

**IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, COURT – 1, AHMEDABAD**

ITEM No.301 - IA/1035(AHM)2023
ITEM No.302 - IA/1214(AHM)2023 in IA/1035(AHM)2023
ITEM No.303- IA/1271(AHM)2023
ITEM No.304- IA/1378(AHM)2023 in IA/1035(AHM)2023
In
CP(IB) 279 of 2018

IA/1035(AHM)2023
Under Rule 11 of NCLT Rules, 2016 & Reg 17 IBBI Regulations, 2016

IN THE MATTER OF:

Ravi Kapoor RP For Krishna Knitwear Technology LtdApplicant

IA/1214(AHM)2023 in IA/1035(AHM)2023
Under Section 60(5) of IBC

Union Bank of IndiaApplicant
V/s
Ravi Kapoor RP For Krishna Kntiwear Technology Ltd & OrsRespondents

IA/1271(AHM)2023
Under Section 60(5) IBC r.w Rule 11 of NCLT Rules, 2016

State Bank of India through its Asst. General ManagerApplicant
V/s
Ravi Kapoor RP of Krishna Knitwear Technology LtdRespondent

IA/1378(AHM)2023 in IA/1035(AHM)2023
Under Section 60(5) of IBC r.w. Rule 11 of NCLT Rules, 2016

Union Bank of IndiaApplicant
V/s
Ravi Kapoor RP For Krishna Kntiwear Technology LimitedRespondent

Order delivered on: 13/02/2026

C O R A M:

MR. SHAMMI KHAN, HON'BLE MEMBER (J)
MR. SANJEEV SHARMA, HON'BLE MEMBER (T)

ORDER
(Hybrid Mode)

The case is fixed for pronouncement of order. The common order is pronounced in the open court, vide separate sheet.

Sd/.

**SANJEEV SHARMA
MEMBER (TECHNICAL)**

Sd/-

**SHAMMI KHAN
MEMBER (JUDICIAL)**

**BEFORE THE ADJUDICATING AUTHORITY
NATIONAL COMPANY LAW TRIBUNAL,
DIVISION BENCH, COURT-I, AHMEDABAD BENCH**

IA/1035/NCLT(AHM)/2023

IA/1214/NCLT(AHM)2023 in IA/1035/NCLT(AHM)2023

IA 1378/NCLT(AHM)2023 in IA/1035/NCLT(AHM)2023

IA/1271/NCLT (AHM)2023

In

CP(IB) 279 of 2018

In the matter of: Krishna Knitwear Technology Limited

(i) I.A. No.1035/NCLT(AHM)/2023

[Application under Rule 11 of NCLT Rules 2016 and Regulation 17 of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016]

MEMO OF PARTIES

Mr. Ravi Kapoor

Resolution Professional of
Krishna Knitwear Technology Limited

Having address at:

Ravi Kapoor & Associates
402, Shaival Plaza,
Nr. Gujarat College, Ellisbridge,
Ahmedabad, Gujarat, 380006

.... Applicant/RP

(ii) IA/1214(AHM)2023 in IA/1035(AHM)2023

[An Application under Section 60(5) of the Insolvency and Bankruptcy Code, 2016]

MEMO OF PARTIES

Union Bank of India

having its Head office at
239, Vidhan Bhavan Marg,
Union Bank Bhavan,
Nariman Point, Mumbai-400 021

...Applicant/FC

VERSUS

1. Ravi Kapoor RP of

Krishna Knitwear Technology Limited

Having its office at:

402, Shaival Plaza,
Gujarat College Road,
Ellisbridge, Ahmedabad- 380006

2. M/s. Acrow Realcon Pvt. Ltd.

Having its registered office at:

Gala No. 107, Everest Industrial Estate,
Near 66 Kva Power Sub Station, Amlī,
Silvassa, Dadra and Nagra Haveli - 396 230

3. M/s. Royal Compservices Pvt. Ltd.

Having its office at:

RM-81, Sudarshan Nagar,
MIDC, Phase-II, Dombivali East 421 201.

4. M/s. Charms Holding Pvt. Ltd.

Having its office at:

Room No. 8, Patel Pada,
Samarvani, Silvassa,
Dadra and Nagra Haveli - 396 230.

5. M/s. Elnet Conpro Pvt. Ltd.

Having its office at:

Gala No. 105, Everest Industrial Estate,
Near 66 Kva Power Sub Station, Amlī,

Silvassa, Dadra and Nagra Haveli- 396 230.

6. M/s. Sumeru Reality Pvt. Ltd.

Having its office at:

Unit No. 34A, 2nd Floor,
Ariswala Building, Wode House Road,
Colaba, Mumbai - 400 053.

7. M/s. Amex Infrastructure Pvt. Ltd.

Having its office at:

Gala No. 108, Everest Industrial Estate,
Near 66 Kva Power Sub Station, Amli,
Silvassa, Dadra and Nagra Haveli - 396 230.

8. M/s. Wellworth Apparels Pvt. Ltd.

Having its registered office at:

Office No. M2, Mezzanine Floor,
Pearl Plaza, Tata Road No. 2,
Opera House, Mumbai - 400 004.

9. M/s. Anukaran Consultancy Pvt. Ltd.

Having its office at:

25, Floor--2, Plot-59/61,
Ariswala Mansion,
Nathalal Parikh Marg,
Colaba, Mumbai- 400 005.

10. M/s. Eremurus Trading Company Pvt. Ltd.

Having its registered office at:

Flat No. 304, Cosmicity Jupiter H.No.,
1615/20, Build Type-C,
Sayli, Silvassa - 396 230.

11. M/s. Cyra Capitals Pvt. Ltd.

Having its registered office at:

Office No. - 127, 1st Floor,

Paras Centre A, Tata Road No. - 2,
Opera House, Mumbai - 400 004.

12. M/s. Single Point Security Solutions

Having its office at:

Gala No. 108, Everest Industrial Estate,
Near 66 Kva Power Sub Station, Amli,
Silvassa, Dadra and Nagra Haveli - 396 230.

13. M/s. Shri Gopala Holding Pvt. Ltd.

Having its office at:

Gala No. 108, Everest Industrial Estate,
Near 66 Kva Power Sub Station, Amli,
Silvassa, Dadra and Nagra Haveli - 396 230.

14. M/s. Unique Warehouse Pvt. Ltd.

Having its office at:

RM-81, Sudharshan N agar, MIDC, Phase-II,
Dombivali (East), Mumbai - 421 021.

15. M/s. Carnat Estates Pvt. Ltd.

Having its office at:

Gala No. 107, Everest Industrial Estate,
Near 66 va Power Sub Station, Amli,
Silvasa, Dadra and Nagra Haveli - 396 230.

16. M/s. Picturesque Trading Pvt. Ltd.

Having its registered office at:

RM-81, Sudharshan Nagar,
MIDC, Phase-II, Dombivali (East),
Thane, Mumbai - 421021.

17. M/s. Tanvish Trading Pvt. Ltd.

Having its registered office at:

Office No. - 122, 1st Floor,
Paras Centre A, Tata Road No. - 2,

Opera House, Mumbai - 400 004.

18. M/s. Conart Con pro Pvt. Ltd.

Having its office at:

Office No. 108, Everest Industrial Estate,
Near 66 Kva Power Sub Station, Amlī,
Silvassa, Dadra and Nagra Haveli - 396 230.

19. M/s. Axtel Properties Pvt. Ltd.

Having its office at:

108, Everest Industrial Estate,
Near 66 Kva Power Sub Station, Amlī,
Silvassa, Dadra and Nagra Haveli - 396 230

20. M/s. Madhu Crimpers Pvt. Ltd.

Having its registered office at:

Office No. - 122, 1st Floor,
Paras Centre A, Tata Road No. - 2,
Opera House, Mumbai - 400 004.

21. M/s. Shri Ganesh Hosiery Mills Pvt. Ltd.

Having its office at:

Plot No. 6/4 & 6/5, TTC MIDC,
Pawane Village, Navi Mumbai,
Thane - 400 705.

22. M/s. Taban Real Estate Pvt. Ltd.

Having its office at:

Office No. - 127, 1st Floor A-Paras Centre,
Tata Road No. - 2, Opera House,
Mumbai - 400 004.

23. M/ s. Vighnaharta Corrugators Pvt. Ltd.

Having its registered office at:

RM-81, Surlharshan Nagar, MIDC,
Phase-II, Dombivali (East),

Mumbai - 421 021.

24. M/s. Shri Govind Cement Pvt. Ltd.

Having its registered office at:

RM-81, Sudharshan Nagar, MIDC,
Dombivali (East), Thane,
Mumbai - 421 021.

25. M/s. Richi-Rich Realty Ltd.

Having its registered office at:

Gala No. 107, Everest Industrial Estate,
Near 66 Kva Power Sub Station, Amli,
Silvassa, Dadra and Nagra Haveli - 396 230.

26. M/s. Kausar Textiles Pvt. Ltd.

Having its registered office at:

27 A, Mezzanine Floor,
Swadeshi Mill Building,
Plot No. 80/84, J.S.S Road,
Mumbai - 400 004.

.... Respondents

(iii) IA/1378(AHM)2023 in IA/1035(AHM)2023

[Application under Section 60(5) of Insolvency and Bankruptcy Code, 2016 read with Section-21 read with Section 5(24) of the Insolvency and Bankruptcy Code, 2016]

MEMO OF PARTIES

Union Bank of India

having its Head office at

239, Vidhan Bhavan Marg,
Union Bank Bhavan,
Nariman Point, Mumbai-400 021

...Applicant/FC

Versus

Ravi Kapoor RP of
Krishna Knitwear Technology Limited
Having its office at:
402, Shaival Plaza,
Gujarat College Road,
Ellisbridge, Ahmedabad- 380006

...Respondent

(iv) IA/1271(AHM)2023

*[Application under Section 60(5)(c) of the Insolvency and
Bankruptcy Code, 2016 and Rule 11 of the NCLT Rules, 2016]*

MEMO OF PARTIES

STATE BANK OF INDIA
Through its Asst. General Manager
Stressed Assets Management Branch,
Ahmedabad

...Applicant/FC

Versus

Ravi Kapoor RP of
Krishna Knitwear Technology Limited
Having its office at:
402, Shaival Plaza,
Gujarat College Road,
Ellisbridge, Ahmedabad- 380006

...Respondent/RP

ORDER PRONOUNCED ON 13.02.2026

C O R A M :

SH. SHAMMI KHAN, HON'BLE MEMBER (JUDICIAL)
SH. SANJEEV SHARMA, HON'BLE MEMBER (TECHNICAL)

APPEARANCE:

- For the Applicant : Mr. Ravi Pahwa, Adv. a. w. Ms. Gunjan Aggarwal, Adv. for Union Bank of India
Ms Dharmishta Rawal, Advocate for State Bank of India
- For the RP : Mr. Nipun Singhvi, Adv. a. w. Ms. Pragati Tiwari, Adv. & Mr. Ravi Kapoor, RP in Person
- For the Respondents : Mr. Pavan S Godiawala, Adv. for Respondent Nos. 5, 9, 11,16 & 19 (in IA/1214(AHM)2023 in IA/1035(AHM)2023)
Mr. Prateek Gupta, Adv. for Respondent Nos.2, 3, 7, 8, 15 & 23 in IA 1214 (AHM) 2023 in IA 1035 (AHM) 2023
- Ms. Somya Jain, Proxy Adv. for Mr. Arjun Sheth, Adv. for Respondent Nos. 10, 14, 18. 20, 22 & 25 (in IA/1214(AHM)2023 in IA/1035(AHM)2023)

COMMON ORDER

[PER: BENCH]

1. These four Interlocutory Applications-IA 1035 (AHM)/2023, IA/1214(AHM)2023 in IA/1035(AHM)2023, IA 1378(AHM)2023 in IA/1035(AHM)2023, and IA/1271(AHM)2023 arise from the Corporate Insolvency Resolution Process of Krishna Knitwear Technology Limited (hereinafter also KKTL/Corporate Debtor), initiated under

the Insolvency and Bankruptcy Code, 2016. The proceedings involve multiple stakeholders, including Resolution Professional and secured and unsecured financial creditors, and deal with the same or interlinked issues and therefore these applications are decided by this common order.

2. The **IA/1035(AHM)2023**, is filed by Mr. Ravi Kapoor, Resolution Professional of Krishna Knitwear Technology Limited, on 15.09.2023 (on DMS Portal) under Rule 11 of NCLT Rules 2016 and Regulation 17 of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 for Re-Constitution of the Committee of Creditors (CoC) of the Corporate Insolvency Resolution Process of the Corporate Debtor with the following prayers: -

- a) *to allow the present application, in the interest of justice:*
- b) *to take on record report on reconstitution of CoC of Krishna Knitwear Technologies Limited in CP(IB) No. 279 of 2018 in the interest of justice.*
- c) *to grant such other and further reliefs as may be deemed fit and proper by this Hon'ble Tribunal, in the interest of justice.*

3. The **IA/1214 (AHM)2023 in IA/1035(AHM)2023**, is filed by Union Bank of India, one of the secured financial creditors, on behalf of Financial Creditors cum CoC members, on 18.10.2023 (on DMS Portal) under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 for intervening in IA No. 1035 of 2023 with the following

prayers: -

- a) *That this Hon'ble Adjudicating Authority may be pleased to allow the present IA in CP (IB) No.279 of 2018, in the interest of justice.*
- b) *That this Hon'ble Adjudicating Authority may be pleased to direct respondent no.1 to reconstitute the COC of the Corporate Debtor, after verifying the evidence on the issue of related party in the interest of justice.*
- c) *That this Hon'ble Adjudicating authority may be pleased to direct respondent no. 1 to refrain from putting on vote the resolution plans by the reconstituted committee of creditors.*
- d) *That this Hon'ble Adjudicating authority may be pleased to direct respondent no. 1 to not implement and operate the decision taken by him in reconstituting the COC of the corporate debtor and act up on the same by conferring voting rights to the newly unsecured creditors.*
- e) *That this Hon'ble Adjudicating Authority may be pleased to stay the CIRP of the corporate debtor until this application is decided as there are illegal voting rights given to respondent no.2 to 26, in the interest of justice*
- f) *That this Hon'ble Adjudicating Authority may be please to pass any further necessary orders as the Hon'ble Adjudicating Authority deems fit, in the interest of justice.*

4. The **IA/1378(AHM)2023 in IA/1035(AHM)2023**, is filed by Union Bank of India against Mr. Ravi Kapoor, Resolution Professional of Krishna Knitwear Technology Limited, on 29.11.2023 (on DMS Portal) under Section 60(5) of Insolvency and Bankruptcy Code, 2016 read with Section-21 read with Section 5(24) of the Insolvency and Bankruptcy Code, 2016 for declaration against the Actions of the RP as illegal, Invalid and Contrary to the Mandates of IBC 2016 with the following prayers: -

- a) *That this Hon'ble Adjudicating Authority may be pleased to allow the present IA in CP (IB) No.279 of 2018, in the*

- interest of justice;
- b) That this Hon'ble Adjudicating Authority may be pleased to hold the actions/decisions of the respondent no. 1 RP as illegal, invalid, and contrary to the provisions and mandate of IBC, 2016 and further direct respondent no.1 to constitute the COC of the Corporate Debtor afresh after considering the objections raised by the applicant from time to time in the interest of justice;
 - c) That this Hon'ble Adjudicating authority may be pleased to direct the respondent no. 1 to refrain from implementing and executing the decisions taken in the 14th, 15th and 16th meeting of COC of the corporate debtor.
 - d) That this Hon'ble Adjudicating authority may be pleased to restrain the respondent no. 1 RP not to implement and execute any decisions taken by him in reconstituting the COC, voting by the reconstituted COC after 14th COC meeting and decisions taken in 15th and 16th COC meetings and be pleased to restrain the respondent no. 1 from taking any further decisions in CIRP process of the corporate debtor.
 - e) That this Hon'ble Adjudicating Authority may be pleased to stay the CIRP of the corporate debtor until this application is decided as there are illegal voting rights given to respondent no.2 to 26, in the interest of justice
 - f) That this Hon'ble Adjudicating Authority may be please to pass any further necessary orders as the Hon'ble Adjudicating Authority deems fit, in the interest of justice.

5. The **IA/1271(AHM)2023**, is filed by State Bank of India, another secured financial creditor, against Mr. Ravi Kapoor, Resolution Professional of Krishna Knitwear Technology Limited, on 25.10.2023 (on DMS Portal) under Section 60(5)(c) of the Insolvency and Bankruptcy Code, 2016 and Rule 11 of the NCLT Rules, 2016 for exclusion of certain entities from the committee of creditors of the corporate

debtor: -

- a) a) allow the present application; and/or
- b) b) direct the Respondent to exclude the 25 purported Unsecured Financial Creditors from the Committee of Creditors of the Corporate Debtor; and
- c) c) direct the Respondent to bring on record the purported documents as claimed to have been considered by him unilaterally in the absence of the said documents including the Corporate Guarantees having not been submitted by the 25 purported Unsecured Financial Creditors to the Respondent; and
- d) d) pending the hearing and final disposal of the present application, direct the Respondent to exclude the 25 purported Unsecured Financial Creditors from participating and/or voting in the meeting/s of the Committee of Creditors of the Corporate Debtor; and
- e) e) direct the Respondent to not assign any voting right/share to the 25 purported Unsecured Financial Creditors as part of the Committee of Creditors of the Corporate Debtor till the outcome of the present application; and
- f) f) allow the applicant/secured Financial Creditors to intervene in the so-called Resolution Plan approved by the CoC consisting of the 25 purported Unsecured Financial Creditors and filed by the Respondent before this Hon'ble Tribunal; and
- g) g) grant any other relief or relief as may deem fit in the interest of justice.

6. Through **I.A. No.1035/NCLT(AHM)/2023**, the Applicant (**Resolution Professional**) has placed the facts in the following manner:

6.1. It is submitted that the Corporate Insolvency Resolution Process of *Krishna Knitwear Technology Limited* was initiated by this Tribunal vide order dated 13.01.2020 passed in C.P. (IB) No. 279 of 2018, and the Applicant

was appointed as the Resolution Professional of the Corporate Debtor.

- 6.2. It is submitted that pursuant to the admission of CIRP, the Committee of Creditors was constituted in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016 and the CIRP Regulations, and meetings of the CoC were held from time to time.
- 6.3. It is submitted that subsequently, certain Financial Creditors filed claims belatedly, seeking condonation of delay and consideration of their claims, which were initially rejected by the Resolution Professional on the ground of delay.
- 6.4. It is submitted that this Tribunal, vide order dated 01.08.2023 passed in IA No. 461 of 2023, directed the Resolution Professional to consider the delayed claims on merits and, if found admissible, to reconstitute the Committee of Creditors accordingly.
- 6.5. It is submitted that in compliance with the aforesaid order, the Resolution Professional verified the claims of the Financial Creditors, admitted the eligible claims, and thereafter reconstituted the Committee of Creditors.
- 6.6. It is submitted that the Resolution Professional has prepared and submitted a detailed report dated 26.08.2023 regarding the reconstitution of the Committee of Creditors, in accordance with Regulation 17 of the CIRP Regulations.
- 6.7. It is submitted that the present Interlocutory Application is filed under Rule 11 of the NCLT Rules,

2016 read with Regulation 17 of the CIRP Regulations, seeking permission of this Tribunal to take the said report on record in the interest of justice.

7. Through **IA/1214(AHM)2023 in IA/1035(AHM)2023**, the Applicant (**Union Bank of India**) has placed the facts in the following manner:

7.1. It is submitted that the present Interlocutory Application has been filed by Union Bank of India on behalf of the Financial Secured Creditors and erstwhile members of the Committee of Creditors of Krishna Knitwear Technology Limited (in CIRP), invoking Section 60(5) of the Insolvency and Bankruptcy Code, 2016.

7.2. It is submitted that during the Corporate Insolvency Resolution Process, the Resolution Professional rejected the claims of Respondent Nos. 2 to 26 on the ground that the claims were filed beyond the statutory timelines, though the total claim amount was stated to be approximately Rs. 3,194.72 crores.

7.3. It is submitted that this Tribunal, while condoning the delay in filing claims, directed the Resolution Professional to examine the claims on merits and permitted the Applicant and existing CoC members to place their objections on record with respect to the said claims.

7.4. It is submitted that despite the objections raised by the Applicant and other financial creditors contending that the claimants were related parties within the meaning of

Section 5(24) of the Code, the Resolution Professional proceeded to admit the claims and reconstituted the Committee of Creditors on 26.08.2023.

- 7.5. It is submitted that pursuant to the reconstitution of the CoC, the voting share of the Applicant and other secured financial creditors was substantially reduced from 64.76% to 32.28%, thereby altering the composition and control of the CoC.
- 7.6. It is submitted that the Resolution Professional thereafter convened the meeting of the reconstituted CoC on 16.10.2023 and proceeded with the CIRP process without duly adjudicating the objections raised by the Applicant regarding related-party status and voting rights.
- 7.7. It is submitted that the Applicant contends that the actions of the Resolution Professional in reconstituting the CoC and allocating voting rights to alleged related parties are contrary to the provisions of Section 21(2) and Section 5(24) of the Insolvency and Bankruptcy Code, 2016.
- 7.8. It is submitted that in view of the above facts, the present Interlocutory Application has been filed seeking appropriate directions against the Resolution Professional and for protection of the voting rights of the Applicant and other secured financial creditors.
8. This Adjudicating Authority vide order of 20.10.2023 issued notice to only Respondent No.1 (Resolution Professional)

and not to Respondent Nos. 2 to 26 in this IA 1214 of 2023. In compliance with this order, the Resolution Professional filed reply on 28.11.2023 (on DMS Portal) raising the following contentions:

- 8.1. It is submitted that the present affidavit in reply has been filed by the Resolution Professional of Krishna Knitwear Technology Limited (in CIRP) in opposition to Interlocutory Application No. 1214 of 2023, denying all allegations made therein except those expressly admitted.
- 8.2. It is submitted that the Corporate Insolvency Resolution Process of the Corporate Debtor commenced pursuant to admission of the petition, and during CIRP, Respondent Nos. 2 to 26 filed their claims after a substantial delay of nearly three years from the commencement date.
- 8.3. It is submitted that the Resolution Professional initially rejected the said claims on the ground of delay, whereupon the claimants approached this Tribunal. This Tribunal, vide order dated 15.05.2023, directed the Resolution Professional to examine the claims of Respondent Nos. 2 to 26 strictly on merits, without rejecting them on the ground of delay.
- 8.4. It is submitted that in compliance with the aforesaid order and the subsequent order dated 01.08.2023, the Resolution Professional undertook a detailed verification

of the documents submitted by the claimants and prepared a comprehensive claim verification report.

8.5. It is submitted that upon such verification, the Resolution Professional admitted only those claims which were found to be valid and admissible under the Insolvency and Bankruptcy Code, 2016 and the CIRP Regulations, and thereafter reconstituted the Committee of Creditors strictly in accordance with Regulation 17 of the CIRP Regulations, 2016.

8.6. It is submitted that the allegation of the Applicant that Respondent Nos. 2 to 26 are related parties is vague, bald and unsupported by specific pleadings or documentary evidence as required under Section 5(24) of the Code, and the same was duly examined and rejected by the Resolution Professional. The details of the same are as follows:

Sl No	Name of Claimant and other details	Details of Claim	Principal	Interest	Penal Interest	Total Claimed	Documents Referred	Remarks	Admissible Claim amount
1	Shree Ganesh Hosiery Mills Private Limited Recall Notice Date: 10.06.2019 Invocation Date: 15.04.2020	SGHMPL at the request of M/S Global Softech Ltd disbursed loan of Rs. 26,18,20,000/- through banking channel. Total amount of claim in respect of Corporate Guarantee issued by M/s. Krishna Knitwear Technology Ltd (Guarantor) to M/S Global Softech Ltd (Borrower) for obtaining loan from M/s. SGHMPL.	26,18,20,000	2,82,56,39,694	15,40,52,208	3,25,15,11,902	1. DP Note dated 30.06.2008 for Rs. 6,18,20,000 and agreement dated 15.06.2012 of M/s Global Softech Ltd with Board Resolutions dated 05.05.2008 & 22.05.2012 2. Board Resolution dated 26.02.2018 of M/S Shree Ganesh Hosiery Mills Private Limited for lending the amount to M/S Global Softech Ltd. 3. Copy of Ledger account. 4. Copy of Balance Confirmation Letters dated 31.03.2011, 31.12.2013, 31.03.2016 & 31.03.2017 of M/s Global Softech Ltd. 5. Correspondence letters dated 10.05.2016, 01.03.2017, 27.03.2017 & 19.04.2017. 6. Letter dated 18.01.2013 enclosing "Corporate Guarantee" dated 11.01.2013 along with Resolution dated 13.05.2012 of M/s. Krishna Knitwear Technology Ltd & Resolution dated 14.05.2012 of M/s Global Softech Ltd. 7. Letter dated 10.06.2019 to M/S Global Softech Ltd 8. Letter dated 15.04.2020 for	As per Balancesheet of FY 2020-21, amount in Loans & Advances showing as NIL. As no outstanding remains payable, claim can not be admitted.	0

