



IN THE NATIONAL COMPANY LAW TRIBUNAL
PRINCIPAL BENCH, NEW DELHI

I.A. No. 2304 of 2026

AND

CP (IB) NO. 198 OF 2026

*(Application under Section 60(5) of the Insolvency and Bankruptcy Code, 2016
read with Section 5 of the Limitation Act, 1963 and Rule 11 of the National
Company Law Tribunal Rules, 2016).*

IN THE MATTER OF:

ADVANCE INDIA PROJECTS LTD.

...PETITIONER/OPERATIONAL CREDITOR

Versus

JNB MANAGEMENT PRIVATE LTD.

...RESPONDENT/CORPORATE DEBTOR

AND IN THE MATTER OF:

ADVANCE INDIA PROJECTS LTD.

...APPLICANT

Order Pronounced On: 10.07.2026

CORAM:

JUSTICE ANUPINDER SINGH GREWAL
HON'BLE PRESIDENT

SHRI RAVINDRA CHATURVEDI
HON'BLE MEMBER (TECHNICAL)

PRESENT:

For	the	: Mr. Palash S. Singhai, Advocate along with
Petitioner/Operational		Mr. Harshal Sareen, and Ms. Aashima
Creditor		Gautam, Advs.
For	the	: Dr. Farrukh Khan, Advocate along with
Respondent/Corporate		Mr. Talat Chaudhary, Ms. Rashi
Debtor		Khandelwal and Mr. Dinkar Tiwari, Advs.



ORDER

1. The instant Application 2304 of 2026 in CP (IB) 198 of 2026, has been filed by Advance India Projects Ltd. (“**Applicant/Operational Creditor**”) under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 (“**IBC**”/“**Code**”) read with Section 5 of the Limitation Act, 1963 (“**Limitation Act**”) and Rule 11 of the National Company Law Tribunal Rules, 2016, (“**NCLT Rules, 2016**”) seeking condonation of a delay of approximately 75 (seventy-five) days, as computed by the Applicant itself, in filing Company Petition (IB) No. 198 of 2026 (“**Company Petition**”) under Section 9 of the IBC against JNB Management Private Ltd. (“**Respondent/Corporate Debtor**”).

BRIEF FACTS

2. The Applicant, a real estate development company, says it signed a Co-operation Agreement on 25.05.2016 with the Respondent (at the time a partnership firm that claimed to be a management partner of Bridgestreet Accommodations London Limited). The Applicant claims it entered into this agreement based on representations made by the Respondent.
3. Under the agreement, the Respondent was to operate and manage serviced apartments in a project being developed by the Applicant. In exchange, the Applicant would pay the Respondent a pre-opening fee, a signing fee, a technical assistance fee, and a management fee.
4. The Applicant states that it discovered on **02.11.2022** that the said Bridgestreet entity had gone into liquidation in the United Kingdom, a fact allegedly concealed by the Respondent. On **29.11.2022**, the Applicant terminated the Co-operation Agreement with immediate effect and called upon the Respondent to refund the advance/signing amount of Rs. 1,83,66,246/- (Rupees One Crore Eighty-Three Lakh Sixty-Six Thousand Two Hundred and Forty-Six Only) within 15 (fifteen) days from receipt of the termination notice.



5. According to the Applicant's own List of Dates and Events, the said period of 15 days expired on 13.12.2022, on which date, by the Applicant's own reckoning, the limitation period of three years started and was to end on 13.12.2025.
6. Notwithstanding the above admission, the Applicant issued a demand notice dated **15.04.2025** under Section 8 of the IBC, treating 25.04.2025 as the date of default, and thereafter proceeded to register the debt with National E-Governance Services Limited ("**NeSL**"), an Information Utility ("**IU**"), between May 2025 and February 2026. The Applicant's registration request was twice found deficient by NeSL (**01.05.2025 and thereafter**) for want of properly executed/digitally signed authority documents, which was corrected and approved on 06.08.2025, and after further correspondence in December 2025 and January-February 2026, and a Record of Default finally came to be generated in February 2026.
7. The Company Petition (IB) No. 198 of 2026 under Section 9 of the IBC was thereafter filed on 26.02.2026. By the Applicant's own admission, this constitutes a delay of 75 days, which the Applicant now seeks to have condoned under Section 5 of the Limitation Act.

