

**IN THE NATIONAL COMPANY LAW TRIBUNAL**

**KOLKATA BENCH, COURT-II**

**KOLKATA**

**I.A. (I.B.) No. 528/KB/2026**

**IN**

**C.P.(IB) No. 130/(KB)/2022**

An application under Section 60(5)(c) of the Insolvency and Bankruptcy Code, 2016 read with Rule 11 of the National Company Law Tribunal Rules, 2016.

**IN THE MATTER OF:**

**State Bank of India**, having its registered office at State Bank Bhavan, Corporate Centre, Madame Cama Road, Mumbai, Maharashtra, 400021.

... Financial Creditor

Versus

**Shree Mahalaxmi Corporation Private Limited** having CIN No. U51909WB2001PTC093540 under a company within the meaning of the Companies Act, 2013 having its registered office at 13/2A, Priya Nath Mullick Road, P.S. Bhawanipore, Kolkata, West Bengal, India - 700026.

... Corporate Debtor

**And**

IN THE MATTER OF:

West Bengal Industrial Development Corporation Limited, a Government Company within the meaning of the Companies Act, 1956 having its registered office at 23, Camac St, Protiti, Park Street Area, Kolkata, West Bengal 700017

... Applicant

Versus

Debdas Chakraborty, Liquidator, Shree Mahalaxmi Corporation Private Limited, having IBBI Registratron No IBBI/IPA-001/IP-P-01794/2019-2020/12758

... Respondent

Coram:

Shri Labh Singh : Member (Judicial)

Ms. Rekha Kantilal Shah : Member (Technical)

Appearances (via physical mode/virtual mode)-:

For WBIDC

- i. Ms. Meenakshi Manot, Adv.
- ii. Mr. S. Chowdhury, Adv.
- iii. Ms. S. Banerjee, Adv.

For Liquidator

- i. Mr. Riyanshu Agarwal, Adv.
- ii. Mr. Debdas Chakraborty, Adv.

Date of Pronouncement-: 22.06.2026

**ORDER**

**Per: Rekha Kantilal Shah, Member (Technical)**

1. The present application has been preferred by the Applicant namely- West Bengal Industrial Development Corporation Limited praying for the following reliefs:-

*“a) Let an order be passed condoning the delay of 195 days, in lodging the claim before the Liquidator;*

*b) Direct the Liquidator to immediately take steps to consider the claim filed by the applicant on 20<sup>th</sup> February, 2026 and inform the same to your applicant within a specific time;*

*c) Such other and/or further orders;*

*d) Ad-interim orders in terms of prayers above.”*

2. It has been stated that the applicant had sanctioned a term loan facility of Rs. 18,00,00,000/- (Rupees Eighteen Crores only) in favour of the Corporate Debtor for meeting a part of the project cost towards establishment of a Rolling Mill with a capacity of 90,000 MTPA TMT Bars. In this regard, a sanction letter dated 26th June, 2009<sup>1</sup> was issued by the Applicant, which was duly acknowledged by the Corporate Debtor.

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<sup>1</sup> Annexure B to the Application.

3. Pursuant to the aforesaid sanction, negotiations and discussions ensued between the parties, culminating in the execution of a Term Loan Agreement<sup>2</sup> dated 23<sup>rd</sup> February, 2011, whereby the Applicant agreed to extend financial assistance to the Corporate Debtor by way of a term loan of Rs. 18,00,00,000/- upon the terms and conditions stipulated therein.
4. It has been submitted that the said loan facility was secured, inter alia, by the creation of a first charge by way of hypothecation over all movable assets of the Corporate Debtor situated at its existing factory premises at Domjur, District Howrah, excluding book debts but including movable plant and machinery, machinery spares, tools, accessories, and all present and future movable assets. Such charge ranked pari passu with the term loan facilities extended by SBI, Commercial Branch, Ballygunge, to the Domjur Unit, subject to the prior charge of SBI in respect of working capital facilities over raw materials, stock-in-trade, finished and semi-finished goods, and other specified movable assets. It is further submitted that the charge was duly registered with the Ministry of Corporate Affairs.
5. The Applicant has further submitted that the Corporate Debtor committed default in repayment of the amounts due under the aforesaid facility. Several demand notices and communications were

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<sup>2</sup> Annexure C to the Application.

issued by the Applicant calling upon the Corporate Debtor to regularize its account. After giving due credit to all payments received towards principal and interest and upon computation of contractual as well as penal interest in terms of the Term Loan Agreement dated 23<sup>rd</sup> February, 2011, a sum of Rs. 115,00,20,747.11 is stated to be due and payable by the Corporate Debtor as on 16<sup>th</sup> February, 2026.

6. It is further submitted that Corporate Insolvency Resolution Process (CIRP) was initiated against the Corporate Debtor by an order dated 23<sup>rd</sup> February, 2024 passed by this Adjudicating Authority under Section 7 of the Insolvency and Bankruptcy Code, 2016.
7. It has been submitted that the applicant that it lodged its claim before the Resolution Professional in the prescribed form through an email dated 21<sup>st</sup> September, 2024. However, the Resolution Professional rejected the claim on the ground that the period prescribed for submission of claims had already expired prior to the filing thereof by the Applicant.
8. The Applicant has further submitted that the Corporate Debtor committed default in repayment of the amounts due under the aforesaid facility. Several demand notices and communications were issued by the Applicant calling upon the Corporate Debtor to regularize its account. After giving due credit to all payments received towards principal and interest and upon computation of

contractual as well as penal interest in terms of the Term Loan Agreement dated 23rd February, 2011, a sum of Rs. 115,00,20,747.11 is stated to be due and payable by the Corporate Debtor as on 16th February, 2026.