2	Carnat Estates Private Limited	Corporate Guarantee issued by M/s. Krishna Knitwear Technology Ltd (Guarantor) to M/s KSL and Industries Ltd (Borrower) for obtaining loan from M/s. Carnat Estates	5,00,00,000	17,71,50,456	95,39,744	23,16,90,212	<p>Invocation of Corporate Guarantee issued by M/s. Krishna Knitwear Technology Ltd.</p> <ol style="list-style-type: none"> 1. Letter dated 04.12.2012 along with "Inter Corporate Guarantee" dated 26.11.2012 executed by M/s Krishna Knitwear Technology Limited 2. Board Resolution dated 13.11.2012 of M/s Krishna Knitwear Technology Limited 3. Board Resolution dated 12.11.2017 of M/s KSL and Industries Limited 4. Copy of Letter dated 30.09.2012 with DP note dated 30.09.2012 for Rs. 5 Cr. 5. Board Resolution dated 25.09.2012 of M/s KSL and Industries Limited 6. Board Resolution dated 23.08.2012 of M/s Carnat Estates Private Limited 7. Balance Confirmation Letters dated 30.06.2015, 30.06.2017 of M/s KSL and Industries Ltd 8. Copy of Bank Certificate issued by Corporation Bank 9. Letters dated 15.09.2017 10. Letters dated 28.05.2018 of M/s Carnat Estates Private Limited 11. Recall notice dated 18.12.2019 of M/s Carnat Estates Private Limited 	Based on documents submitted, claim submitted can be admitted	23,16,90,212
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3	Axtel Properties Private Limited	Corporate Guarantee issued by M/s. Krishna Knitwear Technology Ltd (Guarantor) to M/s KSL and Industries Ltd (Borrower) for obtaining loan from M/s. Axtel Properties Private Limited	2,55,00,000	7,67,75,874	38,26,218	10,61,02,092	<p>12. Letter dated 30.03.2020 of M/s Carnat Estates Private Limited for invocation of corporate guarantee provided by M/s. Krishna Knitwear Technology Limited on behalf of M/s. KSL and Industries Limited.</p> <ol style="list-style-type: none"> 1. Copy of Letter dated 31.03.2013 with DP Note dated 31.03.2013 for Rs. 2,55,00,000/- 2. Board Resolution dated 19.03.2013 of M/s KSL and Industries Ltd. 3. Board Resolution dated 22.02.2013 of M/s Axtel Properties Pvt. Ltd. 4. Balance Confirmation Letters dated 31.12.2015 & 31.12.2017 of M/s KSL and Industries Ltd. 5. Copy of Bank Certificate issued by Corporation Bank. 6. Letters dated 22.03.2018. 7. Letters dated 06.06.2018 of M/s Axtel Properties Pvt. Ltd. 8. Recall notice dated 30.10.2018 9. Copy of letters dated 03.01.2019 & 03.04.2020 for invocation of Corporate Guarantee provided by M/s Krishna Knitwear Technology Ltd. 10. Letter dated 02.05.201 along with "Inter Corporate Guarantee" dated 25.04.2013 executed by M/s 	Based on documents submitted, claim submitted can be admitted	10,61,02,092
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								<p>5. Copy of Ledger Account of bank of Rajasthan</p> <p>6. Letters dated 03.08.2012 along with loan agreement dated 02.08.2012 with Board Resolution dated 28.07.2012 of M/s KSL and Industries Ltd</p> <p>7. Letters dated 14.11.2012, 06.07.2017 & 21.04.2018 of M/s Single Point Security Solutions Pvt Ltd</p> <p>8. Recall notice dated 24.05.2018</p> <p>9. Copy of letter dated 24.05.2018 & 04.05.2020 for invocation of Corporate Guarantee provided by M/s Krishna Knitwear Technology Ltd</p> <p>10. Letter dated 25.12.2012 along with "Inter Corporate Guarantee" dated 24.12.2012 executed by M/s Krishna Knitwear Technology Ltd along with board resolution dated 18.10.2012 of M/s Krishna Knitwear Technology Ltd and Resolution dated 10.10.2012 of M/s KSL and Industries Ltd</p>	
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KRISHNA KNITWEAR TECHNOLOGY LIMITED (IN CIRP)									
6	Acrow Reacon Private Limited	Corporate Guarantee issued by M/s. Krishna Knitwear Technology Ltd (Guarantor) to M/s KSL and Industries Limited (Borrower) for obtaining loan from M/s. Acrow Reacon	19,00,00,000	59,89,90,796	7,98,82,999	91,83,76,195	<p>1. Copy of Letter dated 30.06.2012 with DP Note dated 30.06.2012 for Rs. 19,00,00,000/-</p> <p>2. Board Resolution dated 27.06.2012 of M/s KSL and Industries Ltd.</p> <p>3. Board Resolution dated 30.03.2012 of M/s Acrow Reacon Pvt Ltd.</p> <p>4. Copy of Ledger account of ICICI Bank.</p> <p>5. Copy of Balance Confirmation Letters dated 31.03.2015 & 31.12.2017 of M/s KSL and Industries Ltd.</p> <p>6. Copy of Letter dated 07.08.2012 along with Loan Agreement dated 05.08.2012 & Board Resolution dated 28.07.2012.</p> <p>7. Letters dated 28.12.2012 of M/s Acrow Reacon Pvt Ltd</p> <p>8. Letters dated 21.06.2018 & 08.07.2019 of M/s KSL and Industries Ltd</p> <p>9. Final Notice dated 09.12.2019 for repayment of outstanding dues of M/s. Acrow Reacon Pvt Ltd.</p> <p>10. Copy of letter dated 09.12.2019 & 30.03.2020 for invocation of Corporate Guarantee provided by M/s Krishna Knitwear Technology Ltd.</p> <p>11. Letter dated 18.12.2012 along with</p>	Based on documents submitted, claim submitted can be admitted	61,83,76,195

GOPALA HOLDING PRIVATE LIMITED (IN CIRP)									
7	Gopala Holding Private Limited	Corporate Guarantee issued by M/s. Krishna Knitwear Technology Ltd (Guarantor) to M/s Jaybharat Textiles (Borrower) for obtaining loan from M/s. Gopala Holding Private Limited	30,00,00,000	2,19,23,03,471	13,31,29,601	2,72,56,33,072	<p>with Corporate Guarantee dated 14.12.2012 along with Board Resolution dated 13.08.2012 of M/s Krishna Knitwear Technology Ltd and Board Resolution dated 02.07.2012 of KSL and Industries Ltd.</p> <p>1. Covering letter dated 30.06.2009</p> <p>2. DP Note dated 30.06.2009 for Rs. 30,00,00,000/-</p> <p>3. Board Resolution dated 19.05.2009 of M/s Jaybharat Textiles and Real Estate Ltd</p> <p>4. Board Resolution dated 16.03.2009 of M/s. Gopala Holding Pvt Ltd.</p> <p>5. Balance Confirmation Letters dated 31.03.2012, 31.12.2014 & 31.03.2017 of M/s. Jaybharat Textiles and Real Estate Ltd.</p> <p>6. Loan agreement dated 20.07.2012 executed with M/s Jaybharat Textiles and Real Estate Ltd</p> <p>7. Letter dated 04.07.2016 & 04.05.2017 of M/s Gopala Holding Pvt Ltd</p> <p>8. Letter dated 08.07.2015, 28.01.2017 & 26.04.2017 along with minutes of M/s. Jaybharat Textiles and Real Estate Ltd</p> <p>9. Corporate Guarantee Dvd dated</p>	Based on documents submitted, claim submitted can be admitted	2,72,56,33,072

8	Cyrus Capital Private Limited Recall Notice Date: 28.01.2013 Invocation Date: 08.04.2020	Corporate Guarantee issued by M/s. Krishna Knitwear Technology Ltd (Guarantor) to M/s. Actif Corporation Ltd (Borrower) for obtaining loan from M/s. Cyrus Capital	30,00,00,000	2,28,95,54,176	21,33,29,401	2,72,28,83,777	23.12.2012 and Board Resolution dated 13.12.2012 of Jaybharat and Board Resolution dated 15.12.2012 of Krishna Knitwear 10. Recall of Guarantee and letter dated 04.05.2020 for invocation of Corporate Guarantee provided by M/s. Krishna Knitwear Technology Ltd 11. Ledger account and certificate 12. Corporate Guarantee dated 01.03.2013 for Rs. 10,00,00,000/- provided by M/s. Krishna Knitwear Technology Ltd on account of M/s. Actif Corporation Ltd along with Board resolutions dated 09.02.2013 of the Guarantor Company and 14.09.2012 of borrower company. 13. Documents evidencing loan granted to M/s. Actif Corporation Limited. 14. Demand Promissory Note Dated 30.06.2009. 15. Balance Confirmation/ Loan Agreement dated 09.10.2012. 16. Correspondence for providing Security/Corporate Guarantee. 17. Letter dated 05.07.2012 issued by Cyrus Capital Pvt Ltd. 18. Letter dated 13.07.2012 issued by Actif Corporation Ltd. 19. Recall letter issued by Cyrus Capital Pvt Ltd on 28.01.2013. 20. Letter issued by Cyrus Capital Pvt Ltd on 08.04.2020 of financial creditor for invoking the Guarantee.	Based on documents submitted, claim submitted can be admitted	2,72,28,83,777
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9	Richi Rich Realty Limited Recall Notice Date: 14.10.2019 Invocation Date: 06.05.2020	Corporate Guarantee issued by M/s. Krishna Knitwear Technology Ltd (Guarantor) to M/s. Jaybharat Textiles (Borrower) for obtaining loan from M/s. Richi Rich Realty Limited	22,00,00,000	89,87,28,817	3,46,06,462	1,06,13,85,279	1. DP Note Dated 20.05.2012 for Rs. 22,00,00,000/- Board Resolutions dated 28.04.2012 of M/s. Jaybharat Textiles and Real Estate Ltd & dated 20.05.2012 of Richi Rich Realty Ltd 2. Copy of Loan agreement dated 07.09.2012 along with covering letter dated 07.09.2012 3. ADDs dated 31.03.2015 & 31.12.2017 of M/s. Jaybharat Textiles and Real Estate Ltd 4. Correspondence for repayment on due date. Letters dated 07.06.2018, 28.06.2018 & 14.07.2018 5. Corporate Guarantee Deed dated 05.03.2013 6. Recall letter dated 14.10.2019 7. Copy of letter dated 06.05.2020 for invocation of Corporate Guarantee provided by M/s. Krishna Knitwear Technology Ltd 8. Copy of ledger a/c in support of the loan disbursed to M/s. Jaybharat Textiles and Real Estate Ltd	Based on documents submitted, claim submitted can be admitted	1,06,13,85,279
10	Kausar Textile Private Limited Recall Notice Date: 30.08.2019	Corporate Guarantee issued by M/s. Krishna Knitwear Technology Ltd (Guarantor) to M/s. KSL and Industries Limited	39,00,00,000	2,78,17,59,394	15,45,22,413	3,32,62,81,807	1. Copy of Letter dated 31.03.2010 with DP Note dated 31.03.2010 for Rs. 39,00,00,000/- 2. Copy of Board Resolution dated 19.07.2010 of M/s. KSL and Industries Ltd 3. Copy of Board Resolution dated 10.12.2009 of M/s. Kausar Textile Pvt Ltd.	Based on documents submitted, claim submitted can be admitted	3,32,62,81,807

	Invocation Date: 04.05.2020	(Borrower) for obtaining loan from M/s. Kausar Textile Private Limited					1. Copy of Balance Confirmation Letters dated 31.12.2012, 30.09.2015 & 31.12.2017 of M/s. KSL and Industries Ltd. 2. Copy of Ledger Account of Bank of Rajasthan. 3. Copy of Letter dated 03.09.2012 along with Loan Agreement dated 02.08.2012 & Board Resolution dated 28.07.2012. 4. Copy of letters dated 22.03.2015, 05.04.2018 & 25.04.2018 along with the minutes of the meeting dated 18.04.2018 of M/s. KSL and Industries Ltd. 5. Copy of Letter dated 30.04.2018 of M/s. Kausar Textile Pvt Ltd. 6. Recall notice dated 30.08.2019. 7. Copy of letters dated 30.08.2019 and 04.05.2020 for invocation of Corporate Guarantee provided by M/s. Krishna Knitwear Technology Ltd. 8. Letter dated 03.05.2013 along with "Inter Corporate Guarantee" dated 24.04.2013 executed by M/s. Krishna Knitwear Technology Ltd along with board resolution dated 10.04.2013 of M/s. Krishna Knitwear Technology Ltd and Resolution dated 05.04.2013 of M/s. KSL and Industries Ltd.	Based on documents submitted, claim submitted can be admitted	
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11	Madhu Crimpers Private Limited	Corporate Guarantee issued by M/s Krishna Knitwear Technology Ltd (Guarantor) to M/s K-Life Style and Industries Limited (Borrower) for obtaining loan from M/s Madhu Crimpers Private Limited	10,00,00,000	8,34,25,700	50,23,521	16,43,48,430	<p>1. CP Note dated 31.03.2017 for Rs. 10,00,00,000/-</p> <p>2. Resolutions dated 28.03.2017 of M/s K-lifestyle and Industries Ltd</p> <p>3. Resolution dated 23.07.2017 of M/s Madhu Crimpers Pvt Ltd</p> <p>4. Letter dated 20.04.2017 of M/s K Lifestyle and Industries Ltd accepting terms and conditions along with penal interest</p> <p>5. Copy of Bank Certificate issued by Corporation Bank as evidence of disbursement of the loan to M/s K Lifestyle and Industries Ltd</p> <p>6. Letter dated 03.09.2018 of M/s K-Lifestyle and Industries Ltd for payment of the payment.</p> <p>7. RECALL NOTICE dated 09.01.2019 issued by M/s Madhu Crimpers Pvt Ltd</p> <p>8. Copy of letter dated 09.01.2019 issued by M/s Madhu Crimpers Pvt Ltd to M/s Krishna Knitwear Technology Ltd</p> <p>9. Copy of letter dated 10.04.2020 for invocation of Corporate Guarantee provided by M/s Krishna Knitwear Technology Ltd</p> <p>10. Letter dated 23.05.2017 along with "Inter Corporate Guarantee" dated 20.05.2017 executed by M/s Krishna Knitwear Technology Ltd along with board resolution dated</p>	Based on documents submitted, claim submitted can be admitted	16,83,48,330
12	Elmet Conpro Private Limited	Corporate Guarantee issued by M/s Krishna Knitwear Technology Ltd (Guarantor) to M/s KSL and Industries Limited (Borrower) for obtaining loan from M/s Elmet Conpro Private Limited	2,10,00,000	7,77,01,614	24,53,258	10,11,64,909	<p>15.04.2017 of M/s Krishna Knitwear Technology Ltd and Resolution dated 10.04.2017 of M/s K Lifestyle and Industries Ltd</p> <p>1. Copy of Letter dated 30.06.2017 with CP Note dated 30.06.2017 for Rs. 2,10,00,000/-</p> <p>2. Board Resolution dated 27.06.2012 of M/s KSL and Industries Ltd.</p> <p>3. Board Resolution dated 22.05.2012 of M/s Elmet Conpro Pvt Ltd</p> <p>4. Balance Confirmation Letters dated 31.03.2015 & 31.03.2017 of M/s KSL and Industries Ltd.</p> <p>5. Copy of Bank Certificate issued by Corporation Bank.</p> <p>6. Letters dated 10.06.2017</p> <p>7. Letters dated 07.08.2017 & 10.06.2019 of M/s Elmet Conpro Pvt Ltd.</p> <p>8. Letter dated 03.06.2013 of M/s KSL and Industries Ltd. Corporate Guarantee dated 28.05.2013 for Rs. 2,10,00,000/- provided by M/s Krishna Knitwear Technology Ltd. on account of M/s KSL & Industries Ltd.</p> <p>9. Board resolutions dated 12.11.2012 of the Guarantor Company i.e. M/s Krishna Knitwear Technology Ltd.</p>	Based on documents submitted, claim submitted can be admitted	10,11,64,909
13	Charms Holding Private Limited	Corporate Guarantee issued by M/s Krishna Knitwear Technology Ltd (Guarantor) to M/s KSL and Industries Limited (Borrower) for obtaining loan from M/s Charms Holding Private Limited	8,49,00,000	13,19,58,391	1,97,42,055	43,76,03,446	<p>10. Letter dated 10.07.2020 of financial creditor for invoking the Guarantee</p> <p>1. Copy of Letter dated 01.04.2012 with CP Debt can be substantiated Note dated 01.04.2012 for Rs. 8,49,00,000/-</p> <p>2. Board Resolution dated 22.03.2012 of M/s KSL and Industries Ltd</p> <p>3. Board Resolution dated 25.02.2012 of M/s Charms Holding Pvt Ltd</p> <p>4. Balance Confirmation Letters dated 31.12.2014 & 31.12.2016 of M/s KSL and Industries Ltd</p> <p>5. Bank Certificate issued by Corporation Bank</p> <p>6. Letters dated 17.03.2017</p> <p>7. Letter dated 04.05.2017 of M/s Charms Holding Pvt Ltd</p> <p>8. Letter dated 15.05.2018 of M/s Charms Holding Pvt Ltd</p> <p>9. Recall Notice dated 24.06.2019 issued by M/s Charms Holding Pvt Ltd</p> <p>10. Letter dated 14.05.2020 for invocation of "Corporate Guarantee" executed by M/s Krishna Knitwear Technology Ltd on 28.03.2013</p> <p>11. Corporate Guarantee dated</p>	Based on documents submitted, claim submitted can be admitted	43,76,03,446

14	Tabern Real Estate Private Limited Recall Notice Date: 14.10.2019 Invocation Date: 07.04.2020	Corporate Guarantee issued by M/s. Krishna Knitwear Technology Ltd (Guarantor) to M/S K-Lifestyle and Industries Limited (Borrower) for obtaining loan from M/s. Real Estate	10,00,00,000	6,33,29,779	53,89,142	14,97,13,851	28.03.2017 executed by M/s. Krishna Knitwear Technology Ltd 1. Copy of the Bank Certificate No. 02500180/000796 of Corporation Bank. 2. Letter dated 31.03.2017 enclosing "Demand Promissory Note" dated 31.03.2017 for Rs. 10,00,00,000/- along with Board Resolution dated 24.03.2017 of M/s. K-Lifestyle and Industries Ltd. 3. Board Resolution dated 11.01.2017 of M/s. Tabern Real Estate Private Limited. 4. Letter date 28.02.2018 & 02.04.2018 for due/overdue amount sent to M/s. K-Lifestyle and Industries Ltd. 5. Copy of "AOD" dated 10.04.2019 of M/s. K-Lifestyle and Industries Ltd confirming Balance Outstanding 6. Copy of letter dated 14.11.2018 of K-Lifestyle and Industries Ltd for intimation of settlement of dues. 7. Copy of the letter dated 13.12.2018 along with the minutes of the meeting dated 11.12.2018 8. Recall notice dated 14.10.2019 9. Notice of repayment dated 16.12.2019 to Krishna Knitwear Technology Ltd. 10. Letter dated 07.04.2020 for invocation of "Corporate Guarantee"	Based on documents submitted, claim submitted can be admitted	16,97,13,851
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15	Anukaran Consultancy Private Limited Recall Notice Date: 20.11.2019 Invocation Date: 23.03.2020	Corporate Guarantee issued by M/s. Krishna Knitwear Technology Ltd (Guarantor) to M/S KSL and Industries Limited (Borrower) for obtaining loan from M/s. Anukaran Consultancy	53,00,00,000	1,82,47,94,960	10,84,38,024	2,46,32,89,984	Invoked by M/s. Krishna Knitwear Technology Ltd on 25.5.2017. 11. Corporate Guarantee dated 25.05.2017 executed by M/s. Krishna Knitwear Technology Ltd 12. Board Resolution dated 12.05.2017 of M/s. Krishna Knitwear Technology Ltd 13. Board Resolution dated 04.08.2017 of M/s. K-Lifestyle and Industries Ltd. 1. Copy of letter dated 01.08.2012 with DP debt can be substantiated Note dated 01.08.2012 for Rs. 53,00,00,000/- 2. Board Resolution dated 19.07.2012 of M/s. KSL and Industries Ltd 3. Board Resolution dated 03.07.2012 of M/s. Anukaran Consultancy Pvt. Ltd. 4. Balance Confirmation Letters dated 30.06.2015 & 30.06.2017 of M/S KSL and Industries Ltd 5. Copy of Bank Certificate issued by Corporation Bank 6. Copy of Letter dated 09.11.2012 along With Loan Agreement dated 07.11.2012 & Board Resolution dated 29.10.2012 7. Letters dated 18.07.2017, 22.08.2017, 31.08.2017, 05.04.2018 & 20.04.2018 of M/s. KSL and Industries Ltd. 8. Letters dated 03.08.2017 & 03.05.2018 of M/s. Anukaran Consultancy Pvt. Ltd. 9. Letters dated 20.11.2019 and 27.03.2020 of M/s. Anukaran Consultancy Pvt Ltd invoking the guarantee 10. Corporate Guarantee dated 03.12.2012 and Resolutions towards execution of deed	Based on documents submitted, claim submitted can be admitted	2,46,32,89,984
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16 A	Amex Infrastructure Private Limited Recall Notice Date: 09.01.2019 Invocation Date: 13.05.2020	Corporate Guarantee issued by M/s. Krishna Knitwear Technology Ltd (Guarantor) to M/S Bharat Textiles and Realstate Limited (Borrower) for obtaining loan from M/s. Amex Infrastructure	5,00,00,000	11,03,50,680	1,02,60,489	19,06,11,169	1. Copy of Letter dated 01.10.2017 with DP Note dated 01.10.2012 for Rs. 5,00,00,000/- with Board Resolution dated 28.09.2012 2. Board Resolution dated 17.08.2012 of M/s Amex Infrastructure Pvt. Ltd. 3. Bank Certificate 4. Balance Confirmation letter of 30.06.2015, 30.09.2017, 5. Copy of letters dated 06.12.2017, 06.03.2018 & 05.11.2018 of M/s Amex Infrastructure Pvt. Ltd. Recalling/ demanding outstanding amount inclusive of interest 6. Copy of letter dated 15.05.2019 enclosing cheque amount of Rs. 5,00,00,000/- 7. Recall notice dated 09.01.2019 issued by M/s Amex Infrastructure Pvt. Ltd. 8. Copy of letter dated 13.05.2020	Based on documents submitted, claim submitted can be admitted	19,06,11,169
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16 B	Amex Infrastructure Private Limited	Corporate Guarantee issued by M/s. Krishna Knitwear Technology Ltd (Guarantor) to M/S K Lifestyle Industries Limited (Borrower) for obtaining loan from Amex Infrastructure	10,00,00,000	6,33,25,709	50,22,621	16,83,48,310	for invocation of Corporate Guarantee provided by M/s. Krishna Knitwear Technology Ltd. Letter dated 13.12.2017 along with * Inter Corporate Guarantee dated 29.11.2012 executed by M/s. Krishna Knitwear Technology Ltd along with Board Resolution dated 29.11.2012 of M/s. Krishna Knitwear Technology Ltd and Resolution dated 27.11.2012 of M/s. Jaybhara Textiles & Real Estate Ltd.	Based on documents submitted, claim submitted can be admitted	16,83,48,310
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17	Unique Warehouse Private Limited	Corporate Guarantee issued by M/s. Krishna Knitwear Technology Ltd (Guarantor) to M/S K Corporation Limited (Borrower) for obtaining loan from M/s. Unique Warehouse	33,00,00,000	2,11,57,50,849	11,55,51,460	2,56,13,02,309	Corporate Guarantee dated 21.07.2012 executed by M/s. Krishna Knitwear Technology Ltd along with Board Resolution dated 13.07.2012 of M/s. Krishna Knitwear Technology Ltd and Resolution dated 06.07.2012 of M/s. K Lifestyle and Industries Ltd.	Based on documents submitted, claim submitted can be admitted	2,56,13,02,309
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18 A	Wellworth Apparels Private Limited	Corporate Guarantee issued by M/s. Krishna Knitwear Technology Ltd (Guarantor) to M/S K Corporation Limited (Borrower) for obtaining loan from M/s. Wellworth Apparels	4,08,00,000	20,53,55,203	91,57,744	25,53,13,037	with * Inter Corporate Guarantee dated 23/01/2013 executed by M/s. Krishna Knitwear Technology Ltd along with Board Resolution dated 14/01/2013 of M/s. Krishna Knitwear Technology Ltd and Resolution dated 04/01/2013 of M/s. Tatal Energy Ltd	Based on documents submitted, claim submitted can be admitted	25,53,13,037
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18	Wellworth Apparel's Private Limited	Corporate Guarantee issued by M/s Krishna Knitwear Technology Ltd (Guarantor) to M/S Eskay K N IT (India) Limited (Borrower) for obtaining loan from M/s Wellworth Apparels.	10,74,00,000	44,84,81,018	1,98,15,696	59,26,86,734	<p>along with Board Resolution dated 16.01.2013 of M/s Krishna Knitwear Technology Ltd and Resolution dated 10.01.2013 of M/s KNS Corporation Ltd.</p> <p>9. Invocation of Guarantee letter dated 01.10.2020</p> <p>1. Demand Promissory Note dated 31.03.2011 for Rs. 12,74,00,000/-</p> <p>2. Board Resolutions dated 09.03.2011 and 19.03.2011 of M/s Eskay K N IT (India) Limited & M/S Wellworth Apparels Private Limited respectively.</p> <p>3. Letter dated 31.03.2011 of M/S Eskay K N IT (India) Limited, accepting terms and condition mentioned in "Demand Promissory Note" executed on 31.03.2011.</p> <p>4. Copy of "Balance Confirmation" dated 31.12.2013 & 30.09.2016, confirming of Bank Certificate confirming disbursement of loan.</p> <p>5. Copy of Bank Certificate confirming disbursement of default.</p> <p>6. Correspondence on default - Letters dated 15.03.2017 & 09.04.2018 of M/S Wellworth Apparels Private Limited for repayment of due amount Corporate Guarantee Deed dated 01/03/2013.</p> <p>7. Recall of Guarantee.</p>	Based on documents submitted, claim submitted can be admitted	59,26,86,734
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18	Wellworth Apparel's Private Limited	Corporate Guarantee issued by M/s Krishna Knitwear Technology Ltd (Guarantor) to M/S Actul Corporation Ltd (Borrower) for obtaining loan from M/s Wellworth Apparels	5,50,00,000	17,55,11,626	98,81,360	24,03,95,986	<p>1. DP Note dated 31.01.2011 and 30.04.2012 with the respective resolutions of the borrower company.</p> <p>2. Resolution dated 28.02.2011 for lending the loan amount to borrower company.</p> <p>3. Loan Agreement dated 09.10.2012 along with resolution</p> <p>4. Letters of confirming outstanding loan vide letters dated 31.03.2015 and 31.12.2016</p> <p>5. Bank Certificate of Corporation Bank</p> <p>6. Letters dated 08.03.2017, 04.01.2018 and 05.04.2018 recalling the loan amount</p> <p>7. Letter dated 04.04.2019 of borrower company confirming outstanding balance and letter dated 10.06.2019 towards part payment of Rs. 5 Lakh in terms of resolution</p> <p>8. Corporate Guarantee deed dated 12.03.2013</p> <p>9. Recall of Guarantee dated 18.07.2020</p> <p>10. Letter dated 18.07.2013 along with "Inter Corporate Guarantee" dated 12.03.2013 executed by M/s Krishna Knitwear Technology Ltd along with Board Resolution dated 08.03.2013 of M/s Krishna Knitwear Technology Ltd and Resolution dated</p>	Based on documents submitted, claim submitted can be admitted	24,03,95,986
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19	Shree Govind Cement Private Limited	Corporate Guarantee issued by M/s Krishna Knitwear Technology Ltd (Guarantor) to M/S Global Softech Ltd (Borrower) for obtaining loan from M/s Shree Govind Cement Private Limited	27,00,00,000	1,73,10,68,877	9,45,42,109	2,09,56,10,981	<p>04.03.2013 of M/s Actul Corporation Ltd.</p> <p>11. Invocation of Guarantee letter dated 12.05.2020</p> <p>1. Copy of Loan agreement dated 15.06.2012 along with the resolution dated 22.05.2012 of M/s Global Softech Limited.</p> <p>2. Copy of DP Note dated 31.03.2010 for Rs. 27,00,00,000/-</p> <p>3. Copy of Corporate Guarantee Deed dated 10.12.2012 along with relevant resolutions issued by M/s. Krishna Knitwear Technology Ltd and M/s Global Softech Limited</p> <p>4. Letter dated 27.09.2019 written to M/s. Krishna Knitwear Technology Ltd</p> <p>5. Letter dated 12.02.2020 written to M/s. Krishna Knitwear Technology Ltd</p> <p>6. Copies of Balance Confirmation Letters dated 31.12.2012, 30.09.2015 & 31.03.2017</p> <p>7. Letters exchanged between Financial Creditor and borrower company i.e. letter dated 28.06.2012 and 11.06.2013</p> <p>8. Copy of Ledger account</p> <p>9. Copy of Invocation letter dated 02nd April, 2020.</p>	Based on documents submitted, claim submitted can be admitted	2,09,56,10,981
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20	Tanvish Trading Private Limited Invocation Date: 08.06.2020	Corporate Guarantee issued by M/s. Krishna Knitwear Technology Ltd (Guarantor) to M/s. Jay Bharat Textiles and Realstate Limited (Borrower) for obtaining loan from M/s. Tanvish Trading Private Limited	10,70,18,300	18,94,02,000	1,51,50,483	71,18,78,887	1. Corporate Guarantee dated 02.06.2017 for Rs. 10,70,18,300/- provided by M/s. Krishna Knitwear Technology Ltd to M/s. Jay Bharat Textiles and Real Estate Ltd along with Board resolutions dated 13.06.2017 of the Guarantor Company i.e. M/s. Krishna Knitwear Technology Ltd Board resolutions dated 02.06.2017 of Borrower company i.e. M/s. Jay Bharat Textiles and Real Estate Ltd 2. Letter dated 08.06.2020 for seeking Corporate Guarantee dated 27.06.2017 for Rs. 10,70,18,300/- Demand Promissory Note Date 31.03.2018 for an amount of Rs. 10,70,18,300/- 4. Board Resolution dated 18.03.2014 of M/s. Jay Bharat Textiles and Real Estate Ltd and Board Resolution dated 24.06.2013 of M/s. Tanvish Trading Pvt Ltd 5. Copy of Balance Confirmation Letters dated 31.12.2016 & 04.04.2019 of M/s. Jay Bharat Textiles and Real Estate Ltd 6. Copy of Bank Certificate, Copies of letters dated 30.03.2016, 05.04.2018 and 07.05.2018 of M/s. Tanvish Trading Pvt Ltd, and letter dated 02.05.2018 of Jay Bharat Textiles and Real Estate Ltd 8. Letters dated 18.10.2016, 24.10.2018 along with	Based on documents submitted, claim submitted can be admitted	31,18,78,887
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21	Sumera Realty Private Limited Recall Notice Date: 29.01.2019 & 11.07.2019 Invocation Date: 30.04.2020	Corporate Guarantee issued by M/s. Krishna Knitwear Technology Ltd (Guarantor) to M/s. Jay Bharat Textiles and Realstate Limited (Borrower) for obtaining loan from M/s. Sumera Realty	12,00,00,000	1,29,06,59,167	7,08,08,771	1,49,02,65,939	1. minutes and letter of 11.2015 Copy of letter dated 15.04.2019 enclosing copy of cheque no. 634974 dated 15.05.2019 amount of Rs. 5.00 Lakh towards instalment for the quarter ended March 2019 in terms of settlement proposal 2. Security Documents executed by borrower company i.e. Loan agreement dated 20.07.2012 along with Board Resolution and Demand Promissory Note Date 30.06.2009 3. Balance Confirmation Letters dated 31.03.2013, 31.12.2013 30.06.2016 & 31.03.2017 4. Inter Corporate Guarantee deed dated 08.03.2013 given by M/s. Krishna Knitwear Technology Limited, 5. Letter dated 11.08.2017 and 20.09.2012 regarding Collateral Security, 6. Letter dated 16.02.2017 issued to Guarantor Company, recalling the advance 7. Recall notice dated 11.02.2019 & 25.01.2019 8. Copy of letters dated 09.07.2019 & 05.02.2020 to M/s. Krishna Knitwear Technology Ltd. 9. Letter dated 12.03.2013 along with "Inter Corporate Guarantee" dated 08.03.2013 executed by M/s	Based on documents submitted, claim submitted can be admitted	1,49,02,65,939
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22	Vignaharta Corrugators Private Limited Recall Notice Date: 14.08.2019 Invocation Date: 13.06.2020	Corporate Guarantee issued by M/s. Krishna Knitwear Technology Ltd (Guarantor) to M/s. KSI & Industries Limited (Borrower) for obtaining loan from M/s. Vignaharta Corrugators	11,15,26,000	27,17,23,844	96,41,362	49,28,91,210	1. Krishna Knitwear Technology Ltd 2. Board resolution dated 26.02.2013 of M/s. Krishna Knitwear Technology Ltd 10. Resolution dated 21.02.2013 of M/s. Jay Bharat Textiles & Real Estate Ltd. 11. Invocation of Corporate Guarantee Deed dated 30.04.2020 1. Copy of Bank Certificate issued by Bank Corporation 2. Copy of Letter dated 31.12.2013 with DR Note dated 31.12.2013 for Rs. 11,15,26,000/- 3. Copy of Board Resolution 4. Copy of Balance Confirmation Letters dated 30.09.2016 of M/s. KSI and Industries Ltd. 5. Copy of Letters dated 30.09.2018 & 06.12.2018 6. Letter dated 15.11.2016 of M/s. KSI and Industries Ltd. Corporate Guarantee dated 03.11.2016 for Rs. 11,15,26,000/- provided by M/s. Krishna Knitwear Technology Ltd. on account of M/s. KSI & Industries Ltd. 7. Board resolutions dated 5/11/2016 of the Guarantor Company i.e. M/s. Krishna Knitwear Technology Ltd. 8. Recall Notice dated 14/08/2019 & Invocation letter dated 13/06/2020	Based on documents submitted, claim submitted can be admitted	39,28,91,210
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22 B	Vignhanta Corrugators Private Limited Recall Notice Date: 11.05.2018 Invocation Date: 11.08.2020	Corporate Guarantee issued by M/s. Krishna Knitwear Technology Ltd (Guarantor) to M/s. Global Softech Limited (Borrower) for obtaining loan from M/s. Vignhanta Corrugators	9,69,21,000	18,36,12,167	1,19,76,000	29,25,03,711	9. Letter dated 14/08/2017 to KSG and Industries Ltd 1. Copy of letter dated 21.12.2013 with DP VBL can be substantiated 2. Copy of letter dated 21.12.2013 for Rs. 9,69,21,000/- 3. Board Resolution dated 22.11.2013 of M/S Global Softech Ltd 4. Board Resolution dated 16.09.2013 of M/S Vignhanta Corrugators Private Limited. 5. Copy of Balance Confirmation Letter dated 30.09.2016 of M/S Global Softech Ltd 6. Copy of certificate issued by Corporation Bank for showing loan of Rs. 9,69,21,000/- on various dates. 7. Copy of Letter dated 12.03.2014 of M/S Global Softech Ltd containing Loan Agreement dated 11.03.2014 8. Board Resolution dated 07.03.2014 9. Copy of the Letter dated 17.05.2018 of M/s Global Softech Ltd. 10. Copies of the Letter dated 22.11.2017, 07.02.2018 & 11.05.2018 of M/S Vignhanta Corrugators Private Limited. 11. Letter dated 22.12.2016 of M/S Global Softech Ltd. Corporate Guarantee dated 17.11.2016 for Rs.	Based on documents submitted, claim submitted can be admitted	29,25,03,711
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23 A	Royal Compservices Private Limited Recall Notice Date: 10.01.2019 Invocation Date: 09.04.2020	Corporate Guarantee issued by M/s. Krishna Knitwear Technology Ltd (Guarantor) to M/S K G Corporation Limited (Borrower) for obtaining loan from M/s. Royal Compservices	8,78,93,000	17,79,57,148	45,95,929	27,04,46,077	9,69,21,000/- provided by M/s. Krishna Knitwear Technology Ltd on account of M/S Global Softech Ltd. 10. Board resolution dated 07.11.2016 of the Guarantor Company i.e. M/s Krishna Knitwear Technology Ltd. 11. Letter dated 12.08.2020 of financial creditor for invoking the Guarantee. 1. Corporate Guarantee Deed dated 11.11.2016 2. Recall of Guarantee letter 3. Letter dated 30.09.2013 along with Demand Promissory Note Date 30.09.2013 amount of Rs. 8,78,93,000/- 4. Board Resolution dated 08.07.2013 of M/s. Tatal Energy Ltd (now known as M/s KG Corporation Ltd) 5. Resolution dated 02/03/2013 of M/s. Royal Compservices Pvt. Ltd. 6. Copy of Balance Confirmation Letter dated 30.06.2016 of M/s KG Corporation Ltd 7. Copy of Bank Certificate as a documentary evidence for disbursement of loan to M/s. Tatal Energy Ltd (now known as M/S KG Corporation Ltd) vide cheque no. 490334 dated 13.09.2013 amount of Rs. 8,78,93,000/-	Based on documents submitted, claim submitted can be admitted	27,04,46,077
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23 B	Royal Compservices Private Limited Recall Notice Date: 10.01.2019 Invocation Date: 08.05.2020	Corporate Guarantee issued by M/s. Krishna Knitwear Technology Ltd (Guarantor) to M/S K Lifestyle & Industries Limited (Borrower) for obtaining loan from M/s. Royal Compservices	4,94,10,000	10,30,49,524	45,95,929	15,40,46,463	8. Copy of the letter dated 16.10.2013 along with Loan agreement dated 09.10.2013 9. Copy of letter dated 05.10.2013 issued by Royal Compservices Pvt Ltd 10. Copy of Demand Notice dated 07.02.2018 issued by Royal Compservices Pvt Ltd 11. Copy of letter dated 12.12.2016 of Royal Compservices Pvt Ltd 1. "Recall Notice" dated 10.01.2019 of M/s Royal Compservices Pvt Ltd. 2. Copy of letter dated 08.05.2020 for invocation of Corporate Guarantee provided by M/s Krishna Knitwear Technology Ltd. 3. Letter dated 14.11.2016 along with "Inter Corporate Guarantee" dated 21.10.2016 executed by M/s Krishna Knitwear Technology Ltd along with board resolution dated 08.10.2016 of M/s Krishna Knitwear Technology Ltd and Resolution dated 04.10.2016 of M/s K-Lifestyle and Industries Ltd. 4. "Bank certificate" in support of the loan disbursed to M/s K-Lifestyle and Industries Ltd. 5. "Demand Promissory Note" dated 30.09.2013 for the amount of Rs. 4,94,10,000/- along with resolution dated 07th August 2013 of M/s K	Based on documents submitted, claim submitted can be admitted	15,40,46,463
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24	Picturesque Trading Private Limited Recall Notice Date: 13.07.2019 Invocation Date: 13.04.2020	Corporate Guarantee issued by M/s Krishna Knitwear Technology Ltd (Guarantor) to M/s KSL & Industries Limited (Borrower) for obtaining loan from M/s. Pictumque Trading Private Limited	35,00,00,000	1,28,06,93,572	5,50,55,734	1,61,17,49,306	<p>Lifestyle and Industries Ltd and dated August 2011 of Mrs. Regal Conventure Pg. 122.</p> <p>6. Balance Confirmation Letter dated 30.06.2014 & 30.06.2018</p> <p>7. Correspondence letter dated 03.09.2018 & 20.09.2013 of M/s. K-Lifestyle and Industries Ltd.</p> <p>1. Letter dated 30.06.2017 with OP Note dated 30.06.2012 for Rs.35,00,00,000/-</p> <p>2. Board Resolution dated 27.06.2012 of M/s KSL and Industries Ltd.</p> <p>3. Board Resolution dated 24.04.2012 of M/s Picturesque Trading Pvt Ltd.</p> <p>4. Balance Confirmation Letters dated 31.03.2015 & 31.12.2011 of M/s KSL and Industries Ltd.</p> <p>5. Ledger Account and Bank certificate</p> <p>6. Letter dated 07.08.2012 along with the Loan Agreement dated 05.08.2012 & Board Resolution dated 28.07.2012.</p> <p>7. Letter dated 16.01.2013 of M/s Picturesque Trading Pvt Ltd.</p> <p>8. Letter dated 11.06.2016 of M/s Picturesque Trading Pvt Ltd.</p> <p>9. Letter dated 21.06.2018 & 06.07.2013 of M/s KSL and Industries Limited</p>	Based on documents submitted claim submitted can be admitted	1,69,17,49,306
25	Eremurus Trading Company Private Limited Recall Notice Date: 18.03.2020 Invocation Date: 18.04.2020	Corporate Guarantee issued by M/s. Krishna Knitwear Technology Ltd (Guarantor) to M/s K G Corporation Limited (Borrower) for obtaining loan from M/s. Eremurus Trading Company Private Limited	29,00,00,000	1,37,23,59,242	7,53,23,640	1,73,76,89,232	<p>10. Letter dated 13.07.2019 of Krishna Knitwear Technology Ltd</p> <p>11. Invocation of "Corporate Guarantee" dated 13.04.2020</p> <p>12. "Corporate Guarantee" dated 17.11.2012 executed by M/s Krishna Knitwear Technology Ltd.</p> <p>13. Board Resolution dated 17.08.2012 of M/s Krishna Knitwear Technology Ltd</p> <p>14. Board Resolution dated 13.08.2017 of M/s KSL & Industries Ltd.</p> <p>1. Corporate Guarantee Deed Dated 21.02.2013</p> <p>2. Recall of Guarantee letter.</p> <p>3. Letter dated 30.06.2011 along with Demand Promissory Note Date 30.06.2011 amount of Rs. 29,00,00,000/-</p> <p>4. Board Resolution dated 20.06.2011 of M/s Tava Energy Ltd (now known as Mis KE Corporation Ltd)</p> <p>5. Resolution dated 15/03/2011 of M/s Eremurus Trading Company Pvt Ltd</p> <p>6. Copy of Balance Confirmation letter dated 31.03.2014 & 31.12.2016 of M/s KE Corporation Ltd;</p> <p>7. Copy of the letter dated 27.12.2019 along with loan agreement dated 20.12.2012.</p> <p>8. Copy of letter dated 15.06.2017 issued by Eremurus Trading Company Pvt Ltd seeking re-scheduling of repayment</p> <p>9. Copy of letter dated 18.04.2020 of Eremurus Trading Company Pvt Ltd.</p>	Based on documents submitted claim submitted can be admitted	1,73,76,89,232
TOTAL			5,04,69,50,300	25,51,70,42,380	1,38,32,18,096	31,94,72,10,779	TOTAL	28,69,56,98,877	

