IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH – 1
VC AND PHYSICAL (HYBRID) MODE

ATTENDANCE CUM ORDER SHEET OF THE HEARING HELD ON
07-09-2026 After Court-II

IA(IBC) 23/2026 in
CP(IB) No. 407/7/HDB/2019
u/s. 7 of IBC

IN THE MATTER OF:

ICICI Bank Ltd **…Petitioner/s**

Vs

MBS Impex Pvt Ltd **…Respondent/s**

C O R A M:-
SHRI. RAJEEV BHARDWAJ, HON'BLE MEMBER (JUDICIAL)
SHRI. SANJAY PURI, HON'BLE MEMBER (TECHNICAL)

O R D E R

IA (IBC) 23/2026
Orders pronounced. Recorded vide separate sheets.

In the result, this IA (IBC) 23/2026 is partly allowed and disposed of.

Sd/- **Sd/-**

MEMBER (T) **MEMBER (J)**

Apoorva

IN THE NATIONAL COMPANY LAW TRIBUNAL, HYDERABAD BENCH – I, HYDERABAD

IA(IBC) No.23 of 2026

In

CP(IB) No.407/7/HDB/2019

(Under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 read with Section 35 and other applicable provisions of the Code, and the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016)

In the matter of M/s. MBS Impex Private Limited

Between:

Mr. Santosh Bhatia

Liquidator of M/s. MBS Impex Private Limited

D-1101, Lodha Meridian, 4th Phase, KPHB Colony, JNTU,

Kukatpally, Hyderabad, Telangana – 500 072.

...Applicant

And

1. **M/s. MBS Impex Private Limited**
   Liquidator, Mr. Santosh Bhatia,
   5-9-45, Basheerbagh, Hyderabad – 500 063.

2. **RARE Assets Reconstruction Limited**
   104-106, Gala Argos, Beside Harikrupa Tower,
   Gujarat College Road, Ellisbridge, Ahmedabad – 380 006.

3. **INVENT Assets Securitisation & Reconstruction Pvt. Ltd.**
   Suite-B, Ground Floor, Bakhtawar, 225,
   Nariman Point, Mumbai – 400 021.

4. **AXIS Bank Limited**
   Structured Assets Group – South, Axis House,
   First Floor, No.3, Club House Road,
   Anna Salai, Chennai – 600 002.

5. **Punjab National Bank**
   Head Office, Plot No.4, Dwaraka Sector-10,
   New Delhi – 110 075.

6. **State Bank of India (Deleted)**

7. **MMTC Limited (Deleted)**

8. **Commercial Tax Department, Telangana (Deleted)**

9. **The Commissioner of Police, Cyberabad Police Commissionerate**
   Gachibowli, Rangareddy District – 500 032.

10. **The Station House Officer, Rajendra Nagar Police Station**
    Hyderabad – 500 030.

11. **The Station House Officer, Miyapur Police Station**
    Miyapur – 500 049.

12. **The Station House Officer, KPHB Police Station**
    Kukatpally Mandal, Medchal-Malkajgiri District – 500 072.

13. **Shreemukh Gold Private Limited**
    21-2-141/142, Hiramoti Complex, 1st Floor, Charkaman,
    Hyderabad – 500 002.

14. **Mr. Naidu Prakash**
    21-2-141/142, Hiramoti Complex, 1st Floor,
    Charkaman, Hyderabad – 500 002.

15. **The Commissioner of Police, Hyderabad Police Commissionerate**
    Basheer Bagh, Hyderabad – 500 029.

16. **The Station House Officer, Charminar Police Station**
    Hyderabad – 500 002.