SUBMISSIONS OF THE APPLICANT

8. Learned Counsel for the Applicant submits that the delay is neither wilful nor attributable to the Applicant and occurred solely on account of difficulties faced by the Applicant in getting the debt registered with NeSL since May 2025, culminating in generation of Form C/Record of Default only in February 2026. Reliance is placed on Regulation 20(1A) of the IBBI (Information Utilities) Regulations, 2017 (inserted with effect from 14.06.2022) and the office order dated 03.04.2023 issued by this Tribunal requesting creditors filing applications under Sections 7 and 9 of the Code to produce IU records, to contend that the Applicant was statutorily obliged to await the NeSL Record of Default before filing the Company Petition, and



that the delay so caused deserves to be condoned as “sufficient cause” within the meaning of Section 5 of the Limitation Act.

ISSUES FOR CONSIDERATION

9. Having heard Learned Counsel for the Applicant and having perused the material available on record, the following issues arise for determination:

- (i) Whether the Limitation Act, 1963 applies with to an application under Section 9 of the IBC, and if so, what is the period of limitation in the facts of the present case?
- (ii) Whether registration of debt/generation of a Record of Default with NeSL (Information Utility) is a mandatory precondition for filing an application under Section 9 of the IBC, so as to constitute “sufficient cause” for the delay in question?
- (iii) Whether, in the facts and circumstances, the delay of 75 days (or more, as discussed below) is liable to be condoned; and, in the event it is not condoned, whether the Company Petition itself is liable to be dismissed as barred by limitation?

10. It is now well settled that the Limitation Act, 1963 applies to applications filed under Sections 7 and 9 of the IBC from the very inception of the Code, and that Article 137 of the First Schedule to the Limitation Act, prescribing a period of three years from the date on which the “right to apply” accrues, governs such applications. The Supreme Court in **B.K. Educational Services Private Limited v. Parag Gupta and Associates, (2019) 11 SCC 633**, has authoritatively held that Section 238A of the IBC is clarificatory and retrospective, that the object of the Code was never to give a fresh lease of life to time-barred debts, and that the “right to sue” accrues when default occurs; if the default has occurred more than three years prior to the filing of the application, the same is barred by Article 137 of the Limitation Act,



save where delay is condoned under Section 5 thereof on sufficient cause being shown.

11. This position has been consistently reiterated. In **Gaurav Hargovindbhai Dave v. Asset Reconstruction Company (India) Ltd. & Anr., (2019) 10 SCC 572**, the Supreme Court held that applications under Section 7 (and, by parity of reasoning, Section 9) are governed by Article 137 of the Limitation Act and that proceedings founded on time-barred claims cannot be entertained under the Code. Similarly, in **Sabarmati Gas Limited v. Shah Alloys Limited, (2023) 3 SCC 229**, it has been held that in an application under Section 7 or 9 of the IBC, the period of limitation is three years from the date on which the right to apply accrues, i.e., the date of default, and the same is extendable only by an application under Section 5 of the Limitation Act on the ground of “sufficient cause,” that expression being one for which the party seeking condonation cannot itself be blamed.
12. Applying the above principles to the facts at hand, the Applicant’s own List of Dates and Events (Sl. Nos. 1 and 2 of the tabular chart annexed to the Synopsis as well as to the present IA) records the termination notice dated 29.11.2022 calling upon the Respondent to make payment within 15 days, and, in terms, states that upon expiry of the said 15 days on 13.12.2022, “3 years limitation started and will end on 13.12.2025.” This is the Applicant’s own pleaded case as to the accrual of the right to sue/apply and the running of limitation.
13. The demand notice dated 15.04.2025 issued under Section 8 of the IBC, and the default date of 25.04.2025 relied upon therein, is described in the very same chart (Sl. No. 3) as being merely “well within 3 years” of the period already running which is consistent only with limitation having commenced in December 2022, and not with any fresh cause of action having arisen in April 2025. A subsequent demand notice issued under Section 8 of the IBC, by itself, does not create a fresh accrual of the right to sue where the original default/repudiation had already occurred and had already been



treated as such by the creditor; it is well settled that Section 8 notices are a procedural pre-requisite to the filing of an application and do not have the effect of extending or resetting the period of limitation for a debt that has already fallen due and been demanded.