8.7. It is submitted that the reconstitution of the Committee of Creditors resulted in a change in voting share; however, such change is a natural statutory consequence of admission of valid financial claims and

cannot be a ground to assail the actions of the Resolution Professional.

8.8. It is submitted that the Resolution Professional has acted strictly in compliance with the directions of this Tribunal, the provisions of the Insolvency and Bankruptcy Code, 2016, and the CIRP Regulations, and no illegality, arbitrariness or mala fides can be attributed to the actions of the Resolution Professional.

8.9. It is submitted that the Interlocutory Application is an attempt to re-agitate issues already decided by this Tribunal and is liable to be dismissed.

8.10. The Resolution Professional has placed reliance on the following judicial precedents:

8.10.1. **Essar Steel India Ltd. v. Satish Kumar Gupta**,
CIVIL APPEAL NO. 8766-67 OF 2019

8.10.2. **PTC India Financial Services Ltd. Vs. Mr. Venkateswarlu Kari** [Company Appeal (AT) (Insolvency) No. 450 of 2018

9. The Applicant filed rejoinder on 17.01.2024 (on DMS Portal), in IA 1214 of 2013, raising the following contentions:

9.1. It is submitted that the present rejoinder is filed on behalf of the Applicant–Financial Creditor to controvert and deny the averments made by the Resolution Professional in the reply, save and except those expressly admitted.

9.2. It is submitted that the Resolution Professional has acted illegally and in contravention of the provisions of the Insolvency and Bankruptcy Code, 2016 and the

CIRP Regulations by admitting the claims of Respondent Nos. 2 to 26 as unsecured financial creditors without proper verification and without considering the objections raised by the Applicant and other secured financial creditors.

- 9.3. It is submitted that the claims of Respondent Nos. 2 to 26 were admitted in a hurried manner despite serious objections regarding their related-party status, genuineness of transactions, and absence of cogent documentary evidence, thereby vitiating the reconstitution of the Committee of Creditors.
- 9.4. It is submitted that the reconstitution of the CoC pursuant to such wrongful admission of claims has resulted in substantial dilution of the voting share of the secured financial creditors and has materially prejudiced their statutory rights under Section 21 of the Code.
- 9.5. It is submitted that the Resolution Professional failed to discharge his statutory duties under Sections 18, 25 and 208 of the Code by not undertaking independent verification of claims and by mechanically relying upon documents furnished by the unsecured claimants.
- 9.6. It is submitted that the Applicant has placed on record a detailed forensic audit (annexed as **Annexure A** of the rejoinder) and investigative report demonstrating suspicious transactions, round-tripping of funds and inter-connected entities, which clearly establish that

Respondent Nos. 2 to 26 are related parties and not entitled to voting rights in the CoC.

9.7. It is submitted that the defence taken by the Resolution Professional is an attempt to justify illegal actions already taken and to shield the wrongful admission of claims, which has compromised the sanctity and fairness of the CIRP.

9.8. It is submitted that in view of the above facts, the actions of the Resolution Professional in admitting the claims of Respondent Nos. 2 to 26 and reconstituting the CoC are unsustainable in law and deserve to be set aside.

10. Furthermore, the Applicant filed 02nd Rejoinder along with fresh forensic report on 14.08.2024 (on DMS Portal), in IA 1214 of 2023, raising the following contentions:

10.1. It is submitted that the Resolution Professional, for the first time in the reply, has sought to justify the admission of claims of Respondent Nos. 2 to 26 by relying upon selective documents furnished by the said claimants, without disclosing or placing on record the complete verification methodology or primary source documents relied upon.

10.2. It is submitted that the Resolution Professional has failed to deal with the specific discrepancies highlighted by the Applicant in respect of bank statements, inter-se fund transfers, and inconsistencies in the dates and

amounts reflected in the alleged loan transactions, which were demonstrated through the forensic report.

10.3. It is submitted that the Resolution Professional has, for the first time, taken a plea that the issue of “related party” requires strict proof by the Applicant, while completely overlooking that the burden of verification squarely lies on the Resolution Professional under Sections 18 and 25 of the Insolvency and Bankruptcy Code, 2016.

10.4. It is submitted that the reply introduces a new and untenable justification that mere absence of shareholding or directorship excludes related-party status, ignoring the wider statutory test under Section 5(24) of the Code, including indirect control, common management, and concerted action.

10.5. It is submitted that the Resolution Professional has, for the first time, relied upon internal emails and self-serving declarations of the claimants to negate related-party allegations, which documents were neither tested for authenticity nor corroborated with independent records.

10.6. It is submitted that the Resolution Professional has not addressed the Applicant’s contention that admission of claims after an inordinate delay has caused irreversible prejudice to the secured creditors by fundamentally altering the CoC composition at an advanced stage of CIRP.

10.7. It is submitted that the reply introduces a new plea of judicial compliance to shield the Resolution Professional's actions, whereas the directions of this Tribunal were limited to examination of claims on merits and did not authorise mechanical admission or conferment of voting rights in violation of Section 21(2) of the Code.

11. This Adjudicating Authority vide order dated 25.10.2023, in IA 1214 of 2013, ordered that the voting result on resolution plan would be subject to the outcome in IA No. 1214 of 2014 and IA No. 1035 of 2023.

12. On being allowed by this Adjudicating Authority, the Applicant (Union Bank of India) filed affidavit on behalf of the Applicant and Annexure A (Copy of the Report of the Chartered Accountant dated 13.08.2024 (Pages 17 to 506) on 14.08.2024 on the DMS Portal.

13. Vide order of 04.10.2024, the Respondents were allowed to file their reply within the extended period of two weeks. A Counsel for the Respondent Nos. 2,3,7,8,15 & 23 filed its Reply beyond extended period on 27.11.2024 (on DMS Portal) in terms of extended order of 11.11.2024 raising the following contentions:

13.1. The Reply has been signed and verified by Shri Hazur Singh, who is duly authorised by the answering respondents.

13.2. The Reply states that the present Reply has been filed on behalf of the Respondents opposing the application filed under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 seeking reconstitution of the Committee of Creditors (CoC) and exclusion of Respondent Nos. 2 to 26 from the CoC on the allegation that they are related parties of the Corporate Debtor.

13.3. It is submitted that the Corporate Insolvency Resolution Process of Krishna Knitwear Technology Limited commenced vide order dated 13.01.2020, and claims of several financial creditors were initially rejected on account of delay, which rejection was subsequently challenged before this Tribunal and higher forums.

13.4. It is submitted that this Tribunal, vide order dated 06.04.2021, allowed IA No. 953/2021 and held that the applicants therein were not related parties of the Corporate Debtor, and the said finding attained finality upon dismissal of the appeal by the Hon'ble NCLAT on 05.12.2022 and further dismissal of Civil Appeal by the Hon'ble Supreme Court on 29.03.2023.

13.5. It is submitted that thereafter, pursuant to the orders dated 15.05.2023 and 01.08.2023 passed by this Tribunal, the Resolution Professional examined the delayed claims on merits, admitted eligible claims strictly in accordance with the Code and the CIRP Regulations, and reconstituted the CoC as mandated under Regulation 17.

13.6. It is submitted that the Applicant has relied heavily upon forensic and ROC search reports dated 18.08.2023 and 05.08.2024 to allege related-party relationships; however, the said reports are based on unreliable internet sources, incomplete data, assumptions, and flawed methodology, and do not satisfy the statutory test of “related party” under Section 5(24) of the Code.

13.7. It is submitted that mere common directorship, similarity of auditors, common registered office addresses, use of similar stamp papers, or maintenance of bank accounts in the same branch does not ipso facto establish related-party status, unless the conditions enumerated under Section 5(24) are strictly fulfilled.

13.8. It is submitted that the Hon’ble Supreme Court in ***Phoenix ARC Pvt. Ltd. v. Spade Financial Services Ltd., Civil Appeal No. 2842 of 2020***, has categorically held that the definition of “related party” under the IBC is exhaustive and must be strictly construed, and that the relationship must be examined qua the Corporate Debtor and not inter se among creditors.

13.9. It is submitted that the Reply places reliance upon a judgment of the Hon’ble Securities Appellate Tribunal, as referred to therein, to contend that the existence of a valid financial transaction and disbursement of funds is required to be examined on the basis of

contemporaneous documentary evidence and the substance of the transaction, and that mere technical objections, accounting treatment, or ancillary discrepancies cannot defeat or negate an otherwise established claim. The said judgment has been relied upon to support the stand that the claims admitted by the Resolution Professional were supported by sufficient material on record and were rightly considered in accordance with law.

13.10. It is submitted that the Applicant has failed to establish any direct or indirect control, common management, or influence of Respondent Nos. 2 to 26 over the Corporate Debtor, and therefore the allegations of related-party transactions are legally untenable.

13.11. It is submitted that the financial debt advanced by the answering Respondents is supported by contemporaneous documentary evidence, including Demand Promissory Notes, loan agreements (**Annexed as R-5 Colly**), board resolutions, bank certificates evidencing disbursement, and statutory filings, thereby satisfying the definition of “financial debt” under Section 5(8) of the Code.

13.12. It is submitted that Rule 8(2)(a) of the CIRP Regulations requires evidence of debt and disbursement, which has been duly furnished, and non-booking of interest or accounting treatment in the borrower’s books does not affect the existence or enforceability of the debt.

13.13. It is submitted that the Applicant's attempt to reopen issues already adjudicated and settled by this Tribunal, the Hon'ble NCLAT, and the Hon'ble Supreme Court amounts to abuse of process of law.

13.14. It is submitted that in view of the admitted finality of judicial findings, lawful admission of claims, absence of proof of related-party relationship, and compliance with statutory provisions, the present application is misconceived, devoid of merit, and liable to be dismissed.

14. The following are details of Corporate Guarantee along with the dates:

NAME OF THE COMPANY	DATE
ACROW REALCON PRIVATE LIMITED	14.12.2012
ROYAL COMPSERVICES PRIVATE LIMITED	21.10.2016
CHARMS HOLDING PVT.LTD	28.03.2013
<u>ELNET CONPRO PRIVATE LIMITED</u>	28.05.2013
<u>SUMERU REALITY PRIVATE LIMITED</u>	08.03.2013
<u>AMEX INFRASTRUCTURE PRIVATE LIMITED</u>	29.11.2012
<u>WELLWORTH APPARELS PRIVATE LIMITED</u>	01.03.2013
<u>ANUKARAN CONSULTANCY PRIVATE LIMITED</u>	03.12.2012
<u>EREMURUS TRADING COMPANY PRIVATE LIMITED</u>	21.02.2013
<u>CYRA CAPITAL PRIVATE LIMITED</u>	01.03.2013
<u>SINGLE POINT SECURITY SOLUTIONS PRIVATE LIMITED</u>	24.12.2012

<u>GOPALA HOLDING PRIVATE LIMITED</u>	20.12.2012
<u>UNIQUE WAREHOUSE PRIVATE LIMITED</u>	23.01.2013
<u>CARNAT ESTATES PRIVATE LIMITED</u>	26.11.2012
<u>PICTURESQUE TRADING PRIVATE LIMITED</u>	17.12.2012
<u>TANVISHTRADING PRIVATE LIMITED</u>	27.06.2017
<u>CONART CONPRO PRIVATE LIMITED</u>	03.05.2017
<u>AXTEL PROPERTIES PRIVATE LIMITED</u>	25.04.2013
<u>ACROW MADHU CRIMPERS PVT LTD</u>	23.05.2017
<u>SHREE GANESH HOSIERY MILLS PRIVATE LIMITED</u>	11.01.2013
<u>TABAN REAL ESTATE PRIVATE LIMITED</u>	25.05.2017
<u>VIGNAHARTA CORRUGATORS PRIVATE LIMITED</u>	09.11.2016
<u>SHRI GOVIND CEMENT PRIVATE LIMITED</u>	10.12.2012
<u>RICHI-RICH REALITY LIMITED</u>	05.03.2013
<u>KAUSAR TEXTILE PRIVATE LIMITED</u>	24.04.2013

15. Furthermore, this Tribunal vide order dated 29.11.2024 closed the right to file reply for Respondent Nos. 4, 5,6,9,12,18,19,25,10,14,16,21, and 22.

16. In compliance with order dated 29.11.2024, the counsel of Respondent Nos. 2,3,7,8,15 and 23 filed an additional affidavit on 18.12.2024 vide Inward No. D-9056 to place on record the copies of Board Resolutions, affidavit through proper identification carried out before the notary public and copies of deposit slips of cost imposed vide order dated 29.11.2024.

- 17.** Additionally, the Counsel of RP informed this Tribunal that an Appeal has been filed against the interim order dated 18.12.2024 passed by this Tribunal by the Respondents vide Company Appeal (AT) (Insolvency) No. 271 & 272 of 2025. (IA 1214 of 2023 in IA 1035 of 2023).
- 18.** This Adjudicating Authority vide order of 18.12.2024, directed the respective ROC to investigate and verify the existence of these Respondent companies (Respondents 2 to 26) at the registered address given in the letterhead of the resolution and submit report. In compliance with order dated 18.12.2024, the ROC, Ahmedabad filed its report on 18.02.2025 vide Inward No. D-363. The ROC has further placed before the Registry of this Tribunal, the SFIO status Report of the Corporate Debtor in sealed cover on 07.05.2025 vide Inward No. D-879.
- 19.** That, the Respondent Nos. 2, 3, 7, 8, 15 & 23 filed Pursis on 8.5.2025 (on DMS Portal) in compliance of the order dated 06.05.2025 passed by this Tribunal wherein the directions were given to the said respondents to bring on record the order dated 05.05.2025 passed by the Hon'ble NCLAT in Company Appeal (AT) (Ins.) No. 271 & 272 /2025 – Acrow Realcon Pvt. Ltd. & Ors. vs. Union Bank of India & Anr.. The Hon'ble NCLAT vide order dated 05.05.2025 in paragraph 13 noted that, “ We are of the view that directions of the adjudicating authority for directing the director to physically present is not called for at this stage and in the facts of the present case no order was required for imposing cost of Rs

25,000 each upon the Respondents for submitting the reply within a week.” The order further stated that, the Adjudicating Authority may await the report of the ROC with regard to the existence of the companies, however, may proceed in accordance with law with regard to any other issue before it.