...Respondents

Date of Order: 07.09.2026

Coram:

Sri Rajeev Bhardwaj, Hon'ble Member (Judicial)

Sri Sanjay Puri, Hon'ble Member (Technical)

Parties/Counsels:

For the Applicant/Liquidator	: Mr. G. Bhupesh, Advocate.
Respondent Nos. 1, 3, 4, 5, 9, 10 & 11	: Set Ex-parte on 25.03.2026
Respondent Nos. 13 & 14	: Set Ex-parte on 04.05.2026
Respondent No. 2	: Set Ex-parte on 06.08.2026
Respondent Nos. 12, 15 & 16	: Set Ex-parte
Respondent Nos. 6, 7 & 8	: Deleted

ORDER

1. The present application is filed by Mr. Santosh Bhatia[1], Liquidator of M/s. MBS Impex Private Limited[2], under Section 60(5) read with Section 35 of the Insolvency and Bankruptcy Code[3], 2016 and the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations[4], 2016, against the Respondents, inter alia, seeking for the following relief:

    a. Direct Respondent Nos.2 to 5 to forthwith handover the documents and possession of Schedule 1 to 10 assets mentioned in paragraph 4 of the Application, to the Liquidator;

    b. Declare the inaction of Respondent Nos.13 and 14 in handing over the possession of the inventory mentioned in paragraph 16 of the Application, of the Corporate Debtor, to the Liquidator, as illegal, unjust and unlawful;

[1] Applicant/Liquidator
[2] Corporate debtor/CD
[3] Code, 2016
[4] Liquidation Regulations

c. Direct Respondent Nos.13 and 14 to forthwith handover the said inventory to the Liquidator;

d. Direct Respondent Nos.9 to 12, 15 and 16 to provide required police aid in visiting the Schedule 1 to 10 premises, while conducting demarcation and valuation and while taking possession of the said inventory;

Case of the Applicant:

2. It is the case of the Applicant that this Tribunal, vide order dated 13.11.2019, admitted the Corporate Debtor into the Corporate Insolvency Resolution Process (CIRP). Subsequently, vide order dated 01.03.2022, the CD was ordered to be liquidated and the Applicant was appointed as the Liquidator.

3. According to the Applicant, as reflected in the unaudited financial statements of the Corporate Debtor for the Financial Year 2018–19, the Corporate Debtor had two categories of assets, namely, land and inventory comprising gold, jewellery, silver and other precious metals.

4. Respondent Nos. 2 to 5, being secured financial creditors, filed their respective claims before the Liquidator, setting out the assets secured against their respective loans, which have been described in the Application as Schedule 1 to 10 assets.

5. Under Regulation 21A of the Liquidation Regulations, a secured creditor electing to realise its security is required to do so within 180 days from the liquidation commencement date, failing which the secured asset forms part of the liquidation estate. In the present case, the 180-day period expired on 27.08.2023. Respondent No.3's application for extension was dismissed by this Tribunal on 24.08.2023, and the appeal against the said order was dismissed by the Hon'ble NCLAT, Chennai Bench, on 06.03.2024, on account of a delay of 108 days in filing the appeal.

6. Upon dismissal of the appeal on 06.03.2024, the Schedule Assets stood vested as part of the liquidation estate. Despite communications issued between 05.09.2023 and 28.03.2024 calling upon Respondent Nos.2 to 5 to hand over the original documents and possession of the Schedule Assets, they have failed to do so till date.

7. The requirement to hand over the Schedule Assets was also raised in the meetings of the Stakeholders' Consultation Committee ("SCC") held on 30.05.2022, 19.12.2022, 06.05.2024 and 05.03.2025. Even after dismissal of Respondent No.3's appeal, the subsequent communications addressed to Respondent Nos.2 to 5 did not elicit any positive response.

8. Upon visiting the sites of the Schedule Assets, the Liquidator found that the properties were not properly demarcated and that litigation concerning the assets was pending. The Hon'ble Supreme Court, vide orders dated 15.06.2023 in appeals arising out of SLP(C) Nos.2373–2377 of 2020, had held that the financial creditors had no right over the land in question. The Liquidator further faced obstruction from local residents while attempting to take possession of the Schedule Assets.