- 14.** On the Applicant's own showing, therefore, the period of three years prescribed under Article 137 of the Limitation Act expired on 13.12.2025. The Company Petition (IB) No. 198 of 2026 was admittedly filed only on 26.02.2026, a delay of 75 days beyond the prescribed period of limitation, as candidly quantified by the Applicant itself at Sl. No. 12 of its own tabular chart. There is, thus, no dispute on facts that the Company Petition was filed beyond the period prescribed by law; what remains to be examined is only whether "sufficient cause" within the meaning of Section 5 of the Limitation Act has been made out to condone the said delay.
- 15.** The sole ground urged by the Applicant for condonation of delay is that it could not get its debt registered with NeSL on account of technical/documentation issues between May 2025 and February 2026, and that the delay in filing the Company Petition is a necessary consequence of awaiting the Record of Default from NeSL. This ground is unsustainable in view of the settled legal position that filing of a Record of Default with an Information Utility is not a mandatory precondition for maintaining an application under Section 9 of the IBC.
- 16.** The National Company Law Appellate Tribunal, in **Vijay Kumar Singhania v. Bank of Baroda & Anr. (Company Appeal (AT) (Ins.) No. 1058 of 2023 and connected matters)**, has authoritatively held that although Regulation 20(1A) of the IBBI (Information Utilities) Regulations, 2017 was inserted with effect from 14.06.2022, there is no corresponding amendment either to Section 7 (or Section 9) of the IBC, or to the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016, or to the CIRP Regulations, making a Record of Default from an Information Utility the sole or mandatory mode of proving default; that the statutory scheme



contemplates furnishing of a Record of Default with the Information Utility “or such other record or evidence of default as may be specified”; and that a regulation framed under Section 240(1) of the Code, being subordinate legislation, must be consistent with, and cannot override, the provisions of the parent Code and the Rules made thereunder. This decision of the NCLAT was carried in appeal, and the Supreme Court, by order dated 29.08.2024, declined to interfere with the same.

- 17.** This position has been followed by various Benches of this Tribunal even in the context of Section 9 applications by operational creditors. In **R.K. Lala v. Ramky Infrastructure Ltd. C.P. (IB) 66/9/HDB/2023, (NCLT, Hyderabad Bench)**, it has been held that the use of the word “confirming” in Section 9(3)(d) of the IBC indicates that the Record of Default from an Information Utility is merely evidentiary in nature and is a supporting piece of evidence, and not a strict precondition, for initiating proceedings under Section 9.
- 18.** Similarly, it has been held in *Assets Care & Reconstruction Enterprise Ltd.* and other decisions that furnishing of information to NeSL/Information Utility is not mandatory for ascertainment of default of the Corporate Debtor, but is only directory in nature, and that an operational creditor may rely upon invoices, purchase orders, agreements, ledgers, demand notices and postal acknowledgements to establish debt and default.
- 19.** It follows that the office order dated 03.04.2023 issued by this Tribunal which, in terms, only “requests” petitioners under Sections 7 and 9 to produce IU records at the earliest for effective hearing of their cases is administrative and facilitative in character. It neither purports to, nor can it, override Section 9 of the Code so as to make NeSL registration a jurisdictional precondition to filing, nor can an administrative office order suspend, extend or otherwise affect the operation of the law of limitation, which is a matter of substantive statute (Section 238A of the IBC read with the Limitation Act, 1963).



- 20.** On the Applicant's own admission, it was in possession, well before expiry of limitation, of the Cooperation Agreement dated 25.05.2016, the termination notice dated 29.11.2022, the demand notice dated 15.04.2025 issued under Section 8 of the IBC, and its account ledgers/records evidencing the debt and default, documents which, in law, were sufficient to enable it to file the Section 9 application without awaiting the NeSL Record of Default.
- 21.** The delay in obtaining NeSL registration was, moreover, substantially attributable to the Applicant's own conduct: its modification request was rejected by NeSL on 01.05.2025 for want of a duly digitally signed Board Resolution, authority letter and self-attested KYC documents (Annexure A-1), and again required correction before being approved only on 06.08.2025 (Annexure A-2). An impediment that is self-created, or which arises from a party's own failure to comply with procedural requirements of a third-party utility, cannot be said to be a cause beyond the control of the Applicant, nor can it constitute sufficient cause in law.
- 22.** It is settled law that sufficient cause within the meaning of Section 5 of the Limitation Act is not an expression of elastic or unlimited amplitude and cannot be so construed as to reward negligence or lack of diligence on the part of a litigant. In **Basawaraj & Anr. v. Special Land Acquisition Officer, (2013) 14 SCC 81**, the Supreme Court held that the discretion to condone delay is to be exercised judicially and not merely as a matter of generosity, and that a party guilty of negligence, inaction or want of bona fides cannot claim the benefit of Section 5.
- 23.** In **Esha Bhattacharjee v. Managing Committee of Raghunathpur Nafar Academy & Ors., (2013) 12 SCC 649**, the Supreme Court, while laying down guiding principles for condonation of delay, held that a distinction must be drawn between inordinate delay occasioned by negligence or laxity of the litigant and delay for reasons beyond the litigant's control, and that



a party who has not acted with due diligence cannot claim condonation as a matter of right.

