NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH COURT II

Item No. 121

IA 1687/2026 In C.P. (IB)/730/MB/2025

CORAM

SHRI SANJIV DUTT
HON'BLE MEMBER (TECHNICAL)

SHRI ASHISH KALIA
HON'BLE MEMBER (JUDICIAL)

ORDER SHEET OF HEARING (HYBRID) DATED **11.06.2026**

NAME OF THE PARTIES: **Canara Bank**

Vs.

Fortune's Sparsh Healthcare Private Limited

Appearance:

For Applicant : Adv. Kunal Kanungo

For Suspended Directors: Adv. Manoj Mishra (VC)

For ESIC : Mr. Pankaj Kumar SSO

IBC Under Section 7, 12A

ORDER

IA 1687/2026

1) The present Interlocutory Application has been filed by the Applicant/Resolution Professional under Section 12A of the Insolvency and Bankruptcy Code, 2016 ("Code") read with Regulation 30A of the CIRP Regulations, 2016, seeking withdrawal of the Corporate Insolvency Resolution Process ("CIRP") of the Corporate Debtor, which was initiated by this Adjudicating Authority vide order dated 29.01.2026. Pursuant thereto, the Applicant issued the public announcement dated 02.02.2026 in Form A in accordance with Sections 13 and 15 of the Code.

2) It is submitted that after verification of claims, the Committee of Creditors ("CoC") was constituted with Canara Bank as the sole Financial Creditor holding 100% voting share. The report certifying the constitution of the CoC was taken on record by this Tribunal vide order dated 27.02.2026.

3) Learned Counsel for the Applicant submits that during the 1st CoC Meeting, the Resolution Professional apprised the CoC regarding the continued non-cooperation of the suspended management, non-availability of financial records and statutory information and unauthorized withdrawals of funds amounting to approximately Rs.72.37 lakhs during the CIRP period. Claims submitted by statutory authorities including EPFO and ESIC were also brought to the notice of the CoC.

4) It is further submitted that in the subsequent CoC meetings held on 10.03.2026 and 16.03.2026, settlement proposals submitted by the Suspended Director were deliberated upon. After discussions, it was proposed that approximately 50% of the outstanding dues would be paid upfront and the balance within the stipulated period, whereupon withdrawal of CIRP under Section 12A of the Code would be considered, subject to compliance with the agreed terms.

5) The Applicant submits that Canara Bank, being the sole member of the CoC, vide letter dated 02.04.2026, conveyed its willingness to consider the settlement proposal subject to specified terms and conditions. Thereafter, in the 4th CoC Meeting held on 07.04.2026, it was recorded that payments under the settlement had commenced and the

Resolution Professional apprised the CoC regarding the status of instalments and verification of funds available in the Corporate Debtor's bank accounts.

6) It is further submitted that in the 5th CoC Meeting held on 15.04.2026, the sole member of the CoC, holding 100% voting share, considered and approved the transfer of funds towards the second instalment under the One Time Settlement ("OTS"). The CoC noted that, after adjusting the amount of Rs. 2,75,00,000/- already paid by the Corporate Debtor, a balance sum of Rs. 3,14,64,043/- remained payable, aggregating to a total settlement amount of Rs. 5,89,64,043/-, which was required to be paid within the stipulated timeline, failing which the CIRP would stand revived. In view of the settlement arrived at between the parties and the substantial part performance thereof, the CoC, with 100% voting share, approved the withdrawal of the CIRP and authorised the Resolution Professional to file the present application under Section 12A of the Code.

7) During the course of hearing, the representative of the ESIC Department, Mr. Pankaj, informed this Bench that the total outstanding dues payable to the ESIC Department amount to **Rs.2,36,442/-**. Learned Counsel appearing for the Suspended Directors, Mr. Manoj Mishra, on instructions, submitted that the Suspended Directors undertake to clear the outstanding dues of the ESIC Department along with the dues payable to the EPFO Department. The said undertaking is taken on record.

8) The Applicant further submits that CIRP expenses amounting to Rs.3,74,314/- have been ratified by the CoC and borne from the account of the Corporate Debtor, which continues as a going concern. The CoC has also approved payment of further CIRP costs, including the Resolution Professional's fees, legal expenses and other incidental costs, from the account of the Corporate Debtor.

9) It is submitted that the Applicant has annexed Form FA dated 15.04.2026 along with the present application in compliance with Regulation 30A of the CIRP Regulations. The Applicant contends that the requirements under Section 12A of the Code and Regulation 30A stand duly satisfied, as the withdrawal has been approved by the CoC with 100% voting share before issuance of Form G.

10) Accordingly, the present Interlocutory Application has been filed seeking withdrawal of the Corporate Insolvency Resolution Process initiated against the Corporate Debtor, Fortune's Sparsh Healthcare Private Limited, in view of the settlement arrived at between the parties and the approval granted by the Committee of Creditors.

11) Having considered the submissions and on perusal of the averments made in the present Interlocutory Application, this Bench is satisfied and is of the considered opinion that the present Interlocutory Application is in consonance with Section 12A of the Code, r/w Rule 11 of NCLT Rules, 2016 and r/w Regulation 30A(1)(a) of CIRP Regulations, and the same is liable to be allowed. Accordingly, this Bench allows the present Interlocutory Application, thereby allowing the Applicant to

withdraw the Corporate Insolvency Resolution Process against the Corporate Debtor **Fortune's Sparsh Healthcare Private Limited.**

12) Now the Corporate Debtor, **Fortune's Sparsh Healthcare Private Limited,** is free from all the clutches and rigors of CIRP proceedings. The moratorium declared under Section 14 of the Code, order of this Bench, shall cease to operate here from.

13) The Applicant herein is directed to handover all the assets, records and effects whatever available with him in the physical or electro format to the suspended Directors of the Corporate Debtor forthwith.

14) The RP submits that has been working till date and, therefore, they will be paid a reasonable claim. Keeping in view the settlement between the parties the RP has exerted significant effort in this case; accordingly, the suspended Board/investor may consider the same and make the payment.

15) In view of the facts and circumstances narrated hereinabove**, IA 1687/2026** is **allowed** and **disposed of**. Resultantly, the main Company Petition bearing **CP (IB) No.730 of 2025**, stands disposed of. In view of the withdrawal of the main Company Petition, all the pending Interlocutory Applications, if any, arising out of the present Company Petition, stands closed. File be consigned to records.

16) There would however be no order as to costs. **Ordered Accordingly.**

Sd/-
SANJIV DUTT
MEMBER (TECHNICAL)

Sd/-
ASHISH KALIA
MEMBER (JUDICIAL)

//LRA-Vaishnavi Shah//