

NATIONAL COMPANY LAW APPELLATE TRIBUNAL
PRINCIPAL BENCH, NEW DELHI

Company Appeal (AT) (Insolvency) No. 942 of 2025

IN THE MATTER OF:

Girish Maganlal Limbachiya

...Appellant

Versus

Dharmil R Mehta & Ors.

...Respondents

Present:

For Appellant: Mr. Arvind Kumar, Ms. Purti Gupta, Ms. Henna George, Ms. Sunidhi Sah, Advocates.

For Respondents: Mr. Kapil Prakash Shah, Advocates for R-1 to 5.

O R D E R
(Hybrid Mode)

18.07.2025: Heard learned counsel for the Appellant as well as learned counsel appearing for the Financial Creditor (Respondent No.1 to 5). This Appeal has been filed against order dated 26.06.2025 passed on an application filed by the Financial Creditor, admitting insolvency proceeding against the Corporate Debtor under Section 7.

2. The Appellant's case in this appeal is that in Part IV of the application, the Financial Creditor had claimed total amount of Rs.1,60,00,000/- toward principal with interest totalling to Rs.2,43,97,659/-. It is submitted that there was no written agreement between the parties to pay interest and Appellant during pendency of the proceeding has offered to pay entire amount as well as interest i.e. Rs.2,43,97,659/-, which fact has been noticed by the Adjudicating Authority in Para 21 of the impugned order. It is submitted that the Financial Creditor refused to accept the amount. It is submitted that the amount was offered to be paid by cheques payable within 9 months which

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was refused by the Financial Creditor without giving any valid reason, hence, the Adjudicating Authority committed error in admitting Section 7 application.

3. When this appeal was taken, learned counsel for the Appellant submitted that the Appellant is ready to hand over the bank draft for entire amount claimed in Part IV along with the interest totalling to Rs.2,62,00,000/-. We passed following order on 10.07.2025:

“O R D E R
(Hybrid Mode)

10.07.2025: *Learned counsel for the appellant submits that appellant is ready to hand over the bank draft and entire amount claimed in Part IV along with the interest totalling to Rs.2,62,00,000/-.*

2. It is submitted that appellant had offered before the adjudicating authority which was not accepted, however, they are ready to pay the entire amount by bank draft or by R.T.G.S to the operational creditor within a week.

3. Learned counsel for the respondent submits that he shall intimate the bank details by tomorrow.

4. In view of the aforesaid, we direct that no further steps shall be taken in pursuance of the impugned order dated 26.06.2025 passed by the NCLT, Mumbai Bench, Court – I.

*List this appeal on **18th July, 2025.**”*

4. When today appeal was taken, learned counsel for the Financial Creditor submits that the amount has been received totalling to Rs.2,62,00,000/- by Bank Draft/ RTGS. Learned counsel for the Financial Creditor submits that the Appellant has not given TDS Certificate which is required to be given. Learned counsel for the Appellant submits that TDS Certificate will be given in due course to the Financial Creditor.

5. We have considered the submissions of learned counsel for the parties and perused the record.

6. In the facts of the present case, when Appellant has already offered the entire amount claimed in Part IV, which was refused to be accepted by the Financial Creditor before the Adjudicating Authority, which during pendency of the appeal has already been accepted and Financial Creditor has received a total amount of Rs.2,62,00,000/-, we are of the view that present is not a case for initiating Section 7 proceeding against the Corporate Debtor. We, thus, close the CIRP. Appeal is disposed of accordingly.

[Justice Ashok Bhushan]
Chairperson

[Barun Mitra]
Member (Technical)

Archana/nn