall contribute/pay an amount of Rs. 3,91,866/- to the assets (CIRP/Liquidation A/c) of the Corporate Debtor;*
- (ii) Mr. Amarjit Singh Kalra shall contribute/pay an amount of Rs. 1,35,42,338/- to the assets (CIRP/Liquidation A/c) of the Corporate Debtor;*
- (iii) Ms. Jagjit Kaur Kalra shall contribute/pay an amount of Rs. 1,90,37,125/- to the assets (CIRP/Liquidation A/c) of the Corporate Debtor;*
- (iv) All the Respondents shall contribute/pay an amount of Rs. 2,20,00,000/- jointly/severally to the assets (CIRP/Liquidation A/c) of the Corporate Debtor;*
- (v) Regarding the amount of Rs. 2,745.30 Lakhs, the present application filed under Section 43 of IBC, 2016, is not maintainable, thus Applicant is*



*directed to file a separate application under Section 66 of IBC, 2016, within one week from today in this regard.”*

The findings regarding the amount of Rs. 2,745.30 Lakhs referred to in aforementioned para-64 is recorded in para-63 of the order which reads thus:

*“63. In terms of the averments made in the application, the amount of Rs. 3,29,71,329/- was paid to the related parties for repayment of unsecured loan within 2 years preceding the date of commencement of CIRP and the balance Rs.2,20,00,000/- to pay off the debt to unrelated parties within 1 year of such date. Thus, the transactions are Preferential Transactions. The payments of Rs. 2,745.30 Lakhs made to such unrelated third parties, regarding which the Applicant is not aware as to whether the payments were against an antecedent operational debt owed by the CD or not from 19.05.2018 till 13.06.2018, it cannot be held that the transaction was Preferential Transaction, In fact, such transaction regarding which liability of the CD is not clear may be fraudulent/undervalued transaction. Section 66 of IBC, 2016, provides that if during the Corporate Insolvency Resolution Process over a liquidation process it is found that any business of the Corporate Debtor has been carried on with intent to defraud Creditors of the Corporate Debtor or for any fraudulent purpose, the Adjudicating Authority may on the application of RP pass an order that any persons who were knowingly parties to the carrying on of the business in such manner shall be liable to make such contributions to the assets of the CD as may be deemed fit. A transaction is considered undervalued where the Corporate Debtor makes a gift to a person or enters into a transaction with a person which involves the transfer of one or more assets by the Corporate Debtor for a consideration the value of which is significantly is less than the value of the consideration provided by the Corporate Debtor and such transaction **has not taken place in the ordinary course of business of the Corporate Debtor.”***

The prayer made in the captioned application reads thus:

- “a. Allow the present application*
- b. Direct the Respondents jointly/severally for reversal of respective fraudulent transaction amounting to Rs 2,745.30 Lakhs as identified in para 8 in terms of section 66 of IBC, 2016.*
- c. Pass such other or further order(s) as this Hon'ble Tribunal may deem fit and appropriate in the given facts and circumstances of the present case.”*



In the wake of the aforementioned order dated 11.01.2024 the Applicants have preferred the present application, alleging the fraudulent transactions entered into by Respondents. The details of transactions given in para-8 of the application reads thus:

8. That the erstwhile IRP has filed an application under section 43 of IBC, 2016 which bears I.A. No. 3804 of 2020 on 01.06.2020, wherein the amount of Rs. 2745.30 Lakhs has been shown as preferential transactions being payment made to various third parties from the IPO proceeds that was transferred to Andhra Bank Current Account No. 3934 on 19.05.2018 from Axis Bank IPO Account, the details of the same are as under:

<b>Name of Account</b>	<b>Amount (Rs.)</b>
Sammukhi International	1,78,17,140
Reliable Sales	1,49,67,417
Balaji Sales Corporation	1,43,93,575
SG Overseas	1,22,62,582
Bill Id : 048118IMADV0112	1,05,04,215
SN Impex	99,50,136
Bill Id : 048118IMADV0114	95,43,632
Rama Rani Tayal	93,12,274
Radius Industries	89,62,313
Bill Id : 048118IMADV0109	84,88,090
Yashraj Enterprises	70,00,000
Mittal Trading Co.	63,88,344
Reliable Technologies	54,85,000
Yado Ram Jindal HUF	53,85,387
Nitco Technology	51,23,550
Bansal	50,51,972
Shyamavtar Trades Ltd.	1,00,50,000
SS Enterprises	43,07,140
RPJP Electro India Pvt. Ltd.	41,67,000
Mahawar Steel Traders	40,06,265
The Blue Overseas	39,99,990
Rishabh Agencies	37,16,837
Shewta Jindal	36,42,935
Sai Baba Agency	36,28,719
Amarnath Vishwanath	33,71,607



