

IA(IBC) No. 770/KB/2026
In
CP(IB) No. 272/KB/2025

DIVISION BENCH
COURT - II

P-104

NATIONAL COMPANY LAW TRIBUNAL
KOLKATA BENCH
KOLKATA

C.P. (IB)/272(KB)2025
IA(I.B.C)/793(KB)2026
IA(I.B.C)/770(KB)2026

CORAM: 1. HON'BLE MEMBER(J), SHRI LABH SINGH
2. HON'BLE MEMBER(T), MS. REKHA KANTILAL SHAH

ORDER SHEET OF THE HEARING ON 17th JUNE 2026

IN THE MATTER OF	YES BANK LIMITED VS Ideal Aurum Nirman LLP
UNDER SECTION	IBC under Sec 7

Counsel appeared through physically or virtually

Mr. Siddhartha Chatterjee, Adv.] for the Financial Creditor.
Mr. Prasun Ghosh, Adv.

Mr. Jishnu Saha, Sr. Adv.] For Corporate Debtor
Mr. Ishan Saha, Adv.]
Ms. Sweta Mohanty, Adv.]
Mr. Kanishk Kumar, Adv.]

O R D E R

(IA(I.B.C)/770(KB)2026)

Per: Bench

1. This matter was listed today for final hearing; however, the Corporate Debtor has filed the present application for recalling of order dated 09.06.2026. It has been submitted that this Company Petition came up for hearing before the Bench on 10th December 2025; however, the hard copy of the

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Company Petition was not filed. The Registry was directed to place the matter on Board after a hard copy is filed.

2. Upon filing of hard copy, the matter came up before the Bench on 16th February 2026, and notice was issued upon the Corporate Debtor. The Corporate Debtor was directed to file the reply affidavit upon receipt of the company petition within a period of fifteen days. Accordingly, the matter was adjourned for hearing on 08.04.2026.
3. It has further been submitted that Learned Advocate for the Corporate Debtor was unable to file Vakaltnama in the aforesaid matter as designated partner of the Corporate Debtor company authorized to sign the Vakaltnama was not available. Consequently, this Tribunal vide order dated 08th April 2026, after taking undertaking of the concerned Advocate on record, adjourned the matter for hearing on 09.06.2026 with a direction to complete the proceeding before the date fixed.
4. It has further been submitted that Corporate Debtor belongs to the Ideal Group of Companies has extended credit facilities to other entities within the ideal group and initiated diverse proceedings before the Tribunal and other Fora. The designated partner of the Corporate Debtor who is key managerial person of the group of companies as well as advocate of the Corporate Debtor were pre-occupied with

defending several other proceedings initiated by the Financial Creditor. Accordingly, this impeded the Corporate Debtor from filing the reply affidavit in the present company petition.

5. It has further been submitted that when the company petition was taken up for hearing on 09.06.2026, Ld. Counsel for Corporate Debtor prayed for a short extension to file reply affidavit as reply affidavit was not finalized till that date due to unavailability of the designated partner; however, the Financial Creditor opposed the request of the Corporate Debtor. This Tribunal closed the right of the Corporate Debtor to file the reply affidavit.
6. It has further been submitted that no prejudice would be caused to the Financial Creditor and any other stakeholder of the Corporate Debtor, if the reply affidavit is taken on record and order dated 09.06.2026 is re-called. Therefore, it has been prayed that present application should be allowed and reply affidavit should be taken on record.
7. Respondent/Financial Creditor appeared in this application through its Counsel. Ld. Counsel for respondent/Financial Creditor, upon instruction from respondent, submitted that respondent will not file the reply affidavit to the present application. However, Ld. Counsel for Financial Creditor vehemently opposed the present application.

8. Heard, Ld. Senior Counsel appearing for the applicant/Corporate Debtor as well as respondent/Financial Creditor. We have gone through pleading for the present application and order sheet of the main company petition. We have duly considered law applicable on the facts and circumstances of the present application.
9. The main question to be decided in the present application is whether a party can be allowed to avail time for filing reply affidavit where the statute mandates that the petition should be admitted or rejected within 14 days from the date of filing the same.
10. It has transpired from the order sheet of main company petition that upon filing of the Company Petition, this Tribunal issued notice upon Corporate Debtor vide order dated 16th February 2026 with specific observation that upon receipt of notice, reply affidavit be filed by the Corporate Debtor within a period of fifteen days. Consequent upon filing of reply affidavit, rejoinder be filed within next fifteen days. The matter was adjourned for hearing on 08.04.2026. Thus, it is crystal clear from order dated 16th February 2026 that though fifteen days were given to file reply affidavit; however, the Corporate Debtor opted not to file reply affidavit before the date fixed in the matter i.e 08.04.2026.