- 20.** Pursuant to the reports filed by the Registrar of Companies, Ahmedabad and the Registrar of Companies, Mumbai, the Respondents filed their respective replies raising, inter alia, the following common contentions:

Sr. No.	Respondent Nos.	Name of ROC	Date of filing Reply (As per DMS Portal)	Contentions raised in the reply
1.	2, 7 and 15	Ahmedabad	10.06.2025	They are duly incorporated companies and have at all material times maintained their registered offices in compliance with Section 12 of the Companies Act, 2013, as reflected in the records of the respective Registrars of Companies. It is contended that the ROC reports themselves acknowledge the existence
2.	18	Ahmedabad	19.08.2025	
3.	5 and 19	Ahmedabad	27.11.2025	
4.	25	Ahmedabad	19.08.2025	
5.	10	Ahmedabad	19.08.2025	
6.	4, 12 and 13	Ahmedabad	20.08.2025	

7.	17 and 26	Mumbai	09.09.2025	of the registered offices and affixation of the names and addresses of the Respondent companies. The Respondents have further submitted that any issue relating to verification of registered offices or alleged non- compliance under the Companies Act falls exclusively within the statutory domain of the Registrar of Companies and the adjudicating authorities under the Companies Act, 2013, and does not fall within the jurisdiction of this Tribunal under Section 60(5) of the Insolvency and Bankruptcy Code, 2016. Reliance has been placed on the judgment of the Hon'ble Supreme Court in Gujarat Urja Vikas Nigam Limited v. Amit
8.	6 and 24	Mumbai	09.09.2025	
9.	22	Mumbai	09.09.2025	
10.	9 and 11	Mumbai	09.09.2025	
11.	20	Mumbai	09.09.2025	
12.	14	Mumbai	09.09.2025	
13.	16	Mumbai	28.11.2025	
14.	3,8,23	Mumbai	09.09.2025	

				Gupta & Ors., (2021) 7 SCC 209 , in support of the said contention.
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21. In compliance of order dated 10.09.2025 passed by this Tribunal, the Respondent Nos. 2, 3, 7, 8, 15 and 23 filed their single and combined written submissions on 10.10.2025 (on DMS Portal) relying on the following judgements:

21.1. Phoenix ARC Private Limited v. Spade Financial Services Limited & Ors. Civil Appeal No. 2842 of 2020.

21.2. Agarwal Polysacks Limited vs. K.K Agro Foods and Storage Limited, 2023 SCC Online NCLAT 624.

22. In compliance of order dated 10.09.2025 passed by this Tribunal, the Applicant filed their Written submissions on 05.11.2025 (on DMS Portal) stating the prayers, relevant dates and events, list of unsecured financial creditors and their percentage holding, list of directors who hold directorships in multiple unsecured financial creditors, comments on report of ROC, Ahmedabad and Mumbai, contents of forensic audit reports etc. and the following contentions:

22.1. It is submitted that the Applicant has demonstrated, through detailed charts and material placed on record, that Respondent Nos. 2 to 26 are inter-connected entities having common directors, shareholders, auditors, employees, registered addresses and even

common IP addresses for voting in CoC meetings, thereby clearly establishing their status as related parties acting in concert.

22.2. It is submitted that the Reports of the Registrar of Companies, Ahmedabad dated 21.02.2025 and ROC Mumbai dated 09.01.2025, filed pursuant to directions of this Tribunal, corroborate the Applicant's case by recording that multiple Respondent companies share common registered addresses, common entrances, common staff, lack basic business infrastructure, and failed to produce statutory documents such as lease deeds and utility bills, thereby establishing that the said entities are merely paper companies created with mala fide intent.

22.3. It is submitted that reliance is placed on the judgment of the Hon'ble Supreme Court in **Phoenix ARC Private Limited v. Spade Financial Services Limited, reported at 2021 SCC OnLine SC 51**, wherein it has been categorically held that related-party financial creditors, who divest or structure their affairs with the sole intent to gain entry into the CoC and sabotage the CIRP, are liable to be excluded from the CoC in order to preserve the object and sanctity of the Insolvency and Bankruptcy Code.

23. Furthermore, Respondent No. 01/RP filed written synopsis on 06.11.2025 (on DMS Portal).

24. Furthermore, in compliance with order dated 14.11.2025, the Respondent Nos. 2,3,7,8,15 and 23 filed an affidavit on 01.12.2025 (on DMS Portal) stating that they have complied with all directions issued by this Tribunal and have placed on record complete particulars relating to their registered offices and directors from the date of disbursement of the loan till submission of claims before the Resolution Professional. The Respondents have uniformly denied the allegations of being related parties of the Corporate Debtor or of their claims being fictitious or fabricated and have asserted that no factual inaccuracies exist in the application, the ROC reports or the Transaction Audit Report. It is further submitted that no sectoral regulator, including the Income Tax Department, has ever raised any query, issued any notice or initiated any inquiry in respect of the transactions in question, and that the affidavits have been filed bona fide and in compliance with the orders of this Tribunal.

25. Additionally, in compliance with order dated 17.11.2025, the following respondents filed their affidavits on 27.11.2025 stating the following points:

Sr. No.	Respondent No.	Particulars of the Affidavit
1.	5	It is submitted that pursuant to the directions of this Tribunal, the Respondents have filed their respective affidavits denying
2.	9	
3.	11	

4.	16	the allegations levelled against them and
5.	19	<p>asserting that all statutory compliances, including filing of financial statements and other returns, were duly made before the Registrar of Companies and accepted without any objection or adverse remark. It is contended that no proceedings, notices or prosecutions have ever been initiated by the ROC or any other statutory authority in relation to the transactions in question.</p> <p>It is further submitted that the Respondents have disputed the findings of the forensic audit report relied upon by the Applicant, stating that the same is based on incorrect assumptions and ignores contemporaneous documentary evidence, including audited financial statements, bank certificates and CA-certified records. The Respondents have clarified issues relating to non-booking of interest, statutory applicability under the Companies Act, maintenance of registered offices and directorship details, and have contended that, in the absence of any statutory violation or regulatory action, no adverse inference can be drawn against them.</p>

26. Moreover, the Respondent No. 5, 16 and 19 filed additional affidavit in compliance with order dated 17.11.2025 passed by this Tribunal to furnish the particulars of all individuals who served as Directors during the extended period commencing from the date of loan disbursement up to the date of submission of the claim before the Resolution Professional. The details of additional affidavits filed by respective respondents are as follows:

Sr. No.	Respondent No.	Date of Filing (On DMS Portal)
1.	05	04.12.2025
2.	09	04.12.2025
3.	11	
4.	16	04.12.2025
5.	19	04.12.2025

27. In compliance with order dated 21.11.2025, the following Respondents filed additional affidavit:

Sr. No.	Respondent No.	Date of Filing (As per DMS Portal)	Particulars of the Affidavit
1.	10	04.12.2025	It is submitted that pursuant to the directions of this Tribunal, the Respondents have filed their
2.	14	04.12.2025	
3.	18	04.12.2025	

4.	20	04.12.2025	affidavits placing on record statutory filings, registered office details and directorship particulars, and have uniformly denied the allegations of being related parties or of having filed fictitious claims. The Respondents have further contended that no statutory authority has initiated any inquiry or adverse action against them and that the forensic audit findings are disputed as being based on incorrect assumptions, warranting no adverse inference.
5.	22	04.12.2025	
6.	25	04.12.2025	

28. The RP/Respondent No. 01 filed Pursis to place financial statements of M/s Shree Ganesh Hosiery Mills Private Limited [Respondent No. 21] on 18.12.2025 vide Inward No. D-82679 for the Financial Years 2017-18 to 2022-23.

29. Additionally, in compliance with order dated 09.01.2025, RP/Respondent No. 01 filed Pursis to place financial statements of M/s Shree Ganesh Hosiery Mills Private Limited [Respondent No. 21] on 13.01.2026 (on DMS Portal) for the Financial Years 2014-15 to 2016-17.

30. In compliance with order dated 05.12.2025, the Applicant filed synopsis and final notes of arguments on 08.01.2026 (on DMS Portal) wherein following case laws are relied upon:

30.1. IA 30 of 2022 in CP(IB) 397 OF 2018 (DoD: 12.12.2025)

Indian Bank vs Kiran Shah, Resolution Professional of M/S KSL & Industries Limited

30.2. IA 840 of 2021 in CP(IB) 397 OF 2018 (DoD: 12.12.2025) Kiran Shah, Resolution Professional of M/S KSL and Industries Limited.

30.3. 2021 SCC Online SC 51 Phoenix Arc Private Limited vs Spade Financial Services Limited

31. The Applicant, Union Bank of India in IA 1378 (AHM) 2023 in IA 1035 of 2023. has placed the facts in the following manner:

31.1. It is submitted that the present Interlocutory Application has been filed by Union Bank of India, on behalf of the financial creditors and CoC members of Krishna Knitwear Technology Limited (Corporate Debtor), under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 read with Rule 11 of the NCLT Rules, 2016, seeking appropriate directions against the actions of the Resolution Professional in reconstituting the Committee of Creditors and granting voting rights to Respondent Nos. 2 to 26.

31.2. It is submitted that the CIRP of the Corporate Debtor commenced pursuant to admission of a Section 7 petition filed by Andhra Bank, and the Respondent No.

I was appointed as the Resolution Professional by this Tribunal. Upon commencement of CIRP, claims of secured financial creditors were admitted, resulting in their voting share being fixed at 64.76%.

31.3. It is submitted that in January 2023, Respondent Nos. 2 to 26 filed belated claims aggregating to approximately Rs. 3,194.72 crores as unsecured financial creditors, which were initially rejected by the Resolution Professional on account of delay. Thereafter, the said respondents filed IA No. 461 of 2023 seeking condonation of delay and IA No. 565 of 2023 seeking early hearing.

31.4. It is submitted that by order dated 15.05.2023, this Tribunal directed the Resolution Professional to examine the claims of the unsecured creditors on merits. Subsequently, by order dated 01.08.2023, this Tribunal condoned the delay in filing claims and granted liberty to the existing CoC members to raise objections on the issue of related-party status under Section 5(24) of the Code.

31.5. It is submitted that pursuant thereto, the Applicant submitted a detailed representation dated 25.08.2023, contending that Respondent Nos. 2 to 26 are related parties of the Corporate Debtor and that their claims do not qualify as "financial debt". It is submitted that despite the pendency of these objections, the Resolution Professional, vide letter dated 26.08.2023, rejected the

Applicant's representation and proceeded to reconstitute the CoC.

- 31.6. It is submitted that the Resolution Professional admitted the claims of Respondent Nos. 2 to 26 to the extent of approximately Rs. 2,869.57 crores and reconstituted the CoC, thereby reducing the voting share of the Applicant and other secured financial creditors from 64.76% to 32.28% and conferring a majority voting share upon the unsecured financial creditors.
- 31.7. It is submitted that thereafter, despite pendency of IA No. 1214 of 2023 and IA No. 1035 of 2023, the Resolution Professional proceeded to conduct CoC meetings, put resolution plans to vote, and granted voting rights to Respondent Nos. 2 to 26, who squarely fall within the definition of related parties under Section 5(24) of the Code.
- 31.8. It is submitted that the Applicant has consistently objected to the viability and feasibility of the resolution plans, contending that the plans are conditional in nature, contain relinquishment of personal and corporate guarantees, and were placed for voting without proper deliberation, negotiations, or sharing of material details with the CoC members.
- 31.9. It is submitted that the Applicant further contends that the Resolution Professional has acted illegally and arbitrarily by ignoring the objections raised by the

secured financial creditors, wrongly admitting the claims of unsecured creditors as financial creditors, and reconstituting the CoC in a manner that defeats the object and scheme of the Insolvency and Bankruptcy Code, 2016.

- 31.10. It is submitted that in view of the aforesaid facts, the Applicant seeks intervention of this Tribunal to set aside the illegal reconstitution of the CoC, restrain Respondent Nos. 2 to 26 from exercising voting rights, and issue appropriate directions to ensure compliance with the provisions of the Code.
- 32.** In compliance with order dated 08.12.2023, the Respondent filed its reply on 03.02.2024 (on DMS Portal) raising the following contentions:
- 32.1. It is submitted that the present affidavit in reply has been filed by the Resolution Professional of Krishna Knitwear Technology Limited in opposition to IA No. 1378 of 2023 filed by Union Bank of India, wherein the Applicant has challenged the admission of claims of 25 unsecured financial creditors and the consequent reconstitution of the Committee of Creditors.
- 32.2. It is submitted that the 25 unsecured financial creditors had filed their claims in February–March 2023, which were initially rejected by the Resolution Professional as the last date for submission of claims under the public

announcement was 13.02.2020, and the claims were filed after a delay of almost three years.

32.3. It is submitted that thereafter, the said unsecured financial creditors filed IA No. 461 of 2023 seeking condonation of delay, which was heard along with IA No. 565 of 2023, and this Tribunal, vide order dated 15.05.2023, directed the Resolution Professional to examine the claims on merits, while keeping the issue of delay open. Subsequently, by order dated 01.08.2023, this Tribunal condoned the delay and directed the Resolution Professional to consider the claims in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016. Copies of the said orders have been annexed to the reply.

32.4. It is submitted that pursuant to the aforesaid directions, the Resolution Professional verified the claims of the 25 unsecured financial creditors on merits, without prejudice to the delay in filing, and admitted the claims based on documents submitted, including loan documents, corporate guarantees, balance sheets and other records. A detailed tabulation of the claimants, claim amounts and admitted amounts has been placed on record.

32.5. It is submitted that the Resolution Professional conducted the 14th CoC meeting on 31.08.2023, wherein the Applicant Bank raised objections regarding admission of claims, corporate guarantees and related-

party allegations. The Resolution Professional explained that due diligence had been carried out based on publicly available records, statutory documents, judicial pronouncements and transaction audit, and that the claims fell within the ambit of “financial debt”.

- 32.6. It is submitted that thereafter, the Resolution Professional filed a report on 15.09.2023 under Regulation 17 of the CIRP Regulations placing on record the reconstitution of the CoC, which was challenged by the Applicant by filing IA No. 1214 of 2023 and IA No. 1035 of 2023, both of which are pending adjudication.
- 32.7. It is submitted that meanwhile, this Tribunal, vide order dated 25.09.2023 in IA No. 251 of 2023, exercising powers under Rule 11 of the NCLT Rules, extended the CIRP period and directed the Resolution Professional to hold a CoC meeting and file the application for approval of the resolution plan.
- 32.8. It is submitted that pursuant thereto, the 15th CoC meeting was held on 16.10.2023, wherein the resolution plan submitted by Safex Realtors Private Limited was discussed and approved by the CoC. The Applicant’s allegations that the plan was rushed or that no negotiations took place are denied, and the minutes of the CoC meetings demonstrate detailed deliberations and opportunity for clarification.
- 32.9. It is submitted that the present application is not maintainable as the Applicant has already filed IA No.

1214 of 2023, seeking substantially similar reliefs, and a comparative table of prayers has been placed on record to demonstrate multiplicity of proceedings.

- 32.10. It is submitted that the allegation that claims admitted are “operational debts” is misconceived, as the Corporate Debtor had executed corporate guarantees in favour of the claimants, and the newly accepted claims are financial debts within the meaning of Section 5(8) of the Insolvency and Bankruptcy Code, 2016.
- 32.11. It is submitted that reliance is placed on the judgment of the Hon’ble Supreme Court in Committee of Creditors of Essar Steel India Limited v. Satish Kumar Gupta & Ors., (CIVIL APPEAL NO. 8766-67 OF 2019), wherein it has been held that the Resolution Professional is required to collate and verify claims in accordance with the Code and does not act as an adjudicating authority, and that the commercial wisdom of the CoC is paramount.
- 32.12. It is submitted that in view of the aforesaid facts, orders passed by this Tribunal, and the settled legal position, the allegations levelled by the Applicant are false, frivolous and vexatious, and the actions of the Resolution Professional are in strict compliance with the Insolvency and Bankruptcy Code, 2016 and the directions of this Tribunal.

33. In compliance with order dated 08.12.2023, the Applicant filed its Affidavit in Rejoinder on 19.03.2024 (on DMS Portal) raising the following contentions:

33.1. It is submitted that pursuant to the orders dated 15.05.2023 and 01.08.2023 passed by this Tribunal, the Resolution Professional was required to examine the claims of Respondent Nos. 2 to 26 on merits after considering the objections raised by the Applicant and other secured financial creditors. However, the Resolution Professional acted in haste and illegally admitted the claims of Respondent Nos. 2 to 26 without proper consideration of the Applicant's detailed representations dated 24-25.08.2023 and 12.10.2023, supported by a Chartered Accountant's report.

33.2. It is submitted that the Resolution Professional wrongfully reconstituted the Committee of Creditors on 26.08.2023, thereby reducing the voting share of the secured financial creditors from 64.76% to 32.28% and conferring 67.77% voting share upon Respondent Nos. 2 to 26, who are admittedly unsecured financial creditors, and who subsequently formed the majority in the CoC.

33.3. It is submitted that the Applicant has demonstrated, on the basis of bank statements, transaction trails and documentary material annexed to the rejoinder, that funds were routed through entities such as Kausar Textile Pvt. Ltd. and K-Lifestyle Industries Ltd., and that

the so-called unsecured financial creditors were used as conduits for circular movement of funds under the guise of unsecured loans.

- 33.4. It is submitted that the Resolution Professional failed to exercise his statutory duties under Sections 17, 18 and 25 of the Insolvency and Bankruptcy Code, 2016 and Regulations 7 to 14 of the CIRP Regulations, by not independently verifying the genuineness, financial substance and related-party status of Respondent Nos. 2 to 26, despite having the authority to access books of accounts, bank records and information from statutory authorities.
- 33.5. It is submitted that the Applicant has established that Respondent Nos. 2 to 26 are related parties of the Corporate Debtor within the meaning of Section 5(24) read with Section 21(2) of the Code, on account of common directors, cross-shareholdings, inter-corporate relationships, shared registered addresses, coordinated voting behaviour and common IP addresses used for voting in CoC meetings.
- 33.6. It is submitted that specific relationships have been demonstrated, inter alia, involving Mr. Akshay Babu Patil, Ms. Anita Sonare, Mr. Paresh Krishnakant Mandalia, and entities such as Ambica Chemicals & Synthetics Pvt. Ltd., Devika Trading Pvt. Ltd., Heavy Steel Pvt. Ltd., Kausar Textile Pvt. Ltd., Cyra Capital Pvt. Ltd. and Madhu Crimpers Pvt. Ltd., clearly bringing

the said respondents within the statutory definition of related parties under Section 5(24) of the Code.

- 33.7. It is submitted that despite these material facts being brought to the notice of the Resolution Professional and the CoC, the same were ignored, and the Resolution Professional proceeded to place resolution plans for voting without considering the objections relating to eligibility, feasibility and legality, including the proposed release of corporate guarantees.
- 33.8. It is submitted that the Applicant further contends that under Section 21(2) of the Code, a related-party financial creditor has no right of representation, participation or voting in the CoC, and once material indicating related-party status is brought on record, it is incumbent upon the Resolution Professional to place the same before the CoC and the Adjudicating Authority.
- 33.9. It is submitted that in view of the aforesaid facts, the admission of claims of Respondent Nos. 2 to 26, their inclusion in the CoC, and the reconstitution of the CoC are illegal, arbitrary and in complete violation of the Insolvency and Bankruptcy Code, 2016, thereby vitiating the entire CIRP.
- 34.** A rejoinder was again filed on 18.01.2025 (on DMS Portal) which was also served on the Respondent.

35. Through **IA/1271(AHM)2023** filed on **25.10.2023** (on **DMS Portal**), the Applicant, State Bank of India, has placed the facts in the following manner:

35.1. It is submitted that the present Interlocutory Application has been filed by State Bank of India, acting on behalf of itself and other secured financial creditors of Krishna Knitwear Technology Limited (Corporate Debtor), under Section 60(5)(c) of the Insolvency and Bankruptcy Code, 2016 read with Rule 11 of the NCLT Rules, 2016, seeking appropriate directions for exclusion of certain entities claiming to be unsecured financial creditors from the Committee of Creditors of the Corporate Debtor.

35.2. It is submitted that the CIRP of the Corporate Debtor was initiated pursuant to an application filed by Andhra Bank under Section 7 of the Code, which came to be admitted by this Tribunal vide order dated 13.01.2020, thereby declaring moratorium and commencing the CIRP. Subsequently, by order dated 06.04.2021, this Tribunal directed reconstitution of the CoC and replaced the IRP, appointing the Respondent as the Resolution Professional.

35.3. It is submitted that pursuant to the reconstitution of the CoC, the claims of secured financial creditors were admitted, resulting in their aggregate voting share being fixed at 64.76%. The CIRP proceedings were subjected to appellate scrutiny up to the Hon'ble Supreme Court,

and the stay on CIRP stood vacated, thereby permitting continuation of the process.

35.4. It is submitted that immediately thereafter, on 17.04.2023, 25 entities claiming to be unsecured financial creditors filed IA No. 461 of 2023 seeking condonation of delay in filing their claims aggregating to approximately Rs. 2,896 crores, followed by IA No. 565 of 2023 seeking preponement of hearing. This Tribunal, by order dated 15.05.2023, directed the Resolution Professional to examine the claims on merits, while keeping the issue of condonation of delay open.

35.5. It is submitted that the applicant/secured financial creditors were not initially made aware of the replies or stand taken by the Resolution Professional in the said applications. It was only pursuant to the order dated 01.08.2023, whereby this Tribunal condoned the delay and directed examination of claims in accordance with the Code, that the Resolution Professional sought information from the secured financial creditors.

35.6. It is submitted that the applicant, along with other secured financial creditors, submitted a detailed representation dated 25.08.2023, supported by a Chartered Accountant's report, raising serious objections to the admission of claims of the said 25 unsecured financial creditors, pointing out lack of genuine lending transactions, absence of financial debt, and serious inconsistencies in documentation.

35.7. It is submitted that notwithstanding the pending objections, the Resolution Professional, on 26.08.2023, admitted additional claims of approximately Rs. 571.48 crores and reconstituted the CoC, thereby reducing the voting share of secured financial creditors from 64.76% to 32.28%, while assigning 67.72% voting share to the unsecured financial creditors, effectively vesting decision-making power in their hands.

35.8. It is submitted that the applicant has demonstrated that the claims of the unsecured financial creditors are inherently suspicious, inter alia, on the grounds that:

- (i) the claimants are not engaged in lending or financing activities;
- (ii) the transactions do not satisfy the definition of “financial debt”;
- (iii) the alleged loans are unsupported by balance sheets, bank confirmations or regulatory disclosures; and
- (iv) reliance is placed merely on loan agreements or corporate guarantees without establishing a genuine financial transaction.

35.9. It is submitted that the applicant further contends that mere issuance of a corporate guarantee by the Corporate Debtor, without proof of an underlying financial debt owed by the group company, does not result in a valid financial debt, particularly where the claimant is not a lending institution and the transaction lacks commercial substance.

- 35.10. It is submitted that despite these objections being raised during the 14th CoC meeting held on 31.08.2023 and through subsequent communications, no corrective action was taken by the Resolution Professional, thereby compelling the applicant to approach this Tribunal by way of the present application.
- 35.11. It is submitted that in the facts and circumstances of the case, the applicant seeks directions to exclude the said 25 unsecured financial creditors from the CoC, restrain them from exercising voting rights, and direct the Resolution Professional to place on record all documents relied upon while admitting their claims, pending final adjudication of the present application.
- 36.** In compliance with order dated 21.11.2023, the Respondent/RP filed its Reply on 07.12.2023 (on DMS Portal) raising the following contentions:
- 36.1. It is submitted that the Tribunal, vide order dated 01.08.2023 passed in IA No. 461 of 2023, condoned the delay in filing of claims by the unsecured financial creditors and expressly directed the Resolution Professional to examine such claims on merits in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016. It is submitted that prior to the said order, the claims could not have been examined, and the Resolution Professional acted strictly in compliance with the directions of this Tribunal.

36.2. It is submitted that pursuant to the aforesaid order, the Resolution Professional invited representations from the secured financial creditors, including the Applicant, and examined the claims of the unsecured financial creditors after verification of loan agreements, board resolutions, ledgers, balance confirmation letters, corporate guarantees and other supporting documents. The Resolution Professional placed the issue for discussion before the Committee of Creditors in its 14th and 15th CoC meetings, where detailed deliberations took place.

36.3. It is submitted that the objections raised by the Applicant were duly considered and discussed by the CoC, and the Resolution Professional placed on record that the claims of the unsecured financial creditors satisfied the requirements of “financial debt” under Section 5(8) of the Code. It is submitted that the reconstitution of the CoC was carried out only after such verification and discussion, and voting rights were assigned strictly in accordance with the admitted claims.

36.4. It is submitted that the allegations that the Resolution Professional failed to consider the representations of the Applicant or acted in a mala fide manner are false, baseless and contrary to the record, as the minutes of the CoC meetings demonstrate that the objections were duly deliberated and addressed.

- 36.5. It is submitted that the contention of the Applicant that the transactions of the unsecured financial creditors amount to “deposits” under the Companies Act, 2013 is misconceived, as loans received from corporate entities are expressly excluded from the definition of “deposit” under Rule 2(1)(c)(viii) of the Companies (Acceptance of Deposits) Rules, 2014.
- 36.6. It is submitted that the Resolution Professional is statutorily required to collate and verify claims and is not empowered to adjudicate upon disputed questions of law, which fall within the jurisdiction of this Tribunal. The Resolution Professional has acted bonafide, independently and in compliance with the Code and the directions issued by this Tribunal.
- 36.7. It is submitted that the Applicant’s allegations questioning the conduct and integrity of the Resolution Professional are frivolous and amount to an attempt to derail the CIRP, and the Resolution Professional has performed his duties fairly, transparently and in accordance with law.
- 36.8. It is submitted that reliance is placed on the judgment of the Hon’ble Supreme Court in Committee of Creditors of Essar Steel India Limited v. Satish Kumar Gupta & Ors., (2020) 8 SCC 531, wherein it has been held that the Resolution Professional is required to collate and verify claims, while the commercial wisdom vests with the Committee of Creditors.

- 36.9. It is further submitted that reliance is also placed on the judgment of the Hon'ble NCLAT in **PTC India Financial Services Ltd. v. Mr. P. Venkatesh, RP of Amtek Auto Ltd., Company Appeal (AT) (Insolvency) No. 450 of 2018**, wherein it has been held that the Resolution Professional has no adjudicatory powers to determine disputed claims and is only required to verify and collate claims.
- 37.** Additionally, the Applicant filed their written submission on 15.12.2025 (As per DMS Portal) relying on the following judgements:
- 37.1. Hindalco Industries Limited Vs. Hirakud Industrial Works Ltd. and Others, 2023 SCC Online NCLAT 1554.
- 37.2. Rare Asset Reconstruction Ltd. Vs. Avishek Gupta, 2024 SCC Online NCLAT 268
- 37.3. Greenshift Initiatives Pvt. Ltd. Vs. Sonu Gupta, 2025 SCC Online NCLAT 337
- 38.** We have heard the learned counsel appearing for the Applicants, the Resolution Professional, and the contesting Respondents at length. We have also perused the pleadings, replies, rejoinders, written submissions, forensic reports, ROC reports, order of the Securities Appellate Tribunal, affidavits filed pursuant to directions of this Tribunal, and the statutory records placed on record. The four Interlocutory Applications arise out of a common factual matrix concerning the admission of belated claims of 25

entities as unsecured financial creditors and the consequential reconstitution of the Committee of Creditors during an advanced stage of the Corporate Insolvency Resolution Process of the Corporate Debtor.

39. This Adjudicating Authority exercises jurisdiction under Section 60(5)(c) of the Insolvency and Bankruptcy Code, 2016 to determine questions of law and fact arising out of or in relation to the insolvency resolution process of the Corporate Debtor. Since the reliefs sought in the applications are interlinked and overlapping, the same are being disposed of by this common order.

40. Based on the pleadings and submissions, the following issues arise for consideration:

40.1. **Issue No. 1:** Whether the Resolution Professional was justified in effectuating reconstitution of the CoC and proceeding in the CIRP including approval of resolution plan by the CoC while objections against inclusion of Respondents 2 to 26 in the CoC were pending before it (IA 1035 of 2023)?

40.2. **Issue No. 2:** Whether the admission of claims of Respondent Nos. 2 to 26 and their inclusion in the CoC, with voting rights, is legally sustainable in view of objections relating to genuineness of the transactions, related-party status, and absence of financial substance (IA 1214 of 2023 and IA 1271 of 2023)?

40.3. **Issue No. 3:** Whether the conduct of the Resolution Professional in proceeding with CoC meetings and voting during pendency of challenges warrants

interference or directions from this Tribunal (IA 1378 of 2023)?