Bill Id : 048118IMADV0095	31,33,018
Goodwill Iron & Steel Traders	25,76,136
Indo Accent Traders	23,34,329
Shreeji Enterprises	23,03,790
Bill Id : 048118IMADV0094	22,43,958
Juneja Radios	22,05,000
Bill Id : 048118IMADV0110	21,78,111
Bhagwati Traders	21,50,000
Ensons Trading LLP	20,00,000
Geetika Enterprises	18,74,000
Mahalakshmi Trading Company	18,19,945
Shri Shiv Enterprise	18,05,000
Nishika International	18,00,000
Bill Id : 048118IMADV0096	16,68,000

Airtec Electrovision	16,27,715
Shri Shyam Trading C	15,00,000
Kirshna Paint House	14,90,000
City Motor Company	14,61,528
GV Enterprises	14,50,000
Navkar Traders	14,43,305
Shri Guru Containers	13,67,133
Bill Id : 048118IMADV0103	13,26,724
New Ekta Enterprises	12,41,923
ABEC Exhibitions & Conference	12,27,516
DDS International	11,99,840
Mahalaxmi Trading Co.	11,74,293
Khurana Bearings	11,19,600
Bandhu Electronic C	11,13,814
Chawla Impex	10,50,000
Vansh Enterprises	10,50,000
VS Enterprises	10,25,000
Ankit Electronics	10,00,000
Combined Traders	10,00,000
Jupiter Paper Cones	10,00,000
Wizard India Pvt. Ltd.	10,00,000
Ensons Electronics	9,50,000
Wires & Electricals	9,50,000
Eldee Electronic Corp	9,25,262
Delhi Electric Company	9,10,315
Cine Sound Supply	9,10,000
Kapoor Trading Corporation	9,07,227
Bill Id : 048118IMADV0102	9,02,037
Minocha Trading Co	8,93,904
Bill Id : 048118IMADV0113	8,83,497
Continental Brush Wares	8,40,000
N S Enterprises	8,00,000



Sahara Hospitality Ltd	7,87,612
SN Syndicate	7,25,932
Neha Forge	7,17,720
Rajsons Sales Corporation	6,88,428
Ambey Steel Traders	6,50,000
Red Chillies Tech In	6,41,903
ABS Enterprises	6,25,950
Mittal Plastics	6,19,736
Delite Collections Pvt. Ltd.	6,17,132
Sahara Star	6,16,000
Prominent Polymers Pvt. Ltd.	6,13,600
Weizman Fores Ltd.	6,10,569
Punjab Acoustic	5,72,540
AA Ton	5,50,000
Vision Export	5,25,000
Shri Balaji Hardware	5,10,000
Chemitech International	5,00,093
Anshika Enterprises	4,25,000
Yash Craft Packaging	4,00,000
On Dot Marketing	3,75,376
Handa Plywood Traders	3,15,500
B M Industries	3,00,000
M V Metals	3,00,000
Prime Connections	3,00,000
Sunny Electronics	3,00,000
Aayushi Exports Private Ltd	2,86,874
Altech Automotive	2,65,500
Bhatia Electrical and Hardware	2,50,000
Om Plywood and Timber	2,50,000
Suncel Enterprises	2,21,000
Vandana Trade Links Pvt. Ltd.	2,10,000
Aashian Travel	2,00,000
Kanika Packers	2,00,000
Sapra Electronics	2,00,000
Workwin Enterprises	2,00,000
A D Mehta Clearing Agency	1,86,969
Sai Dutta Clearing Agency	1,60,000
Zen Lefin Pvt. Ltd.	1,47,637
Apex Cargo Movers	1,09,448
CMS Branch Pool Account	1,09,361
Chopra Electronics	1,05,000
ABC Packaging & Solution	1,00,000
Harpreet Moulder	1,00,000
Other Parties	4,81,000
Techno Trades	1,00,000
<b>GRAND TOTAL</b>	<b>27,45,30,426</b>



In the wake of the order dated 11.01.2024 the application **is allowed** and the Respondents are directed to contribute to the assets of the Corporate Debtor an amount of Rs. 2,745.30 Lakhs. No cost.

**IA-3690/2024**: List it along with IA-1727/2024 on **01.05.2025**.

**Sd/-**  
**(REENA SINHA PURI)**  
**MEMBER (T)**

**Sd/-**  
**(ASHOK KUMAR BHARDWAJ)**  
**MEMBER (J)**