11. The matter was taken up for hearing by the Tribunal on 08.04.2026. On 08.04.2026, Ld. Counsel appearing for Corporate Debtor requested to file Vakaltnama in the present matter. Consequently, an adjournment was given to file Vakaltnama. The Financial Creditor and Corporate Debtor were directed to complete the pleadings before the next date of hearing i.e. on or before 09.06.2026. Thus, another two months' time was granted by the Tribunal to file the reply affidavit by the Corporate Debtor.
12. The matter was taken up for hearing on 09.06.2026; however, the Corporate Debtor opted not to file the reply affidavit on or before 09.06.2026. Consequently, this Tribunal closed the right of filing reply affidavit by the Corporate Debtor and listed the matter for final hearing on 11.06.2026. On 11.06.2026, the matter could not be taken up for hearing and adjourned for final hearing for today i.e on 17.06.2026.
13. Rule 41 of National Company Law Tribunal Rules 2016 provides for filing of reply and other documents by the respondent. The provision of Rule 41 read as under:

“41. Filing of Reply and other Documents by the Respondents. -

(1) Each respondent may file his reply to the petition or the application and copies of the documents, either in person or through an

authorised representative, with the registry as specified by the Tribunal.

(2) A copy of the reply or the application and the copies of other documents shall be forthwith served on the applicant by the respondent.

(3) To the reply or documents filed under sub-rule (1), the respondent shall specifically admit, deny or rebut the facts stated by the applicant in his petition or application and state such additional facts as may be found necessary in his reply”.

14. It is pertinent to note the legislature took note of the delay in admission of applications filed under Section 7, 9 and 10 of the IBC Code, 2016. Consequently, the Insolvency and Bankruptcy Code 2016 has been amended Government of India notification no. S.O 2625 dated 22.05.2026 and came into force with effect from 26.05.2026. The provision of Section 7 has been amended whereby sub-section (4) has been omitted and sub-section (5) has been substituted. The amended provision of Section 7 of the IBC Code 2016 read as under:

“(5) The Adjudicating Authority shall, within fourteen days of the receipt of the application under sub-section (2), by an order—

(a) admit the application, if it is satisfied that a default has occurred and the application under sub-section (2) is complete, and there is no disciplinary proceeding pending against the proposed resolution professional; or

(b) reject the application, if it is satisfied that a default has not occurred or the application under sub-section (2) is incomplete or a disciplinary proceeding is pending against the proposed resolution professional:

Provided that the Adjudicating Authority shall, before rejecting the application under clause (b), give a notice to the applicant to rectify the defect in his application within seven days from the date of receipt of such notice from the Adjudicating Authority:

Provided further that if the Adjudicating Authority has not passed an order under this sub-section within a period of fourteen days from the date of receipt of the application under sub-section (2), it shall record the reasons for such delay in writing.

Explanation I.--For the purposes of this sub-section, it is hereby clarified that where the

requirements under clause (a) have been complied with, no other ground shall be considered to reject an application filed under this section.

Explanation II.--For the removal of doubts, it is hereby clarified that where a record of default in respect of a financial debt owed to a financial institution recorded with the information utility has been furnished along with the application filed by such financial institution under this section, such record shall be considered sufficient for the Adjudicating Authority.

15. Thus, as per amended provision of Section, it has been provided in sub-section (5) that the Adjudicating Authority shall admit the application filed under Section 7 of IBC Code 2016 within 14 days from the date of receipt of the application if it is satisfied that default has occurred and the application under sub-section (2) is complete and there is no disciplinary proceeding pending against the proposed resolution professional; or the reject the application if default has not occurred or application under sub-section (2) is incomplete or disciplinary proceedings is pending against the resolution professional.
16. Hon'ble Supreme Court in recent case of CA Ramchandra Dallaram Choudhary Vs. Adani Infrastructure and Developers

Pvt. Limited (2026) ibclaw.in 428 SC, after considering the scheme and object of IBC Code, observed that:

“Having regard to the statutory scheme of the IBC, since validated by this Court in numerous decisions by holding that the strict timelines are meant to prevent misuse by dilatory tactics, it is difficult to accept Mr. Fernandes’ contention. It is axiomatic that an appeal under Section 62 of the IBC to be regarded as having been instituted within the prescribed period of 45 (forty-five) days must be a defect-free appeal, which is capable of being acted upon by the Registry for being immediately placed before the appropriate Bench for consideration. Any appeal which is not filed within the stipulated period in a form shorn of defects, for all practical and legal purposes, remains a defective appeal”.

17. No doubt as per provision of Rule 41, this Tribunal has to direct the registry to take reply affidavit on record; however, the Tribunal has to keep in mind the time frame within which the petition filed under Section 7, 9 or 10 has to be decided in order to solve the insolvency of the Companies which is object of the IBC Code 2016.

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18. In the present case, this Tribunal considered the request of Learned Counsel appearing for the Corporate Debtor and granted adjournment for filing the reply affidavit. However, the Corporate Debtor, despite availing more than four months' time, opted not to file reply affidavit and consequently, the stage for filing reply affidavit was closed vide order dated 09.06.2026.
19. Therefore, in view of the above, we do not file any merit in the present application. Consequently, the present applicant stands dismissed being devoid of merit.
20. Accordingly, the present IA No. 770/KB/2026 stands disposed of as above.
21. List the main petition along with pending applications for hearing on 22.06.2026.

Rekha Kantilal Shah
Member (Technical)

Labh Singh
Member (Judicial)