41. We consider it appropriate to refer to the relevant facts in brief, as evident from the pleadings, that will help in proper decision on the issues framed above.
42. The IA No.1035 of 2023 was filed by the RP before this Adjudicating Authority to place on record report, as per Regulation 17 of IBBI (Resolution Process for Corporate Debtors) Regulations 2016, of reconstitution of CoC in Krishna Knitwear Technology Limited. The IA contains the following information:
- CIRP was initiated on 13.01.2020. Shri Brijendra Kumar Mishra was appointed as Insolvency Resolution Professional.
 - Form **A** inviting claims was published on 30.01.2020 and claims were to be filed by 14.02.2020.
 - First meeting of CoC was held on 29.02.2020.
 - Vide order of 06.04.2021 passed by this Adjudicating Authority, Mr. Brijendra Kumar Mishra was replaced as RP of the Corporate Debtor and Mr. Ravi Kapoor was appointed as new RP.
43. The present case before us concerns the admission of claims of 25 unsecured financial creditors by the Resolution Professional based on the proceedings in case of IA 461 of

2023 in Company Petition 279 of 2018. This IA was filed on 17.04.2023. The facts concerning this IA are given below:

- This IA was filed for 25 entities (Applicant/Financial Creditors) whose loans are guaranteed by the Corporate Debtor -Krishna Knitwear Technology Limited for a direction to the Resolution Professional to accept the claim of the Applicants against the Corporate Debtor by condonation of delay in filing of their claims with the Resolution Professional.
- The public announcement in Form A inviting claims from creditors by 13.02.2020 was made by the RP.
- The RP had invited offers/resolution plans for Expression of Interest under Regulation 36A of the CIRP Regulation and last date for submission of resolution plan was 04.03.2021.
- The Application notes that Applicants are the Financial Creditors of the Corporate Debtor. The Corporate Debtor had given corporate guarantees in favour of the applicant pursuant to various financial facilities of loans granted to few corporate borrowers. The said principal borrowers have defaulted in repayment. The present Corporate Debtor being Corporate Guarantor on behalf of those principal borrowers is jointly and severally liable for repayment.

- The claims were made before RP in the beginning of 2023 (but the IA does not give exact date). These are rejected by the RP on the sole ground that the claims are submitted belatedly.
- Mr. Hazur Singh, son of Shri Bachan Singh, is the authorised representative of all the 25 applicants and a single IA was filed for all the 25 claimants.
- This IA contains a synopsis and list of dates and events on pages 8 and 9. The IA refers to IRP making a public announcement inviting claims by creditors on 31.01.2020 and these claims were to be filed by 13.02.2020. The claims were filed in the beginning of 2023 and were rejected by the RP on ground of delay in submission. The IA noted that “since the corporate offices of all the present applicants are located in Mumbai, and in view of the Covid-19 situation prevailing at the relevant time at Mumbai even prior to the National lockdown, resulting into truncated attendance of the staff and thus truncated working of the offices, the Applicants were not able to submit it claims in time to the IRP.”
- The details of loans and date of corporate guarantees are given on pages 18 to 30 of the Application. The same is extracted below:

[Faint, illegible handwritten text]

Applicants	Loan Details	Board Resolution of the Principal Borrower for loan sanctioned	Date of Corporate Guarantee Deed with KKTL	Submission of Claim to the RP and the Rejection thereafter
<p>1. M/s. Acrow Realcon Pvt. Ltd.</p> <p>(Annexed herewith and marked as Annexure "B Colly." is the copy of the Claim submitted by Applicant No. 1 and rejection</p>	<p>Date of loan agreement: 05.08.2012</p> <p>Date of Maturity: 30.06.2018</p> <p>Principal Borrower Company: M/s. KSL and Industries Ltd.</p> <p>Loan Amount: Rs. 19,00,00,000/- @ 21% p.a.</p>	27.06.2012	14.12.2012	<p>Submission of claim: 08.03.2023</p> <p>Rejection of claim: 24.03.2023</p>

intimation thereafter.)	interest + penal interest.			
submitted by Applicant No. 3 and rejection intimation thereafter.)	Loan Amount: Rs. 8,49,00,000/- @ 21% p.a. interest + penal interest.			
4. M/s. Elnet Conpro Pvt. Ltd. (Annexed herewith and marked as Annexure "E Colly." is the copy of the Claim submitted by Applicant No. 4 and rejection intimation thereafter.)	Date of loan: 27.06.2012 30.06.2012 Date of Maturity: 30.06.2017 Principal Borrower Company: M/s. KSL and Industries Ltd. Loan Amount: Rs. 2,10,00,000/- @ 21% p.a. interest - penal interest	27.06.2012	28.05.2013	Submission of claim: 25.02.2023 Rejection of claim: 25.03.2023
5. M/s. Sumeru Reality Pvt. Ltd. (Annexed herewith and marked as Annexure "F Colly." is the copy of the Claim submitted by Applicant No. 5 and rejection intimation thereafter.)	Date of loan agreement: 16.04.2012 20.07.2012 Date of Maturity: 30.06.2016 Principal Borrower Company: M/s. Jaybharat Textiles and Real Estate Ltd. Loan Amount: Rs. 12,00,00,000/- @ 22% p.a. interest - penal interest.	16.04.2012	08.03.2013	Submission of claim: 01.03.2023 Rejection of claim: 25.03.2023

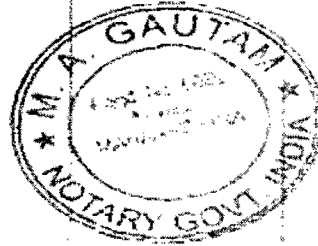
<p>6. M/s. Amex Infrastructure Pvt. Ltd.</p> <p>(Annexed herewith and marked as Annexure "G Colly." is the copy of the Claims submitted by Applicant No 6 and rejection intimation thereafter.)</p>	<p>Date of loan: 31.12.2012; 01.10.2012</p> <p>Date of Maturity: 30.09.2018; 31.12.2017</p> <p>Principal Borrower Company: M/s. K-Lifestyle and Industries Ltd.; M/s. Jaybharat Textiles and Real Estate Ltd.</p> <p>Loan Amount: Rs. 10,00,00,000/- - @ 18% p.a. interest + penal interest; Rs. 5,00,00,000/- @ 18% p.a. interest + penal interest.</p>	<p>06.07.2017; 22.11.2012</p>	<p>21.07.2017; 29.11.2012</p>	<p>Submission of claim: 27.02.2023</p> <p>Rejection of claim: 25.03.2023</p>
<p>7. M/s. Wellworth Apparels Pvt. Ltd.</p> <p>(Annexed herewith and marked as Annexure "H Colly." is the copy of the Claims submitted by Applicant No. 7 and rejection intimation thereafter.)</p>	<p>Date of loan agreement: 20.12.2012; 09.10.2012; 31.03.2011.</p> <p>Date of Maturity: 31.02.2018; 31.03.2017; 31.03.2017.</p> <p>Principal Borrower Company: M/s. Tayal Energy Ltd.; M/s. Actif Corporation Ltd.; M/s.</p>	<p>10.01.2013; 14.09.2012/ 10.11.2010; 10.01.2013.</p>	<p>11.03.2013; 12.03.2013; 01.03.2013.</p>	<p>Submission of claim: 27.02.2023</p> <p>Rejection of claim: 25.03.2023</p>



	<p>Eskay K. N. IT (India) Ltd.</p> <p>Loan Amount: Rs. 4,08,00,000/- @ 21% p.a. interest + penal interest; Rs. 5,50,00,000/- @ 18% p.a. interest + penal interest; Rs. 12,74,00,000/- @ 17.50% p.a. interest + penal interest.</p>			
<p>8. M/s. Amukaran Consultancy Pvt. Ltd.</p> <p>(Annexed herewith and marked as Annexure "I Colly." is the copy of the Claim submitted by Applicant No. 8 and rejection intimation thereafter.)</p>	<p>Date: 01.08.2012</p> <p>Date of Maturity: 31.07.2017</p> <p>Principal Borrower Company: M/s. KSL And Industries Ltd.</p> <p>Loan Amount: Rs. 53,00,00,000/- @ 21% p.a. interest + penal interest.</p>	27.06.2012	03.12.2012	<p>Submission of claim: 27.02.2023</p> <p>Rejection of claim: 25.03.2023</p>
<p>9. M/s. Erasmus Trading Company Pvt. Ltd.</p> <p>(Annexed herewith and marked as Annexure "J</p>	<p>Date: 30.06.2011</p> <p>Date of Maturity: 30.06.2017</p> <p>Principal Borrower Company:</p>	20.06.2012	21.02.2013	<p>Submission of claim: 03.03.2023</p> <p>Rejection of claim: 25.03.2023</p>



<p>Colly. is the copy of the Claim submitted by Applicant No. 1 and rejection intimation thereafter.)</p>	<p>M/s. Taya Energy Ltd. Loan Amount: Rs. 29,00,00,000/- @ 21% p.a. interest + penal interest.</p>			
<p>10. M/s. Cyra Capitals Pvt. Ltd. (Annexed herewith and marked as Annexure "K Colly." is the copy of the Claim submitted by Applicant No. 10 and rejection intimation thereafter.)</p>	<p>Date of loan agreement: 09.10.2012 Date of Maturity: 30.06.2016 Principal Borrower Company: M/s. Actif Corporation Ltd. Loan Amount: Rs. 30,00,00,000/- @ 21% p.a. interest + penal interest.</p>	<p>14.09.2012</p>	<p>01.03.2013</p>	<p>Submission of claim: 25.02.2023 Rejection of claim: 27.03.2023</p>
<p>11. M/s. Single Point Security Solutions (Annexed herewith and marked as Annexure "L Colly." is the copy of the Claim submitted by Applicant No. 11 and rejection</p>	<p>Date of loan: 30.06.2009 Date of Maturity: 30.06.2017 Principal Borrower Company: M/s. KSL And Industries Ltd. Loan Amount: Rs. 15,00,00,000/- @ 22% p.a. interest + penal interest.</p>	<p>10.10.2012</p>	<p>24.12.2012</p>	<p>Submission of claim: 24.03.2023 Rejection of claim: 25.03.2023</p>



intimation thereafter.)				
<p>12. M/s Shri Gopala Holding Pvt. Ltd.</p> <p>(Annexed herewith and marked as Annexure "M Colly." is the copy of the Claim submitted by Applicant No. 12 and rejection intimation thereafter.)</p>	<p>Date of loan agreement: 20.07.2012</p> <p>Date of Maturity: 30.06.2016</p> <p>Principal Borrower Company: M/s. Jaybharat Textiles and Real Estate Ltd.</p> <p>Loan Amount: Rs. 30,00,00,000/- @ 21% p.a. interest + penal interest.</p>	16.04.2012	20.12.2012	<p>Submission of claim: 25.02.2023</p> <p>Rejection of claim: 25.03.2023</p>
<p>13. M/s. Unique Warehouse Pvt. Ltd.</p> <p>(Annexed herewith and marked as Annexure "N Colly." is the copy of the Claim submitted by Applicant No. 13 and rejection intimation thereafter.)</p>	<p>Date: 20.12.2012</p> <p>Date of Maturity: 31.03.2017</p> <p>Principal Borrower Company: M/s. Tayaal Energy Ltd.</p> <p>Loan Amount: Rs. 33,00,00,000/- @ 21% p.a. interest + penal interest.</p>	25.02.2010	23.01.2013	<p>Submission of claim: 24.02.2023</p> <p>Rejection of claim: 25.03.2023</p>
<p>14. M/s. Carrat Estates Pvt. Ltd.</p>	<p>Date of loan: 30.09.2012</p>	12.11.2012	26.11.2012	<p>Submission of claim: 24.02.2023</p>



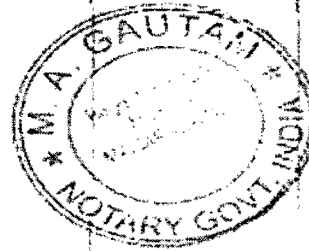
<p>(Annexed herewith and marked as Annexure "O Colly." is the copy of the Claim submitted by Applicant No. 14 and rejection intimation thereafter.)</p>	<p>Date of Maturity: 30.09.2017</p> <p>Principal Borrower Company: M/s. KSL And Industries Ltd.</p> <p>Loan Amount: Rs. 5,00,00,000/- @ 21% p.a. interest + penal interest.</p>			<p>Rejection of claim: 25.03.2023</p>
<p>15. M/s. Picturesque Trading Pvt. Ltd.</p> <p>(Annexed herewith and marked as Annexure "P Colly." is the copy of the Claim submitted by Applicant No. 15 and rejection intimation thereafter.)</p>	<p>Date: 30.06.2012</p> <p>Date of Maturity: 30.06.2018</p> <p>Principal Borrower Company: M/s. KSL And Industries Ltd.</p> <p>Loan Amount: Rs. 35,00,00,000/- @ 21% p.a. interest + penal interest.</p>	<p>13.08.2012</p>	<p>17.12.2012</p>	<p>Submission of claim: 03.02.2023</p> <p>Rejection of claim: 24.03.2023</p>
<p>16. M/s. Tanvish Trading Pvt. Ltd.</p> <p>(Annexed herewith and marked as Annexure "Q Colly." is the copy of the Claim submitted by Applicant No.</p>	<p>Date of loan: 31.03.2014</p> <p>Date of Maturity: 31.03.2018</p> <p>Principal Borrower Company: M/s. Jaybharat Textiles and Real Estate Ltd.</p>	<p>02.07.2017</p>	<p>27.06.2017</p>	<p>Submission of claim: 28.02.2023</p> <p>Rejection of claim: 25.03.2023</p>



16 and rejection intimation thereafter.)	Loan Amount: Rs. 10,70,18,300/- - @ 18% p.a. interest + penal interest.			
17. M/s. Conart Conpro Pvt. Ltd. (Annexed herewith and marked as Annexure "R Colly." is the copy of the Claim submitted by Applicant No. 17 and rejection intimation thereafter.)	Date of loan: 30.04.2012; 31.03.2017 Date of Maturity: 31.03.2018 Principal Borrower Company: M/s. K-Lifestyle and Industries Ltd. Loan Amount: Rs. 3,77,62,000/- @ 18% p.a. interest - penal interest; Rs. 10,00,00,000/- - @ 18% p.a. interest + penal interest.	17.01.2012; 24.02.2017	03.05.2017	Submission of claim: 24.02.2023 Rejection of claim: 25.03.2023
18. M/s. Axtel Properties Pvt. Ltd. (Annexed herewith and marked as Annexure "S Colly." is the copy of the Claim submitted by Applicant No. 18 and rejection	Date of loan: 25.03.2013 Date of Maturity: 31.03.2018 Principal Borrower Company: M/s. KSL And Industries Ltd. Loan Amount: Rs. 2,55,00,000/- @ 21% p.a. interest - penal interest.	12.04.2013	25.04.2013	Submission of claim: 24.02.2023 Rejection of claim: 25.03.2023



intimation thereafter.)				
<p>19. M/s. Madhu Crimpers Pvt. Ltd.</p> <p>(Annexed herewith and marked as Annexure "T Colly." is the copy of the Claim submitted by Applicant No. 19 and rejection intimation thereafter.)</p>	<p>Date: 31.03.2017</p> <p>Date of Maturity: 30.09.2018</p> <p>Principal Borrower Company: M/s. K-Lifestyle and Industries Ltd.</p> <p>Loan Amount: Rs. 10,00,00,000/- @ 18% p.a. interest + penal interest.</p>	10.04.2017	20.05.2017	<p>Submission of claim: 25.02.2023</p> <p>Rejection of claim: 25.03.2023</p>
<p>20. M/s. Shri Ganesh Hoisery Pvt. Ltd.</p> <p>(Annexed herewith and marked as Annexure "U Colly." is the copy of the Claim submitted by Applicant No. 20 and rejection intimation thereafter.)</p>	<p>Date of loan agreement: 15.06.2012</p> <p>Date of Maturity: 30.06.2016</p> <p>Principal Borrower Company: M/s. Global Softech Ltd.</p> <p>Loan Amount: Rs. 26,18,20,000/- @ 22% p.a. interest + penal interest.</p>	22.05.2012	11.01.2013	<p>Submission of claim: 24.02.2023</p> <p>Rejection of claim: 25.03.2023</p>
<p>21. M/s. Taban Real Estate Pvt. Ltd.</p>	<p>Date of loan: 31.03.2017</p> <p>Date of Maturity: 31.03.2018</p>	08.05.2017	25.05.2017	<p>Submission of claim: 26.02.2023</p>



<p>(Annexed herewith and marked as Annexure "V Colly." is the copy of the Claim submitted by Applicant No. 21 and rejection intimation thereafter.)</p>	<p>Principal Borrower Company: M/s. K. Lifestyle and Industries Ltd. Loan Amount: Rs. 10,00,00,000/- @ 18% p.a. interest + penal interest.</p>			<p>Rejection of claim: 24.03.2023</p>
<p>22. M/s. Vignahar ta Corrugator s Pvt. Ltd. (Annexed herewith and marked as Annexure "W Colly." is the copy of the Claims submitted by Applicant No. 22 and rejection intimation thereafter.)</p>	<p>Date of loan: 07.03.2014; 27.09.2016; 31.03.2013; 09.12.2013 31.12.2013 Date of Maturity: 31.12.2017; 31.12.2018 Principal Borrower Company: M/s. Global Softech Ltd.; M/s. KSL And Industries Ltd. Loan Amount: Rs. 9,69,21,000/- @ 18% p.a. interest + penal interest; Rs.11,15,26,000/- @ 21% p.a. interest + penal interest.</p>			<p>Submission of claim: 01.03.2023 Rejection of claim: 25.03.2023</p>
<p>23. M/s. Shri Govind Cement Pvt. Ltd. (Annexed herewith and marked as</p>	<p>Date of loan: 22.05.2012 31.03.2012 Date of Maturity: 31.03.2017 Principal Borrower Company:</p>			<p>Submission of claim: 10.12.2012 26.02.2023 Rejection of claim: 24.03.2023</p>



Annexure "X Colly." is the copy of the Claim submitted by Applicant No. 23 and rejection intimation thereafter.)	M/s. Global Softech Ltd. Loan Amount: Rs. 27,00,00,000/- @ 21% p.a. interest - penal interest.			
24. M/s. Richi-Rich Realty Ltd. (Annexed herewith and marked as Annexure "Y Colly." is the copy of the Claim submitted by Applicant No. 24 and rejection intimation thereafter.)	Date of loan: 23.08.2012 30.06.2012 Date of Maturity: 30.06.2018 Principal Borrower Company: M/s. Jaybharat Textiles and Real Estate Ltd. Loan Amount: Rs. 22,00,00,000/- @ 21% p.a. interest - penal interest.	23.08.2012	05.03.2013	Submission of claim: 25.02.2023 Rejection of claim: 25.03.2023
25. M/s. Kausar Textiles Pvt. Ltd. (Annexed herewith and marked as Annexure "Z Colly." is the copy of the Claim submitted by Applicant No. 25 and rejection intimation thereafter.)	Date of loan: 05.04.2013 31.03.2012 Date of Maturity: 31.03.2018 Principal Borrower Company: M/s. KSL And Industries Ltd. Loan Amount: Rs. 29,00,00,000/- @ 22% p.a. interest - penal interest.	05.04.2013	24.04.2013	Submission of claim: 25.02.2023 Rejection of claim: 25.03.2023
intimation thereafter.)				



- The above extracted information shows loans were given by 25 entities in the years 2009, 2011, 2012, 2013, 2014, 2017 (different years by different entities) to M/s

KSL Industries Limited, M/s K Lifestyle and Industries Limited, M/s KG Corporate Ltd., M/s Jay Bharat Textiles and Real Estate Limited, M/s Tayal Energy Limited, M/s Actif Corporation Limited, M/s Eskay K N T IT (India) Ltd., M/s Global Softech Limited, (by different entities to different entities) and dates of maturities of loans were in the years 2016, 2017, and 2018. In no case, the date of maturity was after 31.03.2018/30.06.2018 and 30.09.2018 (one case). We discuss in short specific information about each lender/transaction (25 entities) below.

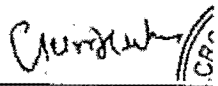
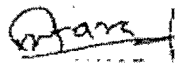
- M/s Acrow Realcon Pvt. Ltd. Gave loan on 05.08.2012 with date of maturity on 30.06.2018 but the date of guarantee deed is 14.12.2012 (much after the loan was given).
- M/s Royal Compservices Pvt. Ltd. gave loans in Oct. 2012 and September 2013 and dates of maturity were in September 2017 and September 2018 but guarantee agreements are of 21.10.2016 and 11.11.2016. Even the Board Resolution for borrower are of October 2016. Such details of different years for resolution and deed of guarantee raises doubt about the interlinking of the guarantee deed with the loan and genuineness of the transaction.
- M/s Charms Holding Pvt. Ltd. Gave loan on 01.04.2012 and date of maturity was 31.03.2017 but the date of deed of guarantee is of 28.03.2013.

- M/s Elnet Conpro Pvt. Ltd. Advanced loan on 30.06.2012 and date of maturity was 30.06.2017. Date of deed of guarantee is 28.05.2013.
- M/s Sumery realty Pvt. Ltd advanced loan on 20.07.2012 with date of maturity on 30.06.2016. Date of deed of guarantee is of 08.03.2013.
- M/s Amex Infrastructure Pvt. Ltd. Advanced loans on 30.12.2012 and 01.10.2012 with dates of maturity on 30.09.2018 and 31.12.2017. Dates of deed of guarantee are 20.07.2017 and 29.11.2012.
- M/s Wellworth Apparels Pvt. Ltd. Advanced loans on 20.12.2012, 09.10.2012, and 31.03.2011 with dates of maturities in 2017 and 2018. Dates of deed are of 11.03.2013,12.03.2013, and 01.03.2013.
- M/s Anukaran Consultancy Pvt. Ltd. Advanced loan on 01.08.2012 with date of maturity on 31.07.2017. Date of deed is 03.12.2012.
- M/s Erasmus Trading Company Pvt. Ltd. Advanced loan on 30.06.2011 with date of maturity on 30.06.2017 and date of guarantee deed of 21.02.2013.
- M/s Cyra Capitals Pvt. Ltd. Advanced loan on 09.10.2012 with date of maturity on 30.06.2016 and date of deed of guarantee on 01.03.2013.
- M/s Single Point Securities Solutions advanced loan on 30.06.2017 with date of maturity on 30.06.2017. Date of deed of guarantee is of 24.12.2012.

- M/s Gopala Holding Pvt. Ltd. Advanced loan on 20.07.2012 with date of maturity on 30.06.2016. Deed of guarantee is of 20.12.2012.
- M/s unique Warehouse Pvt. Ltd. Advanced loan on 20.12.2012 with date of maturity on 31.03.2017. Date of deed of guarantee is 23.01.2013.
- M/s Carnat Estate Pvt. Ltd advanced loan on 30.09.2012 with date of maturity on 30.09.2017. Date of guarantee is 26.11.2012.
- M/s Picturesque Trading Pvt. Ltd. Advanced loan on 30.06.2012 with date of maturity on 30.06.2018. Date of deed of guarantee is of 17.12.2012.
- M/s Tanvish Trading Pvt. Ltd. Advanced loan on 31.03.2014 with date of maturity on 31.03.2018. Deed of guarantee of 27.06.2017. Deed of guarantee is after 3 years and three months.
- M/s Conart Conpro Pvt. Ltd advanced loan on 30.04.2012 and 31.03.2017 with date of maturity on 31.03.2018. Date of guarantee is of 03.05.2017. Difficult to establish nexus of loan with the guarantee.
- M/s Axtel Properties Pvt. Ltd advanced loan on 25.03.2013 with date of maturity on 31.03.2018. Date of deed of guarantee on 25.04.2013.
- M/s Madhu Crimpers Pvt. Ltd. Advanced loan on 31.03.2017 and date of maturity on 30.09.2018. Date of deed of guarantee of 20.05.2017.

- M/s Ganesh Hoisery Pvt. Ltd. advanced loan on 15.06.2012 with date of maturity on 30.06.2016. Date of deed of guarantee of 11.01.2013.
- M/s Taban Real Estate Pvt. Ltd. Advanced loan on 31.03.2017 with date of maturity on 31.03.2018. Deed of guarantee of 25.05.2017.
- M/s Vignaharta Corrugators Pvt. Ltd. Advanced loan on 31.03.2013 and 31.1.2.2013 with dates of maturity on 31.12.2017 and 31.12.2018. Dates of deed of guarantee of 27.09.2016 and 09.11.2016.
- M/s Shri Govind Cement Pvt. Ltd. Advanced loan on 31.03.2012 with date of maturity on 31.03.2017. Date of deed of guarantee of 10.12.2012.
- M/s Richi Rich Realty Ltd. Advanced loan on 30.06.2012 with date if maturity on 30.06.2018. Date of deed of guarantee is 05.03.2013.
- M/s Kausar Textiles Pvt. Ltd advanced loan on 31.03.2012 with date of maturity of 31.03.2018. Date of deed of guarantee is of 24.03.2013.
- The above details show that these entities have claimed to have advanced loans mostly in year 2012. In many cases the date of Board Resolution of the borrower for taking loans is after the date of loans advanced. The deed of guarantee is in most cases much after the claimed date of loan advance.