- 24.** This strict approach has been consistently applied by the Supreme Court to proceedings under the IBC, which is a time-bound Code. In **Sagufa Ahmed v. Upper Assam Plywood Products (P) Ltd., (2021) 2 SCC 317**, the Supreme Court declined to condone delay beyond the statutorily prescribed outer limit in proceedings arising under the Code, holding that limitation cannot be extended by invoking equitable considerations once the statutory period, including any condonable extension provided by the Code itself, has expired.
- 25.** More recently, in **Tata Steel Ltd. v. Raj Kumar Banerjee (2025) 9 SCC 483**, the Supreme Court has reiterated that statutory timelines under the IBC are to be strictly enforced, that procedural sanctity and adherence to statutory timelines are non-negotiable, and that equitable considerations cannot be imported to extend limitation contrary to the statutory scheme. The Supreme Court has also, in **Surendra Trading Company v. Juggilal Kamlapat Jute Mills Company Ltd. & Ors., (2017) 16 SCC 143**, emphasised that time is the essence of the Code, and that the timeline-driven scheme of the IBC is intended to ensure speedy resolution and to discourage laxity on the part of litigants and their counsel.
- 26.** Tested on the above touchstone, the reason offered by the Applicant namely, difficulty in registering its debt with NeSL does not constitute sufficient cause.
- 27.** As held above, NeSL registration was never a mandatory precondition to filing the Company Petition; the delay in obtaining the same was substantially self-inflicted, arising from the Applicant's own initial failure to furnish properly executed authorisation documents; and the Applicant, at all material times, possessed sufficient documentary material to file the Section 9 application without awaiting the Record of Default.



28. In these circumstances, permitting condonation would amount to rewarding want of diligence on the part of the Applicant and to reviving what is, on the Applicant's own admission, a time-barred claim, a result the Code was never intended to produce.

CONCLUSION AND FINDINGS

29. For the cumulative reasons set out above, namely:

- (i)** that the Limitation Act, 1963 applies into applications under Section 9 of the IBC, and on the Applicant's own computation, the period of three years prescribed under Article 137 thereof expired on 13.12.2025, whereas the Company Petition was filed only on 26.02.2026;
- (ii)** that furnishing of a Record of Default from NeSL/Information Utility is not a mandatory precondition for filing an application under Section 9 of the IBC, and the delay occasioned in obtaining the same, being substantially attributable to the Applicant's own conduct, cannot constitute sufficient cause; and
- (iii)** that statutory timelines under the IBC, being a time-bound Code, are required to be strictly construed and applied, and the discretion under Section 5 of the Limitation Act cannot be exercised so as to reward negligence or revive a time-barred claim.

This Tribunal is of the considered view that the Applicant has failed to make out sufficient cause for condonation of the delay of 75 days (or, on a stricter computation, a longer period) in filing Company Petition (IB) No. 198 of 2026.

30. Consequently, once the delay is not condoned, the Company Petition (IB) No. 198 of 2026, filed admittedly beyond the period of limitation prescribed under Article 137 of the Limitation Act, 1963 as made applicable by Section 238A of the IBC, cannot be entertained and is liable to be dismissed as barred by limitation.



Accordingly, we Order:

In view of the foregoing discussion and findings:

- (i)** I.A. No. 2304 of 2026 seeking condonation of delay in filing Company Petition (IB) No. 198 of 2026 is hereby dismissed.
- (ii)** Consequently, Company Petition (IB) No. 198 of 2026 filed under Section 9 of the Insolvency and Bankruptcy Code, 2016 is also dismissed as being barred by limitation.
- (iii)** The dismissal of the Company Petition is on the ground of limitation alone and shall not be construed as an expression of opinion on the merits of the underlying claim; it shall, however, be open to the Applicant to pursue such other remedy as may be available to it in law, before an appropriate forum, in accordance with law.

Sd/-
(ANUPINDER SINGH GREWAL)
(PRESIDENT)

Sd/-
(RAVINDRA CHATURVEDI)
MEMBER (TECHNICAL)