

**NATIONAL COMPANY LAW TRIBUNAL  
CHANDIGARH BENCH, COURT-II, CHANDIGARH**

**CP No. 4/Chd/Pb/2018**

(Under Section 71(10) of the Companies Act, 2013)

**IN THE MATTER OF:**

**BALAGERIA CENTRAL COOPERATIVE BANK LIMITED**

Having its registered office at  
Contai, PO Contai, District Purba Medinipur  
Through its authorized representative  
Shantanu Chaki

....Petitioner Company

Vs.

**S.R. GREEN HOUSING PROJECTS (INDIA) LIMITED**

Having its registered address office at  
1st Floor, 7 Dashmesh Nagar, Patiala, Punjab 147001

....Respondent Company

**Order delivered on: 22.05.2026**

**CORAM: MR. KAUSHALENDRA KUMAR SINGH, HON'BLE MEMBER (TECHNICAL)  
MR. KHETRABASI BISWAL, HON'BLE MEMBER (JUDICIAL)**

**Present: -**

For the Petitioner : Mr. Ankush Chowdhary, Advocate  
For the Respondent : None (Respondent set Ex-Parte vide Order dated 26.11.2021)

## ORDER

1. The present Petition has been filed by **Balageria Central Cooperative Bank Limited** (hereinafter referred as '**Petitioner Company/Debenture Holder**') through its Authorised Signatory, Mr. Anup Kumar Das, Director under Section 71(10) of the Companies Act, 2013 (hereinafter referred to as the "**Act**") for directing the Respondent to make repayment of the Debenture(s) along with interest due thereon in accordance with the Terms and Conditions of the Debenture.

### **Brief facts of the case**

2. The averments as made in the present Petition and as submitted by the Learned Counsel are summarized hereunder;

a. The Petitioner i.e. Balageria Central Cooperative Bank Ltd is a Central Cooperative Bank registered under the provisions of the West Bengal Cooperative Societies Act, 1940.

b. The Respondent Company is engaged in the business of building constructions and doing civil engineering works under the name and style of "S.R. Green Housing Projects (India) Limited".

c. The Petitioner invested a sum of Rs. 1,00,00,000/- in non convertible debentures of the Respondent Company on 25.11.2014 vide Application No A 14136. The date of maturity of the debentures was 25.11.2015 with a redemption value of Rs. 1,10,25,000/-.

d. Petitioner further invested a sum of Rs 2,00,00,000/- in non-convertible debentures of the Respondent Company vide Application No A 29579. The date of maturity of the debentures was 14.01.2016 with a redemption value of Rs. 2,20,50,000/- The interest is calculated at 10.25% per annum simple interest on the unpaid maturity value of the debentures till 31.03.2016. Total deposits were equivalent to Rs. 3,30,75,000/-.

e. Against each of the investments the Respondent Company issued letters of Allotment of the non convertible redeemable secured debentures of face value of Rs. 100/-each of 1,00,000 and 2,00,000 debentures bearing distinctive numbers 175360 to 275160 and 1297689 to 1497689 in favour of the petitioner.

f. Against the debentures which were maturing on 25.11.2015 the Respondent Company erroneously paid a sum of Rupees One Crore and fifty lakhs to the petitioner prematurely though Rs. 11025000/- was due and payable on redemption. The authorized official of the Respondent Company recorded in his e-mail dated 24.11.2015 that an excess amount had been paid to the petitioner and such sum would be adjusted against the redemption of the debentures amounting to Rs. 2,00,00,000/-.

g. On 14.01.2016, the Petitioner requested the Respondent Company to give them the proceeds of the value of the redemption of Rs 2,00,00,000/-which on maturity amounted to Rs 2,20,50,000/- but an e-mail dated 14.01.2016 was sent by the authorized officer of the Respondent Company to the petitioner that two authorized signatories of the company were not available and the redemption procedure would be completed within thirty days.

h. Despite the aforementioned e-mail communication highlighting Respondent Company's debt, the debentures were not redeemed and the Petitioner did not receive any money. On the contrary, an e-mail was sent by Sanjib Kumar Sarkar, Advocate on 25.01.2016 to the Chief Executive Officer of the Petitioner whereby it was stated that the Respondent Company had agreed to make payment of the maturity value of the debentures within a very short span. It was reiterated in the said e-mail that the exact figure due along with interest should be intimated to the Respondent Company and it was denied specifically that the company was a chit fund.

i. Thereafter the Advocate of the Petitioner vide letter dated 29.01.2016 demanded, on behalf of the petitioner, a sum of Rs 1,80,24,839.44 (after adjustments) but unfortunately even after such demand the company did not pay the Petitioner the redeemed value of the debentures which it had invested with the company. The Respondent Company did not deny the outstanding amount that was due and payable to the Petitioner.

j. The Director of the Respondent Company, Ankur Roy, wrote to the Chairman of the Petitioner vide letter dated 07.04.2016 informing him that the company was facing a financial crunch and was not able to pay the maturity value of the debentures along with interest immediately. The Director expressed the intention to secure the money of the Petitioner along with interest accrued thereon by mortgaging the immovable properties in the form of equitable mortgage by deposit of original title deed with the bank.