- A single IA was filed jointly based on a resolution made on 1.4.2023 at 3.00PM by the Board of Directors of Acrow Realcon Private Limited at its registered office at Gala No. 107, Everest Industrial Estate, Near 66 KVA Power Substation, AMLI, Silvasa. The resolution states that the Board informed that unsecured financial creditors (20) had discussions to file a joint application before the Hon'ble NCLT Ahmedabad through one authorised person Mr. Hazur Singh, the name of which was suggested by M/s Acrow Realcon Private Limited.
- Filing of single IA by all entities with similar characteristics of loan transactions and all having filed claims late by more than three years indicate that they were being controlled, administered and managed by some common person.
- There are separate resolutions for companies which notes filing of application by 20 entities. The name of entity, director and his signature are extracted below:

<u>NAME OF ENTITY</u>	<u>DIRECTOR</u>	<u>SIGNATURE</u>
<u>ACROW REALCON PRIVATE LIMITED</u>	<u>GURDEV SINGH</u>	
<u>ROYAL COMPSERVICES</u>	<u>RITESH GUJAR</u>	

<u>PRIVATE</u> <u>LIMITED</u>		
<u>CHARMS</u> <u>HOLDING</u> <u>PRIVATE</u> <u>LIMITED</u>	<u>DALJEET SINGH</u>	<u>Daljeet Singh</u>
<u>ELNET CONPRO</u> <u>PRIVATE</u> <u>LIMITED</u>	<u>AMOL DIGHADE</u>	<u>अमोल दिग्दे</u>
<u>SUMERU</u> <u>REALITY</u> <u>PRIVATE</u> <u>LIMITED</u>	<u>SATNARAYAN</u> <u>RAM</u>	<u>सत्यनारायण राम</u>
<u>AMEX</u> <u>INFRASTRUCTU</u> <u>RE PRIVATE</u> <u>LIMITED</u>	<u>AMOL DIGHADE</u>	<u>अमोल दिग्दे</u>
<u>WELLWORTH</u> <u>APPARELS</u> <u>PRIVATE</u> <u>LIMITED</u>	<u>TEJAS PANDHARI</u> <u>JAMBHALE</u>	<u>Tejas Pandhari</u>
<u>ANUKARAN</u> <u>CONSULTANCY</u> <u>PRIVATE</u> <u>LIMITED</u>	<u>DURGADAS</u> <u>GAWANDE</u>	<u>Durgadas</u>
<u>EREMURUS</u> <u>TRADING</u>	<u>PARTAP SINGH</u>	<u>प्रताप सिंह</u>

<u>COMPANY</u> <u>PRIVATE</u> <u>LIMITED</u>		
<u>CYRA CAPITAL</u> <u>PRIVATE</u> <u>LIMITED</u>	<u>PRIYA KOTHE</u> <u>VILAS</u>	<u>Priya Kothe</u>
<u>SINGLE POINT</u> <u>SECURITY</u> <u>SOLUTIONS</u> <u>PRIVATE</u> <u>LIMITED</u>	<u>DURGADAS</u> <u>GAWANDE</u>	<u>Dhawane</u>
<u>GOPALA</u> <u>HOLDING</u> <u>PRIVATE</u> <u>LIMITED</u>	<u>BALJEET SINGH</u>	<u>Baljeet SINGH PRIVATE</u>
<u>UNIQUE</u> <u>VAREHOJSE</u> <u>PRIVATE</u> <u>LIMITED</u>	<u>ANKUR</u> <u>MANOHARRAO</u> <u>KIRPANE</u>	<u>Ankur</u>
<u>CARNAT</u> <u>ESTATES</u> <u>PRIVATE</u> <u>LIMITED</u>	<u>MONU</u> <u>RAJENDRAPRASA</u> <u>D PRAJAPATI</u>	<u>Monu</u>
<u>PICTURESQUE</u> <u>TRADING</u> <u>PRIVATE</u> <u>LIMITED</u>	<u>GURPREET</u> <u>SINGH</u>	<u>Gurpreet Singh</u>

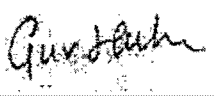
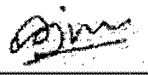
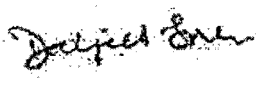
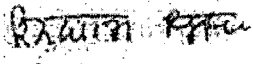
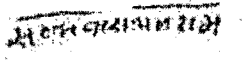
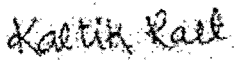
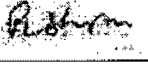

<u>TANVISHTRADIN</u> <u>G PRIVATE</u> <u>LIMITED</u>	<u>PAWITTER SINGH</u>	<u>Pawitter Singh</u>
<u>CONART</u> <u>CONPRO</u> <u>PRIVATE</u> <u>LIMITED</u>	<u>BALJEET SINGH</u>	<u>Baljeet Singh</u>
<u>AXTEL</u> <u>PROPERTIES</u> <u>PRIVATE</u> <u>LIMITED</u>	<u>DILBAG SINGH</u>	<u>Dilbag Singh</u>
<u>ACROW MADHU</u> <u>CRIMPERS PVT</u> <u>LTD</u>	<u>PREM CHANDRA</u> <u>YADAV</u>	<u>प्रेमचंद्र यादव</u>
<u>SHREE GANESH</u> <u>HOSIERY MILLS</u> <u>PRIVATE</u> <u>LIMITED</u>	<u>JODHA RAM</u> <u>DUNGA RAM</u> <u>DHAKA</u>	<u>Jodha Ram</u>
<u>TABAN REAL</u> <u>ESTATE</u> <u>PRIVATE</u> <u>LIMITED</u>	<u>DHARMENDRA</u> <u>ZADIYA</u>	<u>Dharmendra</u>
<u>VIGNAHARTA</u> <u>CORRUGATORS</u> <u>PRIVATE</u> <u>LIMITED</u>	<u>ANITA SONARE</u>	<u>Anita Sonare</u>

<u>SHRI GOVIND</u> <u>CEMENT</u> <u>PRIVATE</u> <u>LIMITED</u>	<u>DILBAG SINGH</u>	<u>रिखसिंह आर्य</u>
<u>RICHI-RICH</u> <u>REALITY</u> <u>LIMITED</u>	<u>RAJENDRA</u> <u>NAGPAL</u>	<u>राजेंद्रा</u>
<u>KAUSAR</u> <u>TEXTILE</u> <u>PRIVATE</u> <u>LIMITED</u>	<u>SATNARAYAN</u> <u>RAM</u>	<u>सत्यनारायण राम</u>

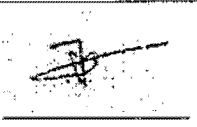
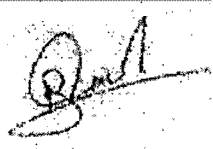
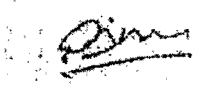
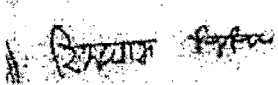
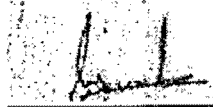
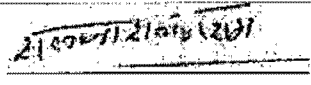
- The above table shows that for many companies' directors signing the Board Resolutions are same.
- The IA does not state anything about initiating any proceedings under section of the IBC, 2016 by any of the above given financial creditors against any borrower (of loans) through it is claimed that they defaulted in the payment.
- The IA is signed on 13.04.2023 for seeking admission and regarding limitation it notes that the present application is within period of limitation. However, it does not justify how are claims made or IA filed is in time as the due dates of repayment of loans in no case were beyond 30.09.2018. The limitation for taking any action regarding the recovery of loan has expired. No

justification for filing claim in the case of guarantor is given.

- The date of filing claims in Form C before the RP were as follows:

<u>NAME OF ENTITY</u>	<u>EMAIL DATED</u>	<u>SIGNATURE</u>
<u>Acrow Realcon Private Ltd.</u>	<u>08.03.2023</u>	
<u>ROYAL COMPSERVICES PRIVATE LIMITED</u>	<u>01.03.2023</u>	
<u>CHARMS HOLDING PVT. LTD</u>	<u>25.02.2023</u>	
<u>ELNET CONPRO PVT. LTD.</u>	<u>25.02.2023</u>	
<u>SUMERU REALTY PRIVATE LIMITED</u>	<u>01.03.2023</u>	
<u>AMEX INFRASTRUCTURE PRIVATE LIMITED</u>	<u>27.02.2023</u>	
<u>WELLWORTH APPARELS PRIVATE LIMITED</u>	<u>25.03.2023</u>	
<u>ANUKARAN CONSULTANCYPVT. LTD</u>	<u>27.02.2023</u>	

<u>EREMURUS</u> <u>TRADING COMPANY</u> <u>PYT. LTD.</u>	<u>03.03.2023</u>	<u>Vilskotha</u>
<u>CYRA CAPITAL</u> <u>PRIVATE LIMITED</u>	<u>25.02.2023</u>	<u>Analy</u>
<u>SINGLE POINT</u> <u>SECURITY</u> <u>SOLUTIONS PVT LTD</u>	<u>24.02.2023</u>	<u>Analy</u>
<u>GOPALA HOLDING</u> <u>PRIVATE LIMITED</u>	<u>25.02.2023</u>	<u>Analy</u>
<u>UNIQUE</u> <u>WAREHOUSE PVT</u> <u>LTD</u>	<u>27.02.2023</u>	<u>Analy</u>
<u>CARNAT ESTATES</u> <u>PVT. LTD.</u>	<u>24.02.2023</u>	<u>R. S. Kumar</u>
<u>PICTURESQUE</u> <u>TRADING PRIVATE</u> <u>LIMITED</u>	<u>24.02.2023</u>	<u>Gurpreet Singh</u>
<u>TANVISHTRADING</u> <u>PRIVATE LIMITED</u>	<u>28.02.2023</u>	<u>P. S. Kumar Singh</u>
<u>CONART CONPRO</u> <u>PRIVATE LIM TED</u>	<u>24.02.2023</u>	<u>Baljeet Singh</u>
<u>AXTEL PROPERTIES</u> <u>PVT. LTD.</u>	<u>24.02.2023</u>	<u>R. S. Kumar</u>
<u>MADHU CRIMPERS</u> <u>PVT ITD</u>	<u>25.02.2023</u>	<u>D. Wankar</u>

<u>SHREE GANESH</u> <u>HOSIERY PRIVATE</u> <u>LIMITED</u>	<u>24.02.2023</u>	
<u>TABAN REAL</u> <u>ESTATE PRIVATE</u> <u>LIMITED</u>	<u>27.02.2023</u>	
<u>VIGNAHARTA</u> <u>CORRUGATORS PVT.</u> <u>LTD.</u>	<u>01.03.2023</u>	
<u>SHRI GOVIND</u> <u>CEMENT PRIVATE</u> <u>LIMITED</u>	<u>27.02.2023</u>	
<u>RICHI RICH REALTY</u> <u>LIMITED</u>	<u>25.02.2023</u>	
<u>KAUSAR TEXTILE</u> <u>PVT. LTD.</u>	<u>25.02.2023</u>	

- Copy of Form C are on record (Pages 73 to 277) of the IA 461 of 2023 but no supporting documents are attached.
- The RP wrote to the claimants vide email dated 24.03.2023 that, “Without going into the merit, we find that you have not submitted your claim during the CIRP process within the prescribed timelines laid down under IBC, 2016. Accordingly, your claim at this stage shall not be considered.”

- Filing of claims were not only late as per provisions of IBC, 2016 but were time barred as per provisions of Limitation Act, 1963. One more thing, it is not one or two who filed claims late but all the 25 entities and that too at the same time.
- Reply of the RP to the IA was filed on 08.07.2023 (on DMS Portal). In paragraph 9, the RO submitted that claims were examined/verified on merits without prejudice to delay in filing claims. A table was given with admissible claims and with remarks (based on documents submitted, claims can be admitted).
- This Adjudicating Authority vide order dated 15.05.2023 in IA 565 of 2023 directed the RP to examine the claim of the applicants on merit however, prayer regarding condonation of delay would be considered later. The RP filed an Affidavit on 08.07.2023.
- This adjudicating authority condoned the delay in filing the claim vide order of 01.08.2023. This Adjudicating Authority noted, "We accordingly, condone the delay and direct the RP to consider their claim in accordance with the provision of the IBC and on merit. The existing CoC may place their say on the issue of related party, if they are having any such information, before the RP and the RP may take a call on merit". The IA 461 of 2023 was disposed.

44. After this order of 01.08.2023, the present IAs under consideration 1035 of 2023 (intimation of reconstitution of CoC) was filed on DMS Portal on 15.09.2023. As the objections raised by Union bank of India were allegedly not considered by the RP, the Union Bank of India filed IA 1214 of 2023 on 18.10.2023 and IA 1378 of 2023 was filed on 29.11.2023. The IA 1271 of 2023 was filed by State Bank of India on 25.10.2023.

45. The RP filed IA 1035 of 2023. Some facts of this IA are discussed above. More relevant facts are given below:

- This IA was filed on 15.09.2023 (on DMS Portal) to place report on reconstitution of CoC on record. The IA contains 53 pages.
- RP filed report on reconstitution of CoC based on newly admitted claim on 26.08.2023. Copy of report of reconstitution of CoC dated 26.08.2023 was attached as Annexure-D (Pages 49 to 51) to this IA.
- Page 49 of the IA notes that “Hon’ble NCLT vide its order dated 15.05.2023 in IA 565/2023 directed the RP to examine the claims on merit. Upon detailed examination of various records submitted by the claimants, orders of Hon’ble Tribunal, Apex Court and other forums, provisions of law and considering material available on

record, reply was filed before the Hon'ble NCLT, Ahmedabad Bench that claims can be admitted to the extent of Rs 2869.57 crores”.

- Above paragraph refers to IA 565 of 2023. This Petition was filed on 09.05.2023 by M/s Acrow Realcon Pvt. Ltd. And Ors. This Petition was again filed by Mr. Hazur Singh, for all 25 entities, for appropriate directions to the Resolution Professional or in the alternative for an early hearing of the application 461/2025. The petition states that their claims exceed Rs 3000 crores. The order notes that no decision as regards to the approval of resolution plan be taken by CoC till the matter is decided in IA 461 of 2023. The RP is directed to examine the claim again on merit.
- The IA 1035 of 2023 contains report dated 26.08.2023 on re-constitution of Committee in Annexure -D (Pages 47 to 51). This refers to the challenge of order of 06.04.201 by the Union Bank of India before the Hon'ble NCLAT and the Hon'ble Supreme Court and the same were dismissed.

46. The IA 1035 of 2023 notes that vide order of 06.04.2021 in IA 461 OF 2021 of this Adjudicating Authority, the CoC was constituted which comprised of 27 financial creditors. The order of 06.04.2021 was challenged by Union Bank of India before NCLAT in IA 953 of 2020 and IA 13 of 2021. These IAs were dismissed by NCLAT vide order of 05.12.2022. Subsequently, Hon'ble Supreme Court vide order dated

29.03.2023 dismissed the appeal filed by Union Bank of India. The Respondent and RP draws much support from the decision of this Adjudicating Authority and of Hon'ble NCLAT and Hon'ble Supreme Court. It is considered necessary to discuss the facts of that case.

- IA 953 of 2020 in CP (IB) 279 of 2018 was filed by Mr. Sanjay Sadarekar, authorised person for seven applicants jointly namely M/s Rajdeep Clothing and Advisory Pvt. Ltd, M/s Ritu Multitrade Services Pvt. Ltd, M/s Eloquent Traders Pvt. Ltd. M/s Wellworth Apparels Pvt. Ltd, M/s Hikal Pro Estate Pvt. Ltd, M/s Tanvish Trading Pvt. Ltd, M/s Vignaharta Corrugators Pvt. Ltd. The Respondent vide email dated 14.10.2020 declined to admit the claimed amount alleging that the Applicants are related party to the Corporate Debtor in terms of clause (f), (h), (l), and (m) of section 5 (24) of the IBC, 2016. It was also alleged that the directors of the claimant companies are having directorship in the companies, appearing in the order of Securities Appellate Tribunal in case of Sanjay Kumar Tayal vs. SEBI in the appeal No. 68 of 2013 dated 11.02.2014. The claims were put in related party category without assigning voting rights. The IA prayed for not considering the Applicants as related party and declaring Applicants as members of the CoC. The IA was filed by one Sanjay Sadarekar, residing at Kranti Nagar

Rahivashi Sangh, R.No.16, Gopi Tank Road, Mahim (W),
Mumbai as authorised representative of the Applicants.

47. This Adjudicating Authority passed an order dated 06.04.2021. The CoC was reconstituted that had 27 members. These comprises of 12 banks and 15 other entities (Abhinandan Multitrade (P) Ltd., Bridge Infra (P) Ltd, Capman Conpro Private Limited, Charms Holding Private Limited, Devika Trading Private Limited, Eloquent Traders Private Limited, Express Suitings Private Limited, Heavy Steel Private Limited, Hikal Pro Estate Private Limited, Kaushal Logistics Private Limited, Rajdeep Clothing and Advisory Private Limited, Ritu Multitrade Services Private Limited, Tanvish Trading Private Limited, Vignaharta Corrugators Private Limited, and Wellworth Apparels Private Limited. The order of this Adjudicating Authority was challenged by Union Bank of India before the Hon'ble NCLAT, but the appeal was dismissed vide order of 05.12.2022. On further appeal, the Hon'ble Supreme Court, vide order of 29.03.2023, upheld the order of the Hon'ble NCLAT.

48. The IA No. 1035 of 2023 notes that, subsequent to the order of 01.08.2023 concerning objection of existing CoC to put their say as objected during the hearing on related party, "Ample opportunity was given to the existing CoC for submission of their say along with information/documents substantiating their objections. The CoC vide its email dated 25.08.2023 submitted their representation citing that the

claimants in IA 461/2023 are related party to the corporate debtor. However, no material/document on record identifying the said claimants as related party in terms of section 5 (24) of the IBC, 2016 were produced before the undersigned except a report by a chartered accountant Dr. Prasad & Associates who provided list of past directorship of claimants and SAT order reference contending that some of the Directors of the claimant companies were directors of the Corporate Debtor in the years 2010 to 2015 which does not make the representation contesting the relationships with CD as per the provisions of IBC, 2016.” The RP reconstituted the CoC by adding more members.

49. The pleadings in IA 1035 of 2023 shows that this Tribunal passed order on 01.08.2023 directing the RP to consider the say of existing CoC regarding the related party status of new claimants, the RP did not put on record its correspondence with the CoC and stated that CoC filed documents on 25.08.2023 however these documents are not included in the IA. Copy of Report on reconstitution of CoC, as discussed above is dated 26.08.2023. The RP did not take a day to study and analyse the objections and acted hurriedly without adequate consideration of material placed on record to reconstitute the CoC. It had the order of the Hon'ble SAT on the issue but did not do any analysis to consider the objections raised by the CoC on the issue of related party properly.

50. The pleading in the above IA also includes a purshis to place minutes of 15th CoC meeting dated 16.10.2023 on record. All the 12 financial institutions (members) were represented individually but all unsecured creditors were represented by some individuals for several unsecured financial creditors. These are extracted below:

Sr. No.	Name of Participant	Representing
1	Ms. Kalpana Parohit Mr. Vikash Thakur	Indian Bank (Erstwhile Allahabad Bank)
2	Mr. Dhurandhar Ram Mr. Dhananjay Mishra Mr. Srikant Patro	Union Bank of India (Erstwhile Andhra Bank)
3	Mr. Mohammad Altmash Mr. S B Bhatnagar	Bank of India
4	Mr. Santosh Kajale Mr. Rahul Joshi	Bank of Maharashtra
5	Mr. Smit Jayswal Mr. Sushil Kumar Ms. Priyanka Kumari	Canara Bank
6	Mr. Prashant Kamath	Bank of Baroda (Erstwhile Dena Bank/Vijaya Bank)
7	Mr. Prashant Kumar Saboo	Punjab and Sind Bank
8	Mr. S. A. Wasnik Mr. S. Jegankovihmani	Punjab National Bank
9	Mr. Shiju Velayudhan Mr. Ravindra Parmar	State Bank of India
10	Mr. Khurshid Ahmed Mr. Rajesh Kumar	The Jammu & Kashmir Bank Limited
11	Ms. K Vidya Ms. Priti Mr. Sanicev	UCO Bank

12	Mr. Shivaram Kumar	Indian Overseas Bank
13	Mr. Modilal Pamecha	Abhinandan Multitrade Private Limited Capman Conpro Private Limited Devika Trading Private Limited Express Suiting Private Limited Tanvish Trading Private Limited Carnat Estates Private Limited

Recd. [Signature]



		Astel Properties Private Limited Acrow Realcon Private Limited Madha Crimpers Private Limited Unique Warehouse Private Limited Shree Govind Cement Private Limited Royal Compservices Private Limited
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The minutes of meeting among other things note that:

Representative of Indian Bank, Bank of India, State Bank of India, UCO Bank and Punjab National Bank concurred with the views of Union Bank of India and recorded their objection for claims of unsecured creditors and meeting proceedings and also on the observation of NCLAT in the order of K-1 lifestyle. While representative of Unsecured financial creditors cited NCLT order and expressed that process shall be carried out as per direction of NCLT with the deadline as specified by Hon'ble NCLT. Instead of specific direction on decision on plan/liquidation, members of CoC are not taking into consideration the plan discussion.

The pleadings in this IA 1035 of 2023 shows that the RP did not enclose documents submitted by the CoC and his analysis of the documents to justify his consistent position that the unsecured financial creditors are not related parties to the Corporate Debtor as per the provisions of IBC, 2016. The basic documents like the guarantee agreements and corresponding loan agreements are not enclosed. It is unclear that whether these documents were shared with the secured financial creditors who are part of the CoC. The minutes of meeting suggest that while all the secured financial institutions kept agitating the issue of related party, but the admitted unsecured financial creditors took support from the orders of the Hon'ble NCLAT and the Hon'ble Supreme Court. The RP did not look into these orders to negate their claim that the said orders dealt with the issue of only removal of the RP by this Adjudicating Authority.

IA 1214 of 2023 filed by the Union Bank of India

51. The IA 1214 of 2023 was filed by Union Bank of India on 18.10.2023 (on DMS Portal) intervening in IA 1035 of 2023. The relevant additional facts in the Application are given below:

- The IA was filed for irregularities in constitution of CoC and voting rights. It has 25 respondents including the RP.
- The Applicant had filed its representation on 25.08.2023 (as discussed above) stating that the claimants in IA 461 of 2023 are related parties to the Corporate Debtor in terms of section 5(24) of the IBC, 2016. Further filed detailed representation along with the report of the Forensic auditor on 12.10.2023 to the RP which was rejected by the RP on 14.10.2023. The RP conducts meeting of the reconstituted CoC on 16.10.2023 and gave voting rights to Respondents 2 to 26 and reduced voting share of applicant and other financial secured creditors from 64.76% to 32.28%.
- A copy of representation filed by the Applicant on 25.08.2023 with the RP is annexed as Annexure C to the IA (pages 47 to 96) (This was not annexed by the RP in IA 1035 of 2023).
- This Adjudicating Authority vide order dated 25.09.2023 had granted more time to the applicant to make further representation before the RP by furnishing more

evidence on the issue of related parties. Objections dated 12.10.2023 with the report of the CA (pages 118 to 160 of the IA) was filed with the RP. The RP rejected objections on 14.10.2023.

- The IA notes that , “on 16.10.2023 despite the objections raised by the applicant as well as other secured financial creditors the RP conducted the meeting of re-constituted CoC and without discussing the feasibility and viability of the plan and without sharing the details of the plans is likely to put the resolution plans to vote brushing aside the objections raised by the applicant and other existing committee members.”
- The IA alleges that none of the representations dated 24-25/08/2023 as well as 12.10.2023 have been properly considered by the RP.
- On 16.10.2023 the CoC members were conveyed that the resolution plans are conditional and upon the acceptance of the resolution plan the corporate guarantee will be released. The IA notes that respondent no. 2 to 26 now constitute the majority of the voting share in the CoC of the Corporate Debtor and it is essential that none of the entities that were involved in the management of the corporate debtor to such extent should have any voting right in the CoC of the Corporate Debtor.
- The IA refers to holding of M/s Shree Ganesh Hosiery Mills Private Limited in the Corporate Debtor and

holding of various respondents in Shree Ganesh Hosiery Mills Private Limited indicating the indirect shareholding of the respondents in the Corporate Debtor. The Applicant states that Ganesh Hosiery holds 20.19% in the CD based on the filing by the CD with the MCA but the RP disputes and submit that the holding is 15%.

- The IA also refers to the instances of relationships on account of common directors, common address of registered addresses, using single IP address for casting votes in the 4th CoC meeting.
- The IA refers to connections between the respondents with the Corporate Debtor through a web of directorships, shareholdings, and a pattern of coordinating actions, including voting in the CoC from a common IP address. Specific instances are given in the IA.
- The Representation dated 24.08.2023 addressed to the RP (Pages 47 to 96) raises various issues/objections concerning relationship of the 25 unsecured financial creditors/claimants with the Corporate Debtor. These unsecured creditors who have filed claims belatedly are related parties and are not required to be included in the CoC as per Section 21 (2) of the IBC, 2016. It was submitted that all unsecured financial creditors were related party as per clauses (a) to (m) of Section 5(24) of the IBC, 2016. The letter asks the RP to consider the report filed by the Chartered Accountant along with the

documents to take the decision regarding the claims filed by 25 unsecured creditors which were of Rs 3194.72 crores.

- The representation dated 24.08.2023 noted that the RP has only considered Form C filed by the unsecured financial creditors. The RP is required to verify and examine the claims based on the books of account, records and other relevant documents of corporate debtor available with various persons.
- The Report of D. Prasad & Associates, CA dated 18.08.2023 under the heading ROC (MCA) search of M/s Krishna Knitwear Technology Ltd appears on pages 54 to 96 of the Application. The CA Report gives information on the details of Charge created/Modified in case of the Corporate Debtor (Pages 55 to 57). The charge holders are only the financial institution/banks and none of the unsecured financial creditors are charge holders. The claim of the Respondent that it verified the claims considering the financials of the Corporate Debtor. The RP has not cited such financials of the Corporate Debtor to support its claim. Based on the documents available on record, we understand that the claims of all the 25 entities were based on the issue of corporate guarantee by the Corporate Debtor to all these parties as a guarantee for the loans advanced by them to Krishna/Tayal Group entities as noted above in this order. Neither these guarantees are reflected in any of the financials of the Corporate Debtor nor there is any

charge created on the Corporate Debtor. Pages 58 and 59 is the list of directors of the corporate debtor and pages 60 to 79 give details of past/present director's association with other companies. Pages 81 to 84 takes out some extracts from the SAT order for justifying relationships. Pages 92 to 96 gives information on relationship of various claimants with the Corporate Debtor with remarks. Further, the relationship with other companies was given in an excel sheet. All these details were filed with the RP. The extract of observation as common director in KKTL and claimants along with remarks in response to the said observation (being part of minutes of the 14th CoC meeting held on 31.08.2023 are given on pages 109 to 111 of the IA. The RP's defence has been that the report of the Chartered Accountant has while identifying that directors are common has not pointed out the relevant provisions of the IBC under which he has considered the common directors.

- On 12.10.2023, Union Bank of India submitted a detailed report obtained from the appointed legal advisor on the claims of unsecured creditors. This Report appears on pages 119 to 151 of the IA. The email states that the report clearly indicates that the unsecured creditors are related party to the Corporate Debtor as per the provisions of IBC, 2016. The Report is prepared by Review IBC-Law Advisors and was appointed by Union Bank of India. The Report list 36 unsecured

financial creditors/respondents with claims of Rs 38,73,62,66,802 with 67.77% of voting share who are directly or indirectly related parties. The Report is based on the information abstract from the desk top search and shared by the Union Bank of India and other information obtained during the course of analysis. The findings state that these parties are related parties of the Corporate Debtor as per section 5(24) and 5 (24A) of the IBC, 2016 and are wrongfully admitted as members of the CoC. A very detailed analysis concerning common directors is given. The Report recommends removal of the identified parties from voting rights to maintain the integrity of the insolvency proceedings and to ensure fairness and transparency in the process. The Report recommends that the RP should investigate the director's relationship with KKTL and unsecured financial creditors in more detail. The circumstances surrounding the use of single IP while voting by all unsecured financial creditors should be investigated. The entries in the bank statement provided along with Form C are the result of round-tripping is a clear indication that the loans in question are not genuine. The RP should review the financial records of all the companies involved and should determine whether the loans to corporate debtors are genuine or not. The RP should also look into the financial records to see if they have any genuine business operations or assets and also look into suspicious transactions.

- The RP filed his reply on 28.11.2023. Pages 3 to 6 of the Reply notes that claims of all unsecured financial creditors can be admitted based on the documents submitted. However, the claim of Shree Ganesh Hosiery Mills Private Limited were rejected **because as per balance sheet of FY 2020-2021, amounts in loan and advances showing as NIL. As no outstanding remains payable, claim cannot be admitted.** It appears that the similar exercise is not carried out by the RP in regard to the other claimants. Whether the amounts reflected in the books of account of the Corporate Debtor or the unsecured financial creditors. This Adjudicating Authority is unable to understand that how the amounts will be reflected in the loans and advances when the transaction was for corporate guarantee as no satisfactory explanation has been provided. Further, the Report submitted by the Union Bank of India clearly states that the charges in respect of any guarantee is not reflected in the case of Corporate Debtor. Shree Ganesh Hosiery Mills Private Limited did not even appeal against the decision of the RP rejecting the claim of Rs 3,25,15,11,902. It appears a calculated move to delink the other unsecured financial creditors from the Corporate Debtor because Shree Ganesh Hosiery Mills Private Limited was the link for relationship based on the shareholding and directorship.
- The RP has raised concern about the forensic reports (both signed and unsigned) filed by the Applicant at

different stages of the proceedings. The RP contends that there is material discrepancy in Report served by Advocate of the Applicant on 14.08.2024 and 21.08.2024. It is further alleged that there is material difference in the Report and there is no conclusion with respect to the related party in the Report. The Applicant has submitted that reports dated 5.8.2024 and 13.8.2024 are same (Report of 5.8.2024 contains 109 pages in Part A whereas Report dated 13.08.2024 has 100 pages) and there is only difference in formatting and presentation of the Report. As noted above, the Reports filed by the Union Bank of India on 25.08.2023 and 12.10.2023 are rejected by the RP on 26.08.2023 and 14.10.2023. These were voluminous reports with facts and without verifying the correctness of the same simply rejected on technical ground. This Tribunal considers that it is not out of place to note that the claims filed in the case of CIRP by 36 unsecured financial creditors are of Rs 3873.62 crores. There are claims of 12 banks also. It is surprising that no application for reversing PUFEE transactions has been filed by the RP. It is unclear whether the RP got carried out the transaction audit in the case when more than 5000 crores of funds are involved.