9. Upon verification, the land assets secured in favour of Respondent No.3 were found to be under attachment pursuant to the Provisional Attachment Order dated 26.08.2021 issued by the Enforcement Directorate in ECIR No.05/HYZO/2014. Consequently, the Liquidator instituted a Writ Petition before the Hon'ble High Court of Delhi.

10. The Liquidator has identified prospective buyers for approximately 20 acres of the Schedule Assets, but is unable to proceed with the sale on account of the pending litigation and the non-availability of the title documents and possession.

11. Apart from the landed assets, the Corporate Debtor's inventory comprising gold, diamonds/gemstones and silver articles was consigned to Respondent No.13 under a Consignment Agreement dated 01.10.2019. Respondent No.13 has since been struck off from the register of the Registrar of Companies. Despite repeated communications, including the communication dated 22.09.2023 calling upon Respondent No.13 to facilitate physical verification within three days, the inventory has not been returned.

12. Respondent No.13, by email dated 30.12.2024, claimed to have paid Rs. 8 crores directly to the secured creditors towards settlement of the Corporate Debtor's dues, comprising Rs. 5 crores to Respondent No.2 and Rs.2 crores to Respondent No.3. Respondent No.2 acknowledged receipt of certain payments but did not furnish particulars thereof. Respondent No.13, it is contended, was not entitled to make such payments directly to the lenders, the amount being an asset of the Corporate Debtor required to be dealt with in accordance with the liquidation process.

13. Respondent Nos.2 to 5 have also not contributed towards the liquidation costs, including the Liquidator's fee. Consequently, the Liquidator has filed IA Nos.1448 of 2023 and 1003 of 2025, which remain pending.

14. Despite the Liquidator approaching the Revenue Department for survey, demarcation and valuation of the Schedule Assets, and communicating the same to Respondent Nos.2 to 5 for their approval and contribution, no response has been received. The continued non-cooperation of Respondent Nos.2 to 5, coupled with the non-handover of the inventory by Respondent Nos.13 and 14, has stalled the liquidation process.

Case of the Respondent No.2:

15. At the outset, Respondent No.2 denied the averments made in the Application, pointing out that despite the liquidation order dated 01.03.2022, the Liquidator had failed to take timely steps towards completion of the liquidation process, and had not issued a single auction notice till date.

16. Respondent No.2 had not relinquished its security interest, and had been taking steps to realise the same under the SARFAESI Act, 2002. Such realisation, however, could not be completed on account of the lack of proper demarcation, non-reflection of mutation entries in the revenue records, and the subsisting attachment by the Enforcement Directorate.

17. The stakeholders, including Respondent No.2, had requested the Liquidator to seek an extension beyond six months for realisation of the security interest, but the Liquidator expressed his inability to do so in the absence of an express enabling provision. In successive meetings of the SCC, including the meeting held on 11.03.2026, Respondent No.2 had requested the Liquidator to undertake demarcation of the secured assets and to take necessary steps for removal of the attachment imposed by the Enforcement Directorate.

18. At the 5th SCC meeting held on 11.03.2026, Respondent No.2 had expressly undertaken to carry out the demarcation of the secured assets. It had, moreover, extended full cooperation to the Liquidator and furnished all information sought, and the allegation of non-cooperation was, therefore, misconceived.

19. Respondent No.2 admitted paragraphs 11 to 13 of the Application only to the extent of the factual position stated therein. The Liquidator, it was pointed out, was well aware that the landed assets were not properly demarcated, were subject to disputes and pending litigation, and had also faced on-ground obstruction circumstances which prevented identification, demarcation and valuation of the assets, and

could not, therefore, be attributed to any lack of cooperation on the part of Respondent No.2.

20. Respondent No.2 denies having, at any point, been in possession of the inventory of gold, jewellery or diamonds, and denies, by reference to its email dated 05.11.2025, and that any arrangement between the Corporate Debtor and Respondent No.13 is independent and not one to which Respondent No.2 is privy.

21. The allegations in paragraphs 20 to 24 of the Application, regarding non-contribution towards liquidation costs and non-cooperation, were denied in toto. The delay in the liquidation process, it was contended, is attributable to the Liquidator's failure to trace, secure and realise the assets difficulties inherent in the liquidation process which, in the absence of any specific instance of wilful obstruction, cannot be attributed to Respondent No.2.

Rejoinder:

22. In rejoinder, reiterating the facts stated in the Application, the Applicant pointed out that, pursuant to the order dated 25.04.2025 of the Hon'ble High Court of Delhi in the Writ Petition concerning the Enforcement Directorate's attachment, the Liquidator approached the Hon'ble PMLA Appellate Tribunal by filing an appeal, which is pending and is next listed on 27.08.2026.

23. The Liquidator, by emails dated 06.09.2025 and 17.09.2025, called upon Respondent No.2 to furnish details of the amounts received from Respondent No.13. In its reply dated 05.11.2025, Respondent No.2 admitted receipt of certain amounts but attributed the payments to the Corporate Debtor. This failure to furnish particulars of the payments, despite admitting their receipt, is, according to the Applicant, mala fide.

24. The Liquidator had appointed Dr. D.M.V.V. Mukunda, Registered Valuer, to value the Schedule Assets. By communication dated 26.06.2026, the Valuer expressed his inability to submit the valuation report on account of the absence of proper demarcation and supporting title documents, including sale deeds, land drawings and link documents.

25. The Resolution Professional had earlier filed two applications under Section 19(2) of the Code seeking cooperation from the creditors, and such non-cooperation, it was pointed out, continued even as on the date of filing of the present Application.

26. Vide submission dated 11.03.2026, learned counsel for the Applicant stated that the Applicant does not wish to press the prayer against Respondent Nos.6, 7 and 8. Respondent Nos.6, 7 and 8 are accordingly deleted from the array of parties, as reflected in the cause title above.

27. Respondent Nos. 12, 15 and 16, despite having been duly served, have neither appeared nor represented themselves before this Tribunal. Accordingly, they are proceeded against *ex parte*.

Findings and Decision:

28. We have heard the Learned Counsel for the Applicant/Liquidator and the material placed on record. This Tribunal, vide order dated 13.11.2019, admitted the Corporate Debtor into CIRP. As no resolution plan was received within the prescribed period, this Tribunal, vide order dated 01.03.2022, ordered liquidation of the Corporate Debtor and appointed the Applicant as Liquidator.

29. Upon commencement of liquidation, the Liquidator is required to take into custody and control the assets forming part of the liquidation estate and realise the same in accordance with the provisions of the Code and the Liquidation Regulations.

30. Under Section 36 of the Code, the liquidation estate comprises all assets of the Corporate Debtor, which the Liquidator holds as a fiduciary for the benefit of all stakeholders, and includes, under sub-section (3), assets in which the Corporate Debtor holds ownership rights as reflected in its balance sheet, tangible assets whether movable or immovable, assets that may or may not be in its possession including encumbered assets, and any other property vested in it as on the insolvency commencement date.

31. As per the Balance Sheet of the Corporate Debtor as at 31.03.2019 for the Financial Year 2018–19, its assets broadly comprised two categories, namely, land and inventory consisting of gold, diamonds/gemstones and silver articles.

32. As regards the land, the Applicant has placed on record that the parcels in question stand secured in favour of different financial creditors, as follows:

S.No	Schedule Property (with Extent & Boundaries)	In Possession of Whom / Attachment
1	Vacant site admeasuring Acres 5.00 guntas under Survey No.65/3 part, out of total land admeasuring Acres 24-27 guntas in Sy No.65/2 & 65/3, situated at Khanpur Village, Rajendra Nagar Mandal, Ranga Reddy District	Punjab National Bank / ED Attachment
2	Acres 7.13 guntas open land in Plot No.172/4, 172/3 in Sy No.172 part, Hydernagar village, Balanagar Mandal, Ranga Reddy District	Invent ARC / ED Attachment
3	Acres 3.00 guntas open land in Sy No.172/8 part, Hydernagar village, Balanagar Mandal, Ranga Reddy District	Invent ARC / ED Attachment
4	Vacant land 2 acres, Survey No.44/5/1 (part) and 44/5/2 (part of Sy No.44/5), Maktha Mahaboobpet, Serilingampally, Ranga Reddy District	Invent ARC / ED Attachment