9. It is further submitted that Corporate Insolvency Resolution Process (CIRP) was initiated against the Corporate Debtor by an order dated 23rd February, 2024 passed by this Adjudicating Authority under Section 7 of the Insolvency and Bankruptcy Code, 2016.
10. The Applicant submits that it lodged its claim before the Resolution Professional in the prescribed form through an email dated 21<sup>st</sup> September, 2024. However, the Resolution Professional rejected the claim on the ground that the period prescribed for submission of claims had already expired prior to the filing thereof by the Applicant.
11. The Applicant has stated that, upon receipt of the communication from the Resolution Professional, it was unable to take immediate steps during the CIRP owing to unforeseen health complications suffered by its Advocate-on-Record, who was then handling the matter. Subsequently, by an order dated 20<sup>th</sup> June, 2025, this Tribunal directed liquidation of the Corporate Debtor.
12. It has further been submitted that following the commencement of liquidation proceedings, the Applicant's Advocate-on-Record, Mr. Saubhik Chowdhury, who was handling the Applicant's claim,

suffered from a slip disc and other associated medical complications requiring treatment and medication. As such, the matter inadvertently escaped his attention, resulting in a delay in the submission of the Applicant's claim before the Liquidator. The Applicant contends that the delay was neither deliberate nor intentional, but occurred solely on account of the aforesaid health complications of the Advocate on Record of the Applicant.

13. The Applicant further submits that it forwarded its claim in the prescribed format to the Liquidator by way of an email dated 20<sup>th</sup> February, 2026. However, no response, communication was received by the Applicant from the Liquidator with regard to the said claim. As such, the Applicant remains unaware as to whether its claim has been admitted or rejected.
14. In the aforesaid circumstances, the Applicant has prayed for condonation of the delay occasioned in lodging its claim before the Liquidator and has further sought a direction upon the Liquidator to consider the said claim on its own merits within such period as may be deemed fit and proper by this Tribunal.
15. We have gone through the case file carefully and perused the pleadings of the applicant, the documents placed on record, the arguments put forth by the counsel for the applicant and we shall now proceed to consider the present application on its merits.
16. In the present case, the sole ground advanced by the Applicant for the belated submission of its claim before the Liquidator is

- that its advocate-on-record was suffering from a slip disc and other related medical ailments. However, no medical records, or certificates have been placed on record to substantiate the same.
17. Further, it is pertinent to note that the Resolution Professional, vide email dated 23rd September 2024, while rejecting the Applicant's claim during the Corporate Insolvency Resolution Process, had specifically informed the Applicant that an application for initiation of liquidation proceedings had already been filed in respect of the Corporate Debtor. The RP had also expressly requested the Applicant to submit its claim before the Liquidator during the liquidation period. Despite such intimation, the Applicant failed to take any timely steps for lodging its claim before the Liquidator.
18. As such, it is evident that the Applicant had explicit knowledge of the proceedings pending before this Tribunal in relation to the Corporate Debtor and was also aware of the possibility of liquidation proceedings being initiated against the CD. Even assuming that the advocate-on record of the Applicant was suffering from certain medical ailments, considering that the scheme and objective of the Insolvency and Bankruptcy Code, 2016 is to ensure the expeditious completion of insolvency and liquidation proceedings within prescribed timelines, the applicant ought to have engaged a different advocate so as to lodge its claim before the liquidator within the stipulated

timelines in terms of the IBC, 2016 and liquidation regulations. However, this was not done by the Applicant. It is evident that the applicant had adopted a negligent and lackadaisical approach in lodging its claim before the liquidator.

19. However, we take note of the fact, that even though a Stakeholder's Consultation Committee has been constituted by the Liquidator, no distribution of proceeds has yet been made by the liquidator in the liquidation proceedings in respect of assets of the Corporate Debtor. Accordingly, in view of the fact that admission of the Applicant's claim would not impede the liquidation process, we direct the Liquidator to consider the Applicant's claim on its merits, notwithstanding the Applicant's negligent and lackadaisical conduct in failing to lodge its claim before the Liquidator within the prescribed time.
20. It is, however, made abundantly clear that the delay in filing the claim is being condoned solely on account of the fact that the distribution of liquidation proceeds has not yet commenced. This order shall not be treated as a precedent for condonation of delay in cases where distribution has already been undertaken or where the admission of a belated claim would prejudice the rights of other stakeholders or impede the timely completion of the liquidation process.
21. It is clarified that, should the Applicant's claim be admitted and the Applicant be included in the Stakeholders' Consultation

Committee, such inclusion shall operate prospectively and shall not affect any decision already taken by the Stakeholders' Consultation Committee.

22. In view of the foregoing discussion and findings, the instant Interlocutory Application, being I.A. (IB) No. 528/KB/2026, is hereby **allowed** and stands **disposed of** accordingly, with no order as to costs.

23. Certified copy of this order may be issued, if applied for, upon compliance of all requisite formalities.

**Rekha Kantilal Shah**

**Labh Singh**

**Member (Technical)**

**Member (Judicial)**

Order dated the 22<sup>nd</sup> day of June, 2026.

HT (LRA)