- The Applicant filed rejoinder on 17.01.2024. The Applicant submitted that a detailed representation was made on 24-25/08/2023 along with the report of the Chartered Accountant. The RP, however, on the very

next day (26.08.2023) hurriedly admitted the claims of 24 unsecured financial creditors brushing aside the representation/objections raised by the Applicant. The Applicant has alleged that action smells of malafide in as much as it appears that the RP was already predetermined to accept the claims of the Respondent. The Applicant has relied on Regulations 13, 17 and Section 18 of the IBC, 2016 concerning duties of the RP regarding verification of the claims. The Applicant has attached a copy of Chartered Accountant Report of 26.12.2023 (Pages 13 to 82). This Report deals with the alleged admitted claims by Unsecured Creditors; Disbursed Loans and Repayments, Investigative Report on Fictitious Loans and Round Tripping by Unsecured Creditors to defraud Secured Financial Interest, and Investigative Report Exposing Unsecured Financial Creditors Fictitious Loans, Absent Bank Statements, and Arbitrary Admission to Defraud Secured Financial Interests. This Adjudicating Authority has gone through the Report which is exhaustive and contains a factual analysis of various transactions of the unsecured financial creditors. The analysis show that banking transactions are circular and round tripping is observed and there is lot of inflow and outflow of funds between these unsecured financial creditors and with Krishna Knitwear Technology Limited, KSL and Industries Limited (sister concern), Jaybharat Textiles and Real Estate Limited (Sister Concern) and Tayal Energy

Limited (sister concern) and back to Krishna Knitwear Technology Limited. These transactions are layered and lot of movement of funds between all entities involved. The transactions pertain to FY 2010-2011, 2011-2012 and 2012-2013. It is not out of place to note that the SEBI investigation concerns these transactions only and this issue is discussed in detail above.

- We also note that monetary transactions have been in crores of rupees amongst many parties. There is no indication of any real business activity by these unsecured financial creditors. There are no independent persons to represent these companies. One Mr. Hazur Singh represent all. During CoC meetings also a single person represents many. M/s Wellworth Apparels Pvt. Ltd. placed on record a copy of order dated 05.05.2025 passed by the Hon'ble NCLAT through a Pursis filed on 08.05.2025. The order notes that on application of Union Bank of India notices were issued and service reports were submitted on 09.09.2024 that these companies no longer existing at given address. Adjudicating Authority vide order dated 18.12.2024 directed that an explanation be filed by the Respondents personally as to how these addresses are being used when these companies are not in existence at that address. Further, the Respondents to file response and further directed to be physically present on the next date. In paragraph 8 a direction was issued to the respective ROC to investigate and verify the existence of

these Respondent companies at the registered address given in the letterhead and submit report. Vide order dated 21.01.2025 Adjudicating Authority noticed that no response have been filed, it further granted one week time subject to costs of Rs 25,000 upon each of the Respondents to file a response. The Hon'ble NCLAT noted in paragraph 8 that when the adjudicating authority had called for a report from the ROC to investigate and verify the existence of the companies at the address mentioned authority ought to have awaited the report for proceeding further in the matter and it was not necessary for the adjudicating authority to ask the director to submit an explanation or be physically remain present before ethe adjudicating authority on the next date. Both directions for physically remain present and costs were set aside. It is noted that this appeal before Hon'ble NCLAT was also filed jointly by Respondents 2,3,7,8,15. And 23.

- The Applicant filed another rejoinder on 14.08.2024. The affidavit is from page 12 to 16 and Copy of Report of the Chartered Accountant (AKG & Associates) dated 13.08.2024 (Pages 17 to 506). The Affidavit notes that there are multiple transactions between these three groups- the claimants, the borrowers, and the corporate guarantor. These mainly constituted round figure transactions. The analysis of bank account reveals that the money trail of the some of the alleged claims, which concludes that all the money advanced in these claim

forms has circled back to the claimants. All these companies have so many commonalities, there is a conspiracy hatched on the part of these “three groups” to fabricate these documents and make them backdated. These claims were prepared back dated. The Affidavit notes various discrepancies including no interest income shown by the unsecured financial creditors, in the financials of the Corporate Debtor for the year 2012-2013 guarantee shown was of Rs 3,840 lakhs whereas alleged guarantee given was of Rs 51,658 lakhs. In the Report various breaches have been noted: discrepancy in the documents, suspicion of fraudulent intent, uniformity in the stamp paper purchases, inaccurate financial report keeping, concealment of facts, use of fake bank certificates, discrepancy in corporate guarantees, inconsistency in advances, and misrouting of funds. The Report is based on the transactions undertaken by the claimants, balance sheets of the borrower, guarantor and the claimants, Forms filed with MCA, Index of charges, statement of bank accounts showing no entries of alleged loans, corporate guarantee deeds showing purchases of stamps from two vendors whereas the registered address of the claimants located at different places, stamp paper purchases by **KRISHNA GROUP**.

- The RP filed an affidavit on 26.02.2025 (11 pages) to place on record service of two different reports by the Applicant. The RP filed another affidavit of 7 pages on

10.06.2025 to submit that no CIRP initiated in the case of any of the Respondents.

- An affidavit was filed by Wellworth Apparels Pvt. Ltd. On 16.06.2025 (on behalf of Respondent No. 2,7, and 15) in terms of the order dated 09.05.2025 passed by this Tribunal. It is noted that this Affidavit is also filed by Mr. Hazur Singh. These affidavits show that the companies have frequently changed their registered address.
- Later on various dates 06.08.2025, 08.08.2025, 19.08.2025, 20.08.2025, 09.09.2025, 10.09.2025, 11.09.2025 and in the months of November 2025, and December 2025 various Vakalatnamas and affidavits are filed on behalf of some of the respondent companies in regard to the addresses and on the directors of the companies from the date of disbursement of loans till initiation of CIRP in the case of the Corporate Debtor. The information provided can be summarised as: all directors have been non-shareholder directors, and stated to be non-executive directors, and various persons namely Gurvir Singh, Satnam Singh, Vinayakrao Bhagwandas Lashkare, Amol Purushottam Rao Digadhe, Someshwar Nagdevte, Dilbag Singh, Daljeet Singh, Chetan Vinod Bhai Patel. Kuldip Singh, Sital Singh, Komal Ananta Dudhankar, Durgadas Gawande, Hazur Singh etc. have been rotated in companies.

- Mr Hazur Singh is present directors in many companies.
- Furthermore, the Applicant in its written synopsis dated 07.01.2026 has placed the tabular representation (at Page No. 06 of the Written Synopsis) to justify its claim of same report based on the issues dealt with and also as how to how these 25 entities are related to Corporate Debtor in both the Forensic Reports. The snapshot of the same as follows:

Particulars	Report dated 5.8.2024	Report dated 13.8.2024
Common CIN	@ Pg.425 of Rejoinder dated 13.8.2024	@ Pg.350 of Rejoinder dated 17.1.2025
Fake bank certificates	@ Pg.412 of Rejoinder dated 13.8.2024	@ Pg. 436 of Rejoinder dated 17.1.2025
Stamp Paper	@ Pg.462 of Rejoinder dated 13.8.2024	@ Pg. 486 of Rejoinder dated 17.1.2025
Common email addresses	@ Pg.235 of Rejoinder dated 13.8.2024	@ Pg. 258/347 of Rejoinder dated 17.1.2025
Common auditors	@ Pg.133 of Rejoinder dated 13.8.2024	@ Pg. 18 of Rejoinder dated 17.1.2025
Common Directors	@ Pg.345 of Rejoinder dated 13.8.2024	@ Pg. 346 of Rejoinder dated 17.1.2025
Common branch address	@ Pg.388 of Rejoinder dated 13.8.2024	@ Pg. 347/361 of Rejoinder dated 17.1.2025

52. Records of this Adjudicating Authority shows that M/s Wellworth Apparels Pvt. Ltd had filed petition under section

7 of the IBC, 2016 on 09.05.2025 against Ennore Procon Pvt. Ltd. and against EDC Securities Pvt. Ltd. On 09.05.2025. On 09.05.2025, certain directions were issued for disclosure details in the matter. The company instead of complying the filing of details on 11.06.2025, withdrew the applications. It is noted that earlier Vakalatnama was filed by another advocate who withdrew from the proceedings and information was not filed. This fact indicate that one of the respondent company does not have information to support its claims.

53. IA 1378 OF 2023 and IA 1271 of 2023 filed by Union Bank of India and State Bank of India deals with the same issue and pleadings are mostly common and therefore not dealt separately.

54. Securities Appellate Tribunal had passed a combined order on 11.02.2014 on Appeal No. 68 of 2013 filed by Sanjay Kumar Tayal, Appeal No. 69 of 2013 on an appeal filed by Praveen Kumar Tayal, Appeal No. 72 of 2013 filed by 6 applicants, Appeal No. 75 of 2013 filed by 5 applicants, Appeal No. 82 of 2013 filed by 2 applicants, Appeal No. 84 of 2023 filed by 35 applicants, Appeal No. 83 of 2013 filed by 44 applicants, Appeal No. 85 of 2013 filed by three applicants, Appeal No. 74 of 2013 filed by 6 applicants, Appeal No. 66 of 2013 filed by Navin Kumar Tayal, Appeal No. 73 of 2013 filed by Mr. Saurabh P. Tayal, Appeal No. 80 of 2023 filed by 2 applicants, Appeal No. 81 of 2023 filed by 4 applicants, Appeal No. 76 of 2023 filed by 7 applicants.

The order notes that “these 14 appeals are filed by 118 persons consisting of 9 public limited companies, 93 private limited companies and 16 individuals who are non-executive Chairman/Directors in some of above companies to challenge common adjudication order dated February 14, 2013 whereby penalties have been imposed against all those persons under various provisions of Securities and Exchange Board of India Act, 1992 (SEBI Act). Since all these appeals arise from a common adjudication order, all these appeals are heard together and disposed of by this common order”. Paragraph 6 of the order notes that, “As per the investigation report, Promoter group controlled by Tayal family had in collusion with/in concert with Tayal group, Yadav group has traded in BoR (Bank of Rajasthan) shares amongst themselves and thereby enabled promoters to make fraudulent representations to the investor. The paragraph further notes that, therefore, promoter group controlled by Tayal family as well as Tayal group/Yadav Group/Silvasa Group entities had violated various regulations (regulations stated therein) and held that appellants are guilty of violating various provisions of SEBI Act and Regulations made thereunder and imposed monetary penalties upon appellants. Challenging order dated February 14, 2013 these 14 appeals are filed. The order lists 11 entities of Promoter Group, 11 entities of Tayal Group, 35 entities of Yadav Group, and 45 entities of Silvasa Group.

55. Paragraph 11 of the above SAT order notes that, “Based on evidence on record, AO held that above four group entities were inter-connected with each other by having common addresses, common directors as also by transfer of shares and transfer of funds within the group as more particularly set out in the impugned order. It is further held in the impugned order that promoters of BoR in connivance with other group entities have concealed correct information from investors regarding their shareholding in BoR and their act culminated into fraud on investors and securities market and thus Tayal family as also four group entities have violated PFUTP Regulations, 20023 and some entities violated SAST Regulations, 1997 and hence were liable for monetary penalty.”

56. Promoter group of BoR as recorded in the order consists of the following entities:

Sr. No.	Company
i.	21 st Century Entertainment Pvt Ltd
ii.	Ahmednagar Investments Pvt Ltd
iii.	Cumballa Hill Property Developers Pvt Ltd
iv.	Cyber Info Zeeboomba.com Ltd.
v.	Cyber Infosystem & Technologies Ltd.
vi.	EDC Securities Pvt. Ltd.
vii.	Giriganga Investment Pvt Ltd
viii.	Global Softech Pvt. Ltd.
ix.	Sumander Property Developers Pvt Ltd
x.	Ginger Closing Pvt Ltd
xi.	Sovotex Textile Pvt. Ltd.

57. Tayal family who had promoted various compaies as recorded in the order consists of the following entities:

Sr. No.	Company
i	Jaybharat Textile and Real Estate Ltd- a listed company
ii	Eskay K n IT (India) Ltd- a listed company
iii	KSL and Industries Ltd- a listed company
iv	Krishna Knitwear Technology Ltd- unlisted company
v	Jayshree Petrochemicals Pvt. Ltd
vi	Megna Developers Pvt. Ltd
vii	Praneta Properties Pvt. Ltd.
viii	Praneta Realty Pvt. Ltd
ix	K-Lifestyle and Industries Ltd (previously known as Krishna Lifestyle Technologies Ltd)- a listed company
x	Hotline Textile and Infrastructure Pvt. Ltd
xi	Jyotsana Developers Pvt. Ltd

58. Yadav Group as recorded in the order consists of the following entities:

Sr. No.	Name of the entities	Address
1	Beta Trading Pvt. Ltd	Block No. 2, 2 nd Floor, Alkova Market,
2	Alpha Mercantile Pvt. Ltd	Oldy Cement Factory, Chikhalda, Andheri (W), Mumbai - 400 052
3	Alpha Mercantile Pvt. Ltd	335, T. T. Chow, Trinity Group, Hindustani Society Ltd, A.P. Market
4	Alpha Mercantile Pvt. Ltd	S. G. Chowk of N. C. C.
5	Beta Mercantile Pvt. Ltd	D. D. Ch. E. Lane, Mumbai - 400 012
6	Prakash Construction Pvt. Ltd	Room No. 2, 2 nd Floor, 1st
7	Sunriseware Trading Company Pvt. Ltd	D. D. Ch. E. Lane, Princess Street, Mumbai - 400 012
8	Alpha Mercantile Company Pvt. Ltd	1, 157, D. D. Ch. E. Lane, Anand Nagar, Kurla, S. M. Road, Kurla, Agri, S. C. Kurla, Mumbai - 400 018
9	Alpha Mercantile Pvt. Ltd	
10	Wardrobe Mercantile Company Pvt. Ltd	
11	Highway Trading Company Pvt. Ltd	
12	Hera Trading Company Pvt. Ltd	
13	Indus Trading Company Pvt. Ltd	
14	Laksh Mercantile Pvt. Ltd	
15	Maha Multitrade Pvt. Ltd	
16	Supreme Trading Company Pvt. Ltd	
17	Miracle Trading Company Pvt. Ltd	
18	Seaview Mercantile Co. Pvt. Ltd	
19	Sea Mercantile Company Pvt. Ltd	
20	Prima Trading Company Pvt. Ltd	
21	Red Star Trading Company Pvt. Ltd	
22	Sea View Trading Company Pvt. Ltd	
23	Seaview Multitrade Company Pvt. Ltd	
24	Seaview Trading Company Pvt. Ltd	
25	Starview Construction Pvt. Ltd	
26	Starview Mercantile Co. Pvt. Ltd	
27	Subhika Mercantile Pvt. Ltd	
28	Topcare Constructors Pvt. Ltd	
29	Goldberg Trading Company Pvt. Ltd	



30	Magnon Trading Company Pvt. Ltd	58, Mahanubha Bazaar
31	Everlane Trading Company Pvt. Ltd	111, B. K. Road, Masjid Street
32	Infinite Mercantile Company Pvt. Ltd	Fort, Mumbai - 400 001
33	Superbase Trading Company Pvt. Ltd	
34	Topcare Trading Company Pvt. Ltd	
35	Greenet Trading Company Pvt. Ltd	10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100

59. Silvassa Group as recorded in the order consists of the following entities:

Sr. No.	Name of the entities	Sr. No.	Name of the entities
1	Aerow Constructions Pvt Ltd	24	Jyoti Harvesting Pvt Ltd
2	Aerwo Realecon Pvt Ltd	25	Omkar Cultivators Pvt Ltd
3	Allecon Estate Pvt Ltd	26	Siddhi Cultivation Pvt Ltd
4	Avera Engineering Pvt Ltd	27	Uday Plantation Pvt Ltd
5	Avera Machinery Pvt Ltd	28	Ennore Procon Pvt Ltd
6	Avera Properties Pvt Ltd	29	Karan Conpro Pvt Ltd
7	Avery Procon Pvt Ltd	30	Shankar Commodities Pvt Ltd
8	Avon Realecon Pvt Ltd	31	Shreenath Harvesting Pvt Ltd
9	Axon Realpro Pvt Ltd	32	Barang Farming Pvt Ltd
10	Astel Properties Pvt Ltd	33	Ennor Engineering Pvt Ltd
11	Badal Realty Pvt Ltd	34	Carnet Estates Pvt Ltd
12	Bodal Conpro Pvt Ltd	35	Amex Infrastructure Pvt Ltd
13	Capman Conpro Pvt Ltd	36	Ador Construction Pvt Ltd
14	Charms Holding Pvt Ltd	37	Kanishka Infrastructure Pvt Ltd
15	Cubex Constructions Pvt Ltd	38	Conart Conpro Pvt Ltd
16	Dulron Procon Pvt Ltd	39	Caleom Realty Pvt Ltd
17	Elpro Machinery Pvt Ltd	40	Alpha (India) Properties Ltd
18	Envair Realty Pvt Ltd	41	Elnet Conpro Pvt Ltd
19	Everlon Estate Pvt Ltd	42	Cupid Estatecon Pvt Ltd
20	Everlone Machinery Pvt Ltd	43	Sukh-Suvidha Real Estate Ltd
21	Expro Constructions Pvt Ltd	44	Cranes Real Estate Pvt Ltd
22	Hanuman Cultivation Pvt Ltd	45	Anil Kumar Dubey (director in 2 Tayal Group Companies and 3 Silvassa Group companies)
23	Hikal Pro-Estate Pvt Ltd		

60. The order refers to various facts relevant to the issues at hand. Page 38 refers to a question whether Yadav Group entities were connected with Promoter Group entities. Sangeeta Sawant (appellant in Appeal No. 82 of 2013) director in 30 out of 35 Yadav group of companies admitted

in her statement recorded on oath before the investigation officer of SEBI on 31.01.2011 that she works as Account Assistant with Dilip S. Mehta, proprietor of Dilip S. Mehta and Co., Chartered Accountants on a monthly salary of Rs 10,000 and that the companies in which she is shown as director are formed by Shri Mahadev Duggar, an employee of Dilip S. Mehta and Co. , who as on date was not traceable. Sangeeta Sawant in her statement further admitted that except by name she did not know personally Girish Chand Yadav who is supposed to be co-director along with her in 30 out of 35 companies in Yadav Group. Sangeeta Sawant further, admitted that neither she was not aware of the business carried out by the entities in which she was a director nor she was aware of acquisition of shares of BoR by the said companies.....Personally she did not know Pravin Kumar Tayal, but she knew that he is operating the entities in which she is shown as a director. The Appellate Authority has summarised the decision in paragraph 50 of the Order and penalty levied under section 15HA, 15 H(II) of SEBI Act were upheld and 15 A(a) were upheld and imposed under section 15 A(a) were set aside. The Appellate Authority in Paragraph 29 (c) concludes that evidence on record clearly shows that Promoter Group as also Yadav Group were controlled by Tayal family. The Appellate Authority made similar observations about other Groups.

- 61.** Pages 137 to 141 of the Reply of the Respondent (RP) in IA 953 of 2020 is a copy of the order of the Hon'ble Supreme Court dated 26.10.2016 on the appeals filed against the order of the SAT. The Hon'ble Court noted that, "we are concurring with the views expressed and conclusions reached by the adjudicating authority and the Appellate Tribunal.". The order also notes that, " This is particularly so when though the declaration by the Tayals, as individuals, and the members of the promoter group were declaring disinvestment of their shareholding they were actually acquiring the same shares and even additional shares through their front companies i.e. Yadav and Silvasa Group of companies thereby raising their holding form erstwhile 44.18% to 63.15%."
- 62.** Many of the unsecured financial creditors appear in the lists noted in the SAT order.
- 63.** After considering the facts in brief, we now move to decide the issues framed by us above which take care of the prayers made in the four IAs.
- 64. Issue No. 1: Whether the Resolution Professional was justified in seeking approval for and effectuating reconstitution of the CoC by admitting belated claims of Respondent Nos. 2 to 26 (IA 1035 of 2023)?**

64.1. IA No. 1035 of 2023 has been filed by the Resolution Professional under Rule 11 of the NCLT Rules, 2016 read with Regulation 17 of the CIRP Regulations,

seeking permission of this Tribunal to take on record a report dated 26.08.2023 pertaining to re-constitution of the Committee of Creditors, consequent upon admission of belated claims of Respondent Nos. 2 to 26 as unsecured financial creditors.

64.2. Respondent Nos. 2 to 26 filed their claims as unsecured financial creditor for the first time in the year 2023, i.e., nearly three years after the insolvency commencement date and these claims filed were also late by more than three years from the due date. These claims were initially rejected by the RP on the ground of delay. Subsequently, pursuant to orders passed by this Tribunal, the RP was directed to examine the said claims on merits, and delay in filing was condoned, while specific liberty was granted to existing CoC members to raise objections, including objections relating to related-party status and eligibility under the Code.

64.3. After examination, the RP admitted substantial portions of the claims of Respondent Nos. 2 to 26 and proceeded to re-constitute the CoC, resulting in a drastic alteration of voting structure, whereby the voting share of secured financial creditors stood reduced from 64.76% to 32.28%, and the newly admitted unsecured financial creditors acquired majority voting power.

64.4. Regulation 17 of the CIRP Regulations empowers the Resolution Professional to constitute and re-constitute

the CoC on the basis of claims received and admitted.
Regulation 17 of the CIRP Regulations reads as follows:

“Regulation 17: Constitution of committee.

17. (1) The interim resolution professional shall file a report certifying constitution of the committee to the Adjudicating Authority within two days of the verification of claims received under sub-regulation (1) of regulation 12.

(1A) The committee and members of the committee shall discharge functions and exercise powers under the Code and these regulations in respect of corporate insolvency resolution process in compliance with the guidelines as may be issued by the Board.

(2) The interim resolution professional shall hold the first meeting of the committee within seven days of filing the report under this regulation.

(3) Where the appointment of resolution professional is delayed, the interim resolution professional shall perform the functions of the resolution professional from the fortieth day of the insolvency commencement date till a resolution professional is appointed under section 22.”

64.5. While the Resolution Professional is statutorily empowered under Regulation 17 to reconstitute the Committee of Creditors upon admission of claims, such power is administrative in nature and must be exercised strictly in conformity with Sections 5(24), 21(2) and other substantive provisions of the Code i.e. subject to judicial scrutiny based on facts where serious objections are raised.

64.6. Re-constitution of the CoC is not a routine administrative exercise. It has far-reaching consequences, as it determines:

- i. who controls the decision-making during CIRP,
- ii. who evaluates and approves resolution plans, and
- iii. whose commercial wisdom ultimately prevails.

64.7. Therefore, where re-constitution is sought based on highly disputed claims, involving allegations of related-party status, lack of independence of entities, doubts on the genuineness of the functioning of entities and transactions, absence of any actions under section 7 against the borrower, order of the Securities Appellate Tribunal, non-reflection of the guarantees given by the CD in the charges filed with the MCA, and collusive conduct, the RP is required to proceed with heightened caution, and the Tribunal must examine whether permitting such re-constitution would be consistent with the objectives of the Code.

64.8. Union Bank of India submitted its objections along with the report of the forensic auditor on 25.08.2024 and the RP admitted the claims of 25 entities very next day. We agree with the contention of the applicants that it was done hurriedly as verification of voluminous forensic reports running into hundreds of pages within one working day is prima facie implausible.

64.9. On being allowed by this Tribunal, the Union Bank of India submitted more exhaustive reports on 12.10.2023 which was also rejected on 14.10.2023.

64.10. At this stage, it is necessary to note that the initial application was not for inclusion in the CoC or for re-constitution thereof but was filed by Respondent Nos. 2 to 26 only seeking condonation of delay in filing their

claims. The said application was registered as IA/461(AHM)2023.

64.11. This Tribunal, vide order dated 01.08.2023, consciously restricted the relief to condonation of delay and did not declare the said entities as eligible creditors nor direct their inclusion in the CoC. The operative part of the order reads as under:

“We are of the view that in the present application there is no need to implead them as a necessary party. Nevertheless they can put forth their representation as regards to the issue of related party before the RP and RP can consider while taking decision as regards to the reconstitution of CoC, if any. But as regards the delay in filing the claims we are of the view that in the interest of justice the claim should be considered.

We accordingly, condone the delay and direct the RP to consider their claim in accordance with the provision of the IBC and on merit. The existing CoC may place their say on the issue of related party, if they are having any such information, before the RP and the RP may take a call on merit. With this, IA/461(AHM)2023 stands disposed of.”

64.12. A plain reading of the aforesaid order makes it abundantly clear that this Tribunal only condoned the delay and mandated the RP to verify the claims on merits, while simultaneously preserving the right of the existing CoC members to raise objections on the issue of related-party status. The order did not:

- i. admit the claims,
- ii. confer any right to be included in the CoC, or
- iii. direct re-constitution of the CoC.

64.13. Therefore, the reliance placed by the RP and Respondent Nos. 2 to 26 on the said order to justify immediate re-constitution of the CoC is misconceived and legally untenable. The order of 01.08.2023 was procedural in nature, meant only to open the gate for scrutiny on merits, and not to confer substantive rights.

64.14. This Tribunal is thus of the considered view that the RP, by proceeding to re-constitute the CoC without first ensuring adjudication of objections relating to eligibility and related-party status, has travelled beyond the scope of the liberty granted by this Tribunal in IA/461(AHM)2023.

64.15. There are serious objections in the Reports, for example:

- The charges related to alleged guarantees issued by the Corporate Debtor are not reflected in the charge list for the years 2012-2014. Only charges of the secured financial creditors are reflected. Further, the audit report for FY 2012-2013 and subsequent years of the Corporate Debtor does not show such guarantees. The audit report notes that the company has not given any guarantees for loans taken from banks and financial creditors.
- The RP rejected the claim of M/s Shree Ganesh Hosiery as no loans reflected in the balance sheet. The RP did not give reasons that how the case of other unsecured financial creditors/respondent

was different from that of M/s Shree Ganesh Hosiery and whether the loans and guarantees are shown in the audit report of the Corporate Debtor or the Respondents/alleged financial creditor. M/s Ganesh Hosiery did not file appeal or IA against the rejection of the claim by the RP indicating a calculated move to delink the Corporate Debtor with the unsecured financial creditors.

- The analysis of bank statements of the respondents show that funds have moved out to borrowers and received back from the borrowers (directly or through routing) and there are strong reasons to suggest that funds have moved out and received back indicating round tripping. The respondents have not filed any information to demonstrate that they filed petition under section 7 of the IBC, 2016 to justify that the money advanced remained unpaid. Further, the Reports filed by the Applicant shows that some of the loan transactions, as claimed are not reflected in the bank statements.
- The claimed money transactions leading to filing petitions pertain to same period as was investigated by the SEBI and penalties were confirmed by the SAT and Hon'ble Supreme Court.
- M/s Ganesh Hosiery was a shareholder of the Corporate Debtor and the Respondents had

shareholding in M/s Ganesh Hoisery (directly and indirectly) indicating the financial relationships (commonality of interests) between Corporate Debtor and the financial creditors/respondents. It is stated that 20% holding is a direct test for related party but direct and indirect holding also has similar effect in combination with other provisions of section 5(24).

- The alleged deeds of guarantee were prepared much after the claims of advancing the loans. The stamp papers for guarantee deeds were purchased by KRISHNA GROUP in all cases and from two stamp vendors through the Respondents had different addresses.
- There were common directors of the Respondents, and these were non-executive directors. There was a set of people who were rotated as directors in the companies. The order of the SAT refers to various facts indicating that these companies were interlinked and were controlled and managed by Tayal Group. The accounts and filing of these entities were managed by one Chartered Accountant Mr. Mehta.
- The SAT order notes that, “Based on evidence on record, AO held that above four group entities were inter-connected with each other by having common addresses, common directors as also by

transfer of shares and transfer of funds within the group as more particularly set out in the impugned order. It is further held in the impugned order that promoters of BoR in connivance with other group entities have concealed correct information from investors regarding their shareholding in BoR and their act culminated into fraud on investors and securities market and thus Tayal family as also four group entities have violated PFUTP Regulations, 20023 and some entities violated SAST Regulations, 1997 and hence were liable for monetary penalty.”