S.No	Schedule Property (with Extent & Boundaries)	In Possession of Whom / Attachment
5	Vacant land 5 acres, Survey No.44/5/1 (part) and 44/5/2 (part) (part of 44/5), Maktha Mahaboobpet, Serilingampally, Ranga Reddy District	Invent ARC / ED Attachment
6	Vacant land 10.08 acres at Hydernagar village, Balanagar Mandal, in Sy No.172/5 & 172/8, out of total 98.10 acres, standing in the name of MBS Impex Pvt Ltd	Invent ARC / ED Attachment
7	All the part and parcel of the agriculture land admeasuring 5 acres in Sy No.44/5/1 (part) and (part of Sy No.44/5), situated at Maktha Mahaboobpet village, Serilingampally Mandal, Ranga Reddy District, Telangana, standing in the name of M/S MBS Impex Private Limited (value Rs.12.50 crores as per valuation report dated 04.01.2018)	Axis Bank / ED Attachment
8	Exclusive charge on land measuring Ac.5-00 guntas in Survey No.65/2 part, out of total land admeasuring Ac.24-27 guntas in Survey No.65/2 and 65/3, situated at Khanapur village, Rajendra Nagar Mandal, Ranga Reddy District, Telangana, belonging to M/S MBS Impex Private Limited	Rare ARC / ED Attachment
9	All that piece and parcel of plot no.172/9 admeasuring 10527 sq. yds. or 8801 sq. mtrs. (Ac.2.07 guntas), out of total extent of Ac.98.10, forming part and parcel of Survey No.172, Hyderanagar village, Balanagar Mandal, Ranga Reddy District	Rare ARC / ED Attachment
10	All that extent measuring 13673 sq. yds. or 11432 sq. mtrs. (Ac.2.33 guntas), bearing plot No.172 as per internal division, out of the total extent of land admeasuring Ac.98.10 guntas, forming part and parcel of Survey No.172, Hyderanagar village, Balanagar Mandal, Ranga Reddy District	Rare ARC / ED Attachment

33. None of the secured creditors intimated the Liquidator of any intention to relinquish their security interest within the period prescribed under Regulation 21A of the Liquidation Process Regulations, 2016, nor did they realise their security within the 180 days thereafter provided, with

the result that the assets stood vested as part of the liquidation estate on expiry of the prescribed under the provisions.

34. The Liquidator has stated that this very consequence that non-realisation within 180 days would bring the assets into the liquidation estate was brought to the notice of the Stakeholders' Consultation Committee as early as its second meeting.

35. Invent Asset Reconstruction Ltd thereupon filed IA No.1096/2023 before this Tribunal seeking extension of time to retain its security interest. That application was dismissed on 24.08.2023, and the appeal against the said order was dismissed by the Hon'ble NCLAT, Chennai Bench, on 06.03.2024, on account of a delay of 108 days in filing it. The secured assets accordingly stood forming part of the liquidation estate with effect from that dismissal.

36. The Ld. Counsel for the Applicant submitted that the Directorate of Enforcement, provisionally attached all the Schedule properties vide Provisional Attachment Order No. 07/2021 in ECIR No.05/HYZO/2014, which was subsequently confirmed by the Adjudicating Authority under the PMLA in Original complaint (OC) No. 1639/2022 in PAO No.07/2021 dated 26.08.2021.

37. The Liquidator challenged the attachment before the Hon'ble High Court of Delhi, which directed him to approach the PMLA Appellate Tribunal. Accordingly, the Liquidator has filed an appeal before the PMLA Appellate Tribunal seeking release of the land assets from the attachment.

38. We may usefully refer, in this context, to Circular No. IBBI/CIRP/87/2025 dated 04.11.2025, We may also refer to Circular No. IBBI/CIRP/87/2025 dated 04.11.2025, which provides that, for restitution of assets attached by the Enforcement Directorate, the Insolvency Professional is permitted to approach the Special Court

constituted under the PMLA under Sections 8(7) or 8(8) thereof. The same is extracted below:

Insolvency and Bankruptcy Board of India

7th Floor, Mayur Bhawan, Connaught Place, New Delhi – 110001

CIRCULAR

Circular No. IBBI/CIRP/87/2025 **4th November, 2025**

To

All Registered Insolvency Professionals
All Recognised Insolvency Professional Entities
All Registered Insolvency Professional Agencies
(By email to registered email addresses and on the website of the IBBI)

Subject – Undertaking by IPs before Special Courts under PMLA

It has been observed that in certain cases under the Insolvency and Bankruptcy Code, 2016 (IBC), the assets of the corporate debtor are under attachment by the Enforcement Directorate (ED) under the provisions of the Prevention of Money Laundering Act, 2002 (PMLA). The restitution of such attached assets can significantly enhance the value of the Corporate Debtor thereby leading to higher realization.

2. Accordingly, it is hereby advised that in cases where assets of the corporate debtor are attached by the ED under the provisions under PMLA, the Insolvency Professional may file an application before the Special Court under sections 8(7) or 8(8) of the PMLA for restitution of such assets.

3. Further, with a view to facilitate the expeditious disposal of such applications by the Special Courts, the Insolvency and Bankruptcy Board of India, in consultation with the ED, has formulated a standard undertaking to be furnished by the Insolvency Professional along with the application for restitution of assets. The said undertaking is **annexed** hereto with this Circular.

4. This is issued in exercise of powers conferred under section 196 of the IBC.

Yours faithfully,
Sd/-
(Rajesh Tiwari)
General Manager

39. Therefore, we are of the considered opinion that this Tribunal is not the appropriate forum for directing release of the Schedule Assets, or the documents relating thereto, from the attachment imposed by the Enforcement Directorate, and that the Liquidator shall be at liberty to pursue such remedy as may be available to him in law before the Hon'ble PMLA Appellate Tribunal, where his appeal already stands.

40. As regards the inventory the Consignment Agreement dated 01.10.2019 of the Corporate Debtor for the Financial Year 2018-19 record 131.063 kgs of gold, 6,281.99 carats of diamonds/gemstones, and 2,933.09 kgs of silver articles, consigned to Respondent No.13 which will be part of the Liquidation estate.

41. Respondent No.13 confirmed possession of this inventory by letter dated 11.08.2023 and sought time till December 2023 to hand over the goods or their equivalent value a deadline it did not meet.

42. Respondent No.13's claim of having paid the secured creditors directly has shifted from Rs.8 crores in December 2024, to Rs.7 crores in the Liquidator's own subsequent correspondence, to over Rs.15 crores by September 2025, without a single UTR, NEFT or RTGS reference or bank statement ever being furnished despite repeated, specific requests.

43. One of the secured creditors has, on record, denied receiving any such payment from Respondent No.13 at all, attributing whatever it received to the Corporate Debtor directly. Respondent No.13 remains a company struck off the register of the Registrar of Companies.

44. We accordingly declare the inaction of Respondent Nos.13 and 14 in handing over the inventory to be illegal, unjust and unlawful, and direct the erstwhile management of the Respondent No.13 and Respondent No.14 to hand over the said gold, diamonds/gemstones and silver articles to the Liquidator.

IA (IBC) No. 23 of 2026 is accordingly allowed partly and disposed of.

Sd/-

SANJAY PURI
MEMBER (TECHNICAL)

Sd/-

RAJEEV BHARDWAJ
MEMBER (JUDICIAL)