k. After the receipt of the said letter dated 07.04.2016, the Assistant General Manager of the Petitioner wrote to the company on 18.04.2016 expressing its readiness to accept the mortgage of landed property as security to the Petitioner until the payment of the balance amount but at the same time the officer of the petitioner requested the company to furnish details of the property along with an initial deposit of Rs. 10000000/- (One crore) with the petitioner as partial service of the company's financial liabilities before processing the securitization.

l. Aggrieved by such circumstances the petitioner issued a statutory notice of demand dated 06.05.2016 for payment of said sum due and payable along with interest @ 10.25% per annum i.e. Rs. 1,83,48,792.72 as on 31.03.2016. The said notice was sent by speed post with acknowledgement due at the corporate office of the company and 'was duly received by the company.

m. Despite admitting its debt to the petitioner, the respondent company failed and neglected to discharge its dues.

n. The amount due as on the date of application as per the Petitioner is Rs. 2.4 Crores along with further interest at the rate of 10.25% per annum on such amounts till the date of payment.

3. We have heard the Learned Counsel for the Petitioner and perused the material available on record. Despite due service, none has appeared on behalf of the Respondent and the Respondent has already been proceeded ex-parte vide order dated 26.11.2021. Hence, the present matter is being decided on the basis of the pleadings and documents placed on record and the submissions made by the Learned Counsel for the Applicant.

4. The present Petition has been filed under Section 71(10) of the Companies Act, 2013 seeking directions against the Respondent Company for redemption of Non-Convertible Debentures along with interest in accordance with the terms and conditions governing the issuance of such debentures.

5. Section 71(10) of the act reads as under:

*'71(10)Where a company fails to redeem the debentures on the date of their maturity or fails to pay interest on the debentures when it is due, the Tribunal may, on the application of any or all of the debenture-holders, or debenture trustee and, after hearing the parties concerned, direct, by order, the company to redeem the debentures forthwith on payment of principal and interest due thereon.'*

6. From the record, it is observed that the Petitioner had invested a total sum of Rs. 3,00,00,000/- (Rs. 1,00,00,000/- vide Application No A 14136 and Rs 2,00,00,000/- vide Application No A 29579) in Non-Convertible Debentures issued by the Respondent Company, with stipulated maturity dates being

25.11.2015 and 14.01.2016 respectively. The redemption values were fixed at Rs. 1,10,25,000/- and Rs. 2,20,50,000/- respectively, aggregating to Rs. 3,30,75,000/-.

7. It is further evident that the Respondent Company issued allotment letters in respect of the said debentures, thereby acknowledging the receipt of the investment and creation of a binding contractual obligation to redeem the same in accordance with the agreed terms.

8. The material on record also demonstrates that upon maturing of 1st debenture on 25.11.2015 the Respondent Company erroneously paid a sum of Rupees 15000000 (One Crore and fifty lakhs) to the petitioner prematurely though Rs. 11025000/- was due and payable on redemption. The Respondent Company itself acknowledged that such payment was in excess and would be adjusted against redemption of subsequent debentures. However, it is pertinent to note that despite such adjustment, the Respondent Company failed to redeem the second investment of debentures amounting to Rs. 2,00,00,000/-, which had matured on 14.01.2016 with a redemption value of Rs. 2,20,50,000/-. This clearly establishes that the liability towards redemption subsisted.

9. Further, the correspondence exchanged between the parties, including emails dated 14.01.2016 and 25.01.2016, as well as the letter dated 07.04.2016 issued by the Director of the Respondent Company, unequivocally shows that the Respondent Company admitted its liability and cited financial constraints as the reason for non-payment. The proposal to secure the outstanding dues by way of mortgage further reinforces such admission.

10. Despite repeated demands, including a legal notice dated 06.05.2016, the Respondent Company failed to discharge its liability. There is no material on

record to show that the said liability has been disputed at any stage. Rather, the conduct of the Respondent Company indicates continuous acknowledgment of debt coupled with failure to repay.

11. In this regard, it is a settled position of law that once the ingredients of Section 71(10) are satisfied, namely failure to redeem the debentures on the date of their maturity or fails to pay interest on the debentures when it is due, the Tribunal is empowered to direct payment of principal and interest due thereon.

12. In the present case, both the essential conditions stand fulfilled. The debentures have admittedly matured, and the Respondent Company has failed to redeem the same along with interest. The liability stands admitted and remains unpaid.

13. Considering the aforesaid facts and circumstances, and in view of the documentary evidence on record evidencing investment, allotment, maturity, default, and admission of liability, we are of the considered view that the Petitioner has successfully established its case under Section 71(10) of the Companies Act, 2013.

14. The Respondent Company is hereby directed to redeem the debentures pertaining to the second allotment amounting to Rs. 2,00,00,000/- (Rupees Two Crores only) along with interest in terms of the agreed conditions, after giving due adjustment to the excess amount already paid by the Respondent Company.

15. Accordingly, the **Company Petition No. 4 of 2018** is allowed and disposed of.

Sd/-  
**Khetrabasi Biswal**  
**Member (Judicial)**  
Reet

Sd/-  
**Kaushalendra Kumar Singh**  
**Member (Technical)**