- The Respondents did not file their IA separate but as a group action. One person files for all. One Mr. Hazur Singh is the authorised person for all the Respondents. Even the information required by this Adjudicating Authority was not filed separately but as a Group for many.
- The ROC Report states that most of the companies were not found on their registered address.
- This Adjudicating Authority directed physical presence of the directors because the letters sent by the ROC returned unserved. The Respondents as a Group again approached the Hon'ble NCLAT instead of ensuring the attendance of the Directors in this Tribunal.

- The financial information about the Respondent on record suggest that those do not have any real business except rotating the funds and this was the finding of the SEBI for the same years as concerned for transactions in the present petitions.
- There is similarity of auditors, common registered offices (which changed frequently), maintenance of bank account in the same branch.
- The so-called lenders of money (alleged financial creditors) did not book any interest on the loans advanced through the loan agreement noted high interest rate of 18% and penal interest.
- During the CoC meetings all the unsecured financial creditors used one ID for voting. In CoC meetings only some persons represented all the financial creditors.
- Total claims of 25 entities were more Rs 3194.72 crores. These companies must have some substance who alleged to have given guarantees.
- There are allegations of back dating the documents for various reasons including that these charged are not reflected in any document available in public domain.
- The claims in all the cases were filed late by more than three years. All of them (25) and not even one filed the claim. The RP simply rejected as being

late but when the IA was filed against the rejection, the RP failed in its obligations under the IBC, 2016 and Regulations to oppose the IA and analysing and informing this Adjudicating Authority that claims were not only time barred under the Regulations but also under the provisions of Limitation Act, 1963.

- There were allegations of unsecured financial creditors being paper entities with no employees, no proper offices etc.
- The Union Bank of India got two audits done to prove their point/allegations. The RP did not get those verified from the experts and kept harping on the theme that they are not related party. He did not look into the aspect of genuineness of documents, genuineness of transactions and alleged paper entity nature of the unsecured financial creditors and also did not appoint a transaction auditor to identify the Preferential, Undervalued, Fraudulent and Extortionate Transactions.

64.16. Even assuming the guarantee deeds to be valid, limitation under Article 55/113 of the Limitation Act, 1963 would commence from the date of invocation or default. No material has been placed on record to demonstrate timely invocation of the guarantees or acknowledgment of liability under Section 18 of the

Limitation Act. The claims filed in 2023 for defaults maturing in 2016–2018 therefore prima facie even time barred.

64.17. These objections were not properly analysed by the RP and acted in haste in rejecting both Reports in one day (the CoC was reconstituted on 26.08.2023 when it received objections from Union Bank of India on 25.08.2023; the other objections with auditor report was received on 12.10.2023 but rejected on 14.10.2023).

64.18. The previous RP had taken services of an external consultant to examine the claims of about 15 entities and for various reasons those were not rejected. It is another case that this Adjudicating Authority allowed the claims at that point of time. The detailed report as available now with the RP were not available in the year 2021 when those claims were allowed.

64.19. The re-constitution sought under IA 1035 of 2023 has resulted in a fundamental shift in the balance of power within the CoC, whereby entities whose eligibility itself is under serious challenge have acquired decisive voting strength.

64.20. Such re-constitution, if permitted, would:

- i. irreversibly alter the outcome of CoC deliberations,
- ii. enable disputed entities to influence or control resolution outcomes, and

- iii. prejudice the rights of secured financial creditors who constituted the original CoC.

64.21. The Insolvency and Bankruptcy Code is premised on creditor-driven resolution, but only by eligible and independent creditors. Allowing re-constitution in the present factual context would undermine the fairness, transparency and credibility of the CIRP.

64.22. While the RP is required to act in accordance with statutory timelines, he is equally bound by his fiduciary duty to act neutrally and protect the sanctity of the CIRP.

64.23. In the present case, the RP proceeded with re-constitution of the CoC and sought to place the same on record despite pendency of serious challenges questioning:

- i. the very eligibility of Respondent Nos. 2 to 26 as financial creditors,
- ii. Genuineness of the transactions and allegations of paper entities;
- iii. their status as related parties, and
- iv. the legality of conferring voting rights upon them.

64.24. Such an approach reflects a procedural overreach, wherein statutory discretion has been exercised without awaiting adjudication of foundational issues. While the

RP's actions may not warrant punitive consequences, they certainly cannot be validated by this Tribunal.

64.25. The Tribunal is of the considered view that permitting re-constitution of the CoC at this stage would:

- i. defeat the purpose of Section 21(2) of the Code,
- ii. allow disputed entities to influence the CIRP outcome,
- iii. cause irreversible prejudice to secured financial creditors,
- iv. hijacking the decision making in the CoC which is reflected in the approval of resolution plan though all secured financial creditors objected to the same.

64.26. Re-constitution of the CoC must follow a final determination of eligibility; the Resolution Professional cannot create a fait accompli by admitting disputed claims and then seek post-facto approval of the Tribunal.

64.27. Re-constitution of the CoC must follow determination of eligibility, not precede it. The RP cannot, by re-constitution, create a fait accompli and thereafter seek approval of the Tribunal.

64.28. For the reasons aforesaid, this Tribunal holds that the prayer made in **IA No. 1035 of 2023** seeking approval of re-constitution of the Committee of Creditors is **not sustainable in law** and is **liable to be rejected**.

64.29. Hence, **the Issue No.1 is decided against** the Applicant/Resolution Professional.

65. Issue No. 2: Whether the admission of claims of Respondent Nos. 2 to 26 and their inclusion in the CoC, with voting rights, is legally sustainable in view of objections relating to related-party status, nature of transactions, and absence of financial substance (IA 1214 of 2023 and IA 1271 of 2023)?

65.1. The central controversy under this issue pertains to the legality of admission of claims of Respondent Nos. 2 to 26 as unsecured financial creditors and their consequent inclusion in the Committee of Creditors with voting rights, despite objections raised by the secured financial creditors that the said entities are related parties of the Corporate Debtor within the meaning of Section 5(24) of the Insolvency and Bankruptcy Code, 2016, transactions are non-genuine, and the unsecured financial creditors are paper entities, and are therefore barred from participation and voting under Section 21(2) of the Code.

65.2. Under **Section 5(8)** of the Code, a financial debt requires (i) disbursal, (ii) consideration for time value of money, and (iii) a legally enforceable liability. In the present case, the following deficiencies are apparent:

- (a) no consistent reflection of guarantee liability in audited financial statements of the Corporate Debtor;

- (b) absence of charge registration under Section 77 of the Companies Act, 2013;
- (c) non-booking of interest income by alleged lenders despite high contractual rates;
- (d) circular movement of funds as per forensic analysis;
- (e) absence of recovery action or invocation of guarantee within limitation.

These factors cumulatively cast serious doubt on the existence of independent financial debt.

65.3. The Applicants have placed on record a comprehensive tabulated chart titled “Relationship of Respondents with KKTL”, supported by diagrams, shareholding structures, directorship details, ROC records and page-wise documentary references, demonstrating the inter-connection of Respondent Nos. 2 to 26 with the Corporate Debtor. Along with the same, the Applicant has also placed the tabular representation of such in its rejoinder.

65.4. The said table referred by the Applicant in its rejoinder is as follows:

Table 1: List of UFCs with their Percentage of Holding after Illegal Admission of Their Claim as Secured FC and Their Relationship with the Corporate Debtor

Resp. No.	% in CoC after admitting claim as FC	Relationship / Common Directorship / Shareholding	Pg. Nos. of IA
R-2	1.61%	Mr. Baljeet Singh, Director of R-2 is also Director in R-13, R-15 and R-25	403-404

R-3	0.74%	Mr. Rajendra Nagpal, Director of R-3 is also Director of Shanti Synthetic which holds 50% stake in R-3	383, 392
R-4	0.80%	Mr. Prem Chandra Yadav, Director of R-4 is also Director in R-20	402
R-11	4.76%	Paresh Krishnakant Mandalia, Director of R-1 is also Director in JPPL and JTPL holding 16.97% each in R-21; consolidated holding 33.94%; also Director of SPPL holding 50% in R-11 and R-20	347- 348
R-13	4.77%	Mr. Baljeet Singh, Director of R-13 is also Director in R-1 and R-25	403
R-14	4.48%	Mr. Rajendra Nagpal, Director of R-14 is also Director of Shanti Synthetic holding 50% stake in R-14	392
R-16	2.96%	Mr. Rajendra Nagpal along with other directors holds 65.45% in R-21; also Director in Coral Conpro holding 50% in R-16; also Director of Shanti Synthetic holding 50% in R-3 and R-14	—
R-17	0.91%	Mr. Gurpreet Singh, Director of R-17 is also Director of R-16	395
R-20	0.29%	Nitin Ramesh Bagde and Prem Chandra Yadav, Directors of R-20 are also Directors in R-26	400, 402
R-21	—	Holds 20.19% stake in the Corporate Debtor; admittedly a related party due to investment of ₹68.03 crore in 2019-2020	169
R-23	1.75%	Ritesh Gujjar, Director of R-23 is also Director in R-3 and R-16	396
R-24	3.66%	Sangita Suresh Gour and Paresh Mandalia are Directors	401
R-25	1.86%	Mr. Azam Mohmmmed Ahsan Shaikh, Director of R-25 is also Director in JPPL, JTPL and ATCPL holding 50% stake in R-21	361- 362

Table 2: List of Directors Who Hold Directorship in Multiple UFCs

Sr. No.	Name of Director	Companies in Which There Is Directorship / Control	Pg. Nos.
1	Paresh Krishnakant Mandalia	R-16, R-22, R-24; R-21 through shareholders JPPL & JTPL; R-11 and R-20 through SPPL	346-360
2	Azam Mohmmmed Ahsan Shaikh	R-25; R-21 through shareholders - Jakhi Properties Pvt. Ltd., Auro Texpro & Constructions Pvt. Ltd., Joindre Textile & Realty Ltd.	361-363
3	Rajendra Nagpal	R-25, R-18; R-21 through shareholders - Ganga Maata Processors Pvt. Ltd. and Jaimin Texpro Pvt. Ltd.	364-366
4	Maruti Bandu Sapkal	R-21 through shareholders - Ganga Maata Processors Pvt. Ltd., Joindre Textile & Realty Ltd., Jaimin Texpro & Realty	367
5	Deepak Sheth	R-21 through shareholders - Ganga Maata Processors Pvt. Ltd., Joindre Textile & Realty Ltd., Auro Texpro & Construction Pvt. Ltd., Jaimin Texpro Pvt. Ltd.	368-369
6	Gurpreet Singh	R-16 and R-17	395
7	Ritesh Gujjar	R-3, R-16 and R-23	396
8	Ankur Manoharrao Kirpane	R-11, R-14 and R-22	397-398
9	Kran Ananta Nemade	R-18	399
10	Nitin Ramesh Bagde	R-20	400
11	Sangita Suresh Gour	R-14 and R-24	401
12	Prem Chandra Yadav	R-4 and R-20	402
13	Baljeet Singh	R-2, R-13, R-18 and R-25	403-

- 65.5. The Tribunal has examined the said table in detail, along with the replies of the Resolution Professional and the concerned Respondents.
- 65.6. The Applicants have contended that Respondent No. 21 holds 20.19% equity shareholding in the Corporate Debtor; however, the Resolution Professional, in his reply, has stated that as per the Information Memorandum and the audited balance sheet of the Corporate Debtor for the year ended 31st March 2020, the shareholding of Respondent No. 21 stands at 15.09%. Be that as it may, whether it is 20.19% or 15.09%, R-21 is a shareholder of the Corporate Debtor with at least 15% shareholding and many of the entities listed as R-2 to R-26 (excluding R-21) have cross shareholding and shareholding in R-21. These facts indicate belonging to a Group which comes out explicitly in the order of the Securities Appellate Tribunal discussed above. The SAT had held that entities are operated and controlled by Tayal family.
- 65.7. The Hon'ble NCLAT in Company Appeal (AT) (Ins) No. 399/2021 (05.12.2022) expressly limited its adjudication to the issue of removal of the then RP and recorded: 'other issues are not required to be dealt with in the present appeal.' The Hon'ble Supreme Court dismissed the appeal on the same limited ground. The

earlier orders therefore do not operate as res judicata on the question of related-party status in respect of the present 25 entities, especially when fresh material (forensic audit reports dated 2023-24, ROC investigation reports of 2025, bank trail analysis showing round-tripping, common IP voting, and non-existence at registered addresses) was not before the earlier Bench.

65.8. In view of this contest, this Tribunal does not proceed on the basis of either figure as finally established at this stage. Nevertheless, even assuming that Respondent Nos. 2 to 26 may not individually or directly hold such substantive equity stake in the Corporate Debtor so as to fall within the strict numerical thresholds under Section 5(24)(a), the material on record demonstrates that these unsecured financial creditors are related party to the Corporate Debtor based on clauses (f), (h), (l) and (m) of section 5(24) of the IBC, 2016. The functioning of the unsecured financial creditors, particularly statement of Mrs Sangeeta quoted in the SAT order equally applies here because the directors who do filing are non-executive directors. It has not been demonstrated that who operated the bank accounts of these entities. From whom they were getting money (allegedly from Krishna Group entities as noted in the Report) and whose directions the money was advanced in crores of rupees. The function of these

entities do not have features of independence but full control, management and direction of some common persons. For example, who directs Mr. Hazur Singh to file petitions. The order notes an instance of M/s Wellworth filing petitions under section 7 of the IBC, 2016 and then withdrawing because it could not submit any document to justify the maintainability. If re-constitution of the CoC is permitted, a group of entities which have common interest with that of the corporate debtor will not act in the best interest of the stakeholders in the Corporate Debtor and the resolution may not be fair and transparent and for that reason only related party is kept out of the CoC as per proviso to section 21(2) of the IBC, 2016 as they do not have any right of representation, participation and voting in a meeting of the CoC.

65.9. Such overwhelming voting power, in the hands of entities whose inter-connection, common control and concerted conduct/action are under serious challenge, would result in decisive and dominant influence over the commercial decisions of the CIRP, thereby defeating the object of an independent and creditor-driven resolution process. The test under the Code is not confined to shareholding percentages alone but extends to control, influence and the ability to shape outcomes, which would undeniably stand attracted in the present case.

65.10. The tabulated material demonstrates that multiple Respondents are connected to the Corporate Debtor through layered shareholding vehicles and common controlling persons, including but not limited to Jakhi Properties Pvt. Ltd., Jaimin Texpro Pvt. Ltd., Siddpad Properties Pvt. Ltd., Ganga Maata Processors Pvt. Ltd., Shanti Synthetic & Processors Pvt. Ltd. and Coral Conpro Pvt. Ltd. For instance:

- i. Respondent Nos. 11 and 20 are controlled through Siddpad Properties Pvt. Ltd., which holds 50% stake in both, while the same individual, Mr. Paresh Krishnakant Mandalia, is a common director across entities holding a consolidated 33.94% stake in Respondent No. 21.
- ii. Respondent Nos. 3, 14 and 16 are linked through Shanti Synthetic & Processors Pvt. Ltd., holding 50% stake in each, with Mr. Rajendra Nagpal as a common director.
- iii. Respondent Nos. 2, 13, 18 and 25 share common directorship through Mr. Baljeet Singh, coupled with inter-se shareholding and common registered addresses.
- iv. Respondent Nos. 4 and 20, Respondent Nos. 14 and 24, and Respondent Nos. 16 and 17 similarly disclose common directors and financial inter-dependence.

65.11. These relationships, when viewed cumulatively, clearly attract Section 5(24) (f), (h), (l) and (m) of the Code, which deal with indirect control, connected persons and persons acting in concert. The material on record attracts the following clauses of Section 5(24):

- (i) Clause (f): persons acting in concert with the Corporate Debtor;
- (ii) Clause (h): body corporate whose Board of Directors are accustomed to act in accordance with the directions of the Corporate Debtor or its controlling persons;
- (iii) Clause (l): persons controlling more than twenty percent voting rights directly or indirectly;
- (iv) Clause (m): persons acting jointly or in concert.

The cumulative effect of cross shareholding, common directors, common IP address voting, circular transactions and unified representation establishes concerted control.

65.12. A particularly significant circumstance emerging from the record is that Respondent Nos. 2 to 26 cast their votes in the 14th CoC meeting from one and the same IP address. This fact is borne out from the material placed on record and has not been satisfactorily explained either by the RP or by the Respondents. Voting by multiple purportedly independent financial creditors from a single IP address is a strong indicator of concerted action and common control, and directly reinforces the inference of related-party behaviour

within the meaning of Section 5(24)(m). This common interest and controlled behaviour is also demonstrated by all filings, representations, and attendance in person in meetings of the CoC in which one person represents many entities. Most of the applications filed before this Tribunal is by one Hazur Singh. Who is this person, representing all the 25 respondents and who instructs him, an answer the RP should have found out.

65.13. The tabulated relationships stand further corroborated by the report of the Registrar of Companies, Ahmedabad dated 21.02.2025, filed pursuant to directions of this Tribunal. The ROC report records that several Respondents share identical registered addresses, operate from adjacent gala numbers with common entrances, executed lease agreements during the same period, employ common clerical staff, and maintain no independent operational records apart from balance sheets. These findings lend independent statutory corroboration to the Applicant's case that the Respondents are not independent commercial creditors but interconnected paper entities forming part of a common economic structure.

65.14. The defence of the RP that individual shareholding in the Corporate Debtor is below 20% in some cases, or that common directorship alone is insufficient, proceeds on an unduly narrow reading of Section 5(24). The definition of "related party" under the Code is purposive

and substance-based, intended to identify control, influence and proximity that may compromise the independence of the CoC. It is well settled that the enquiry under Section 5(24) cannot be conducted in silos but must consider the overall relationship architecture.

65.15. When the tabulated material, supporting documents, ROC reports and the conduct of the Respondents during CIRP are analysed and read holistically, this Tribunal has no hesitation in holding that Respondent Nos. 2 to 26 are persons acting in concert and connected to the Corporate Debtor, and therefore constitute related parties under various clauses (f), (h), (l), and (m) of Section 5(24) of the IBC, 2016.

65.16. The Respondent No. 2,3,7,8,15 and 23 in their reply filed on 27.11.2024 (on DMS Portal) have claimed that some of the claims filed by the financial creditors were rejected by the IRP on the ground that the said financial creditors are the related parties to the corporate debtor. Against the rejection of the claim by the RP, the said financial creditors filed an application being IA 953/2021 and IA 13 (AHM) 2021 before this Hon'ble Tribunal. This Hon'ble Tribunal vide its order dated 06.04.2021 allowed the said applications and held that none of the parties in the said applications are related party to the corporate debtor and *interalia* also removed the said RP and appointed Respondent No.1 as the new

RP of the Corporate Debtor. Aggrieved by the order dated 06.04.2021 passed by this Tribunal, the Union Bank of India filed an appeal before Hon'ble NCLAT and that appeal was dismissed vide order dated 05.12.2022. The Hon'ble Supreme Court vide order dated 29.03.2023 in Civil Appeal Diary No. 508/2023 had dismissed the appeal of Union Bank of India. Those matters included Respondent No. 8, 17, and 23 of the present IA as these parties had advanced loan to the Corporate Debtor. The Resolution Professional in short synopsis filed on 5.12.2025 has referred to the order of this Tribunal of 06.04.2021 and claimed that legal decision in IA 953 of 2020 is likely to have a bearing on the present proceedings. The RP has not analysed the additional facts available in the present proceedings in comparison to those available during the proceedings that led to order of 06.04.2021 to substantiate its claim. We are of the view that information/documents/Reports/analysis available now has changed the facts and circumstance than what was prevailing at the time of order of 06.04.2021 was passed. We considered necessary to highlight that the decision of the Hon'ble NCLAT and the Hon'ble Supreme Court only dealt with the issue of removal of the RP by this Adjudicating Authority.

65.17. We have carefully considered the orders cited by the Respondents above. The Order by this Tribunal was

passed on 06.04.2021. The order of the Hon'ble NCLAT dealt with the issue of only replacement of RP by the Adjudicating Authority. The Hon'ble NCLAT on page 23 of the order notes that, "Since in the main appeal the appellant has confined his relief to the extent of assailing order of removal of RP and expunging remarks against CoC as well as RP, we are of the considered opinion that other issues are not required to be dealt with in the present appeal." The Hon'ble Supreme Court dismissed the appeal vide order of 29.03.2023 by noting that, "we find no error in the order of the National Company Law Tribunal dated 05 December 2022 in Company Appeal (AT) (Ins) 399 of 2021. Therefore, we are of the view that the reliance of the Respondents on the orders of the Hon'ble NCLAT and the Hon'ble Supreme Court does not support their case because the issues concerning the related party were not considered by the Hon'ble NCLAT and the Hon'ble Supreme Court.

65.18. In view thereof, their inclusion in the Committee of Creditors and conferment of voting rights is clearly hit by the statutory bar contained in Section 21(2) of the Code, and the same has resulted in unlawful dilution of the voting rights of the secured financial creditors, thereby vitiating the decision-making process of the CoC.

65.19. Hence, this Tribunal notes that the admission of claims of Respondent Nos. 2 to 26 and their inclusion in the Committee of Creditors with voting rights is unsustainable on facts and in law.

65.20. The claims of Respondent Nos. 2 to 26 are liable to be rejected not merely on the ground of related-party status (which would disentitle them only from voting rights under the proviso to Section 21(2)) but also on the independent and substantive ground that the underlying transactions lack financial substance and appear non-genuine, as evidenced by round-tripping of funds, absence of the guarantees in the Corporate Debtor's books and charge register, non-booking of interest, and the entities functioning as paper companies.

65.21. Hence, **the Issue No.2 of IA 1214 of 2023 and IA 1271 of 2023 are decided** in favour of the Union Bank of India/FC and against the Respondent No.1 to 26.

65.22. However, prayer in IA 1214 of 2023 for complete stay of CIRP is rejected as CIRP must continue in accordance with law.

66. Issue No. 3: Whether the conduct of the Resolution Professional in proceeding with CoC meetings and voting during pendency of challenges warrants interference or directions from this Tribunal (IA 1378 of 2023)?

- 66.1. The Resolution Professional occupies a fiduciary and statutory position under the Insolvency and Bankruptcy Code, 2016, and is bound to act with complete neutrality, transparency and in strict compliance with the mandate of the Code and the Regulations. In the present case, the material on record demonstrates that the Resolution Professional has acted in excess of the authority conferred upon him as far as admitting the claims are concerned overlooking the serious objections supported by the auditor's independent reports and in a manner contrary to the express directions of this Tribunal.
- 66.2. Despite the order dated 01.08.2023 in IA/461(AHM)2023, whereby this Tribunal only condoned the delay and specifically directed verification of claims on merits, while preserving the right of the existing CoC to raise objections on related-party status, the Resolution Professional proceeded to re-constitute the CoC and confer voting rights upon Respondent Nos. 2 to 26, even though their very eligibility and independence were under serious challenge and were sub-judice before this Tribunal.
- 66.3. The Resolution Professional thereafter placed resolution plans for voting, conducted the 14th, 15th and 16th CoC meetings and acted upon the decisions of the re-constituted CoC, thereby creating a fait accompli and rendering the adjudicatory process vulnerable to

irreparable prejudice. Such conduct is not a mere procedural lapse but amounts to a clear transgression of statutory duty under Sections 18, 25 and 208 of the Code and a breach of the fiduciary obligation cast upon the Resolution Professional.

66.4. This Tribunal is therefore of the considered view that the conduct of the Resolution Professional is not in consonance with the spirit, scheme and mandatory framework of the IBC and has materially compromised the integrity of the CIRP. The Resolution Professional has failed to discharge his duties under Sections 18, 25 and 208 of the Code and Regulations 13, 14 and 17 of the CIRP Regulations.

66.5. Such conduct is inconsistent with Sections 18(1)(b), 25(2)(e) and 208(2)(a) of the Code and Regulation 7(2)(h) of the IBBI (Insolvency Professionals) Regulations, 2016, which mandate due diligence, independence and fairness.

66.6. Therefore, the continuance of such a Resolution Professional would erode stakeholder confidence and undermine the fairness of the insolvency process, warranting his **removal** in exercise of powers under Section 60(5) of the Code r.w. Rule 11 of NCLT Rules, 2016.

66.7. Hence, **the Issue No.3 of IA 1378 of 2023 is decided** in favour of the State Bank of India/FC and against the Respondent/ Resolution Professional.

FINAL FINDINGS AND DIRECTIONS:

67. In view of the foregoing observations, findings AND in exercise of powers under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 r.w. Rule 11 of NCLT Rules, 2016, the following orders and directions are passed: -
- i. The admission of claims of the Respondent Nos. 2 to 26 as unsecured financial creditors and their inclusion in the Committee of Creditors (**CoC**) is held to be unsustainable in law and is set aside.
 - ii. Respondent Nos. 2 to 26 stand excluded and removed from the Committee of Creditors (**CoC**).
 - iii. The Committee of Creditors (**CoC**) stand restored to its composition prior to reconstitution dated 26.08.2023.
 - iv. All decisions taken by the reconstituted CoC after 26.08.2023, including those in the 14th, 15th and 16th meetings which are dependent upon or influenced by the participation and voting of Respondent Nos. 2 to 26 are set aside. Any procedural acts not affecting substantive rights shall remain unaffected.
 - v. Further, in exercise of powers under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 r.w. Rule 11 of NCLT Rules, 2016, the present Resolution Professional is hereby **removed**. The removal is without prejudice to any disciplinary proceedings that may be initiated by the IBBI.

- vi.** This Tribunal hereby **appoints Mr. Mohit Chawla**, having **Reg. No.** IBBI/IPA-001/IP-P00524/2017-2018/10949, (E-mail: camohitchawla@gmail.com), **Mobile No.98880-03303** whose **AFA** is valid up-to 31.12.2026 as the new Resolution Professional (**RP**) of the Corporate Debtor.
- vii.** The newly appointed Resolution Professional shall take charge forthwith and shall conduct the CIRP strictly in accordance with the Insolvency and Bankruptcy Code, 2016, Rules and the Regulations framed thereunder.
- viii.** The outgoing Resolution Professional is directed to handover all records, documents, electronic data, passwords, minutes, statutory filings and assets pertaining to the CIRP to the newly appointed Resolution Professional within seven (7) days from the date of this order.
- ix.** Non-compliance of the above directions shall be viewed seriously.
- x.** Liberty is reserved to the newly appointed Resolution Professional to take appropriate steps in accordance with law.

68. Accordingly, **IA/1035/NCLT(AHM)/2023**, filed the Resolution Professional is **rejected**.

69. Further, **IA/1214/NCLT(AHM)2023** and **IA/1271/NCLT(AHM)2023** (both filed by Union Bank of India/FC) as well

as **IA 1378/NCLT(AHM)2023** (filed by State Bank of India/FC) are **allowed** and **disposed of** in the above terms. No order as to costs.

- 70.** Let copy of this order be forwarded to the **IBBI** by the Registry for information and necessary action if require in view of the facts and circumstances of the case in hand as the outgoing Resolution Professional (**RP**) acted in undue haste, failed to independently verify, ignored serious forensic material, allowed disputed entities to gain majority and continued process despite sub-judice challenge.
- 71.** Registry is directed to communicate the order to all concerned parties forthwith. File be consigned to records.

Sd/-

SANJEEV SHARMA
MEMBER (TECHNICAL)
Jeel/LRA

Sd/-

SHAMMI KHAN
MEMBER (JUDICIAL)