

IN THE NATIONAL COMPANY LAW TRIBUNAL

PRINCIPAL BENCH, NEW DELHI

I.A. No. 1432 OF 2026

IN

C.P. (IB) I.B.C. No. 404(PB) OF 2024

*(under section 12A of the Insolvency and Bankruptcy Code, 2016, r/w
regulation 30A(1)(a) of the Insolvency and Bankruptcy Board of India
(Insolvency Resolution for Corporate Persons) Regulations, 2016 and Rule 11
of the National Company Law Tribunal Rules, 2016)*

IN THE MATTER OF:

IDBI BANK LIMITED

...FINANCIAL CREDITORS

VERSUS

M/S HIL (INDIA) LIMITED

...CORPORATE DEBTOR

AND IN THE MATTER OF:

SHRI ROHIT SEHGAL

INTERIM RESOLUTION PROFESSIONAL

M/S HIL (INDIA) LIMITED

...APPLICANT/IRP

VERSUS

IDBI BANK LIMITED

...FINANCIAL CREDITOR/RESPONDENT NO. 1

M/S HIL (INDIA) LIMITED

...CORPORATE DEBTOR/RESPONDENT NO. 2

M/S WANKSONS CHEMICAL INDUSTRIES PRIVATE LIMITED

...OPERATIONAL CREDITOR/RESPONDENT NO. 3

Order Pronounced On: 30.09.2026

CORAM:

JUSTICE ANUPINDER SINGH GREWAL

HON'BLE PRESIDENT

SHRI RAVINDRA CHATURVEDI

HON'BLE MEMBER (TECHNICAL)

PRESENT:

For the IRP : Mr. Krishnendu Datta, Sr. Adv., Mr. Shashank Manish, Ms. Nidhi Sahay, Mr. Ritansh Kumar Nand, Mr. Himanshu Raj, Advs.

For the Respondents : Mr. Chetan Sharma, ASG, Mr. Yashvardhan, Mr. Abhishek Gupta, Mr. Gyanendra Shukla, Ms. Ananya, Ms. Apoorwa Tripathi, Ms. Niharika Sharma, Advs. Mr. Gautam Singhal, Mr. Rajat Choudhary, Ms. Anjali Maurya, Advs. For R-3

ORDER

The Application has been filed by the Insolvency Resolution Professional of the Corporate Debtor (**The Applicant**) under Section 12A of the Insolvency and Bankruptcy Code 2016 (**IBC / Code**), read with Regulation 30A(1)(a) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution for Corporate Persons) Regulations 2016 (**CIRP Regulations**), with the following prayers:

- a. Allow the present application and permit withdrawal of the Company petition (IB) no. 404/ (PB) of 2024 filed by the Financial Creditor i.e., IDBI Bank Limited, thereby lifting the CIRP from the Corporate Debtor.*
- b. Kindly take on record the Acceptance letter issued by the Financial Creditor and the Acknowledgement(s) given by the Operational Creditors signifying amicable settlement of their claims respectively;*
- c. Kindly take on record the payments made to the Interim Resolution Professional by the Corporate Debtor and exempt the Financial Creditor from providing a bank guarantee of the fees and expenses already covered and duly paid;*

- d. *Kindly ratify and allow the decision by management of the suspended board of the Corporate Debtor to bear the fees and expenditures incurred by the IRP from 16.03.2026 onwards.*
- e. *Pass any order or further order(s) or relief as the Hon'ble Tribunal may deem fit and necessary in the light of the facts and circumstances of the present case for the interest of justice.*

Brief Facts and Background of the Matter:

1. M/s HIL (India) Limited, the Corporate Debtor (**CD**), was admitted to the Corporate Insolvency Resolution Process (**CIRP**) by this Adjudicating Authority (**AA**) vide order dated 30.07.2025 (**the admission order**) on an Application filed by IDBI Bank Limited under Section 7 of the IBC. Mr. Rohit Sehgal was appointed as Insolvency Resolution Professional (**IRP**).
2. The Applicant – IRP, pursuant to the admission order, made a public announcement dated 01.08.2025 in Form A in accordance with Regulation 6 of the CIRP Regulations in Financial Express (New Delhi, Mumbai and Kochi Edition), Jansatta Hindi (New Delhi Edition), Pratah Kaal Marathi (Mumbai Edition) and Metro Vartha Malayalam (Ernakulam Edition).
3. The Admission order was challenged by one of its suspended directors, Mr. D.N.V. Srinivasa Raju, in an appeal bearing CA(AT)(Ins) No. 1189 of 2025 before the National Company Law Appellate Tribunal (**NCLAT**).
4. NCLAT, vide order dated 11.08.2025, directed the IRP not to take any further steps in pursuance of the admission order.
5. Pending the Appeal, the suspended director was able to reach a settlement with the Applicant Bank.

6. The NCLAT, vide order dated 25.02.2026, upheld the admission order on merits; however, in view of the settlement, permitted the suspended director – Appellant to file an Application under section 12A of the IBC before the AA. Relevant portion of the order is extracted below:

(I) The impugned order dated 30.07.2025 admitting Section 7 application is upheld.

(II) IA No.658 of 2026 filed by the Appellant is partly allowed permitting the Appellant to withdraw this Appeal.

(III) The Financial Creditor IDBI Bank having entered into settlement, the IDBI Bank is required to file an application under Section 12A through the IRP in accordance with Section 12A and Regulation 30A of CIRP Regulations and which application may be filed within four weeks from today before the Adjudicating Authority through the IRP. The IRP after receipt of Form FA from the Financial Creditor shall file the application before the Adjudicating Authority within the period of two weeks and the IRP shall not take any further steps till decision of the application under Section 12A.

7. Pursuant to the above, IRP filed the instant application on 02.04.2026. This AA vide order dated 08.04.2026, issued notice in the Application.

8. Further, vide the same order dated 08.04.2026, this AA also directed for addition of M/s Wanksons Chemical Industries Pvt. Ltd. as one of the Respondents, who pleaded that its claim of more than Rs. 19 crores has not been settled so far. M/s Wanksons Chemical Industries Pvt. Ltd was permitted to file reply.

Submission of the Applicant:

9. Learned Counsel appearing for the Applicant submits that during the pendency of the Appeal itself, the parties mutually engaged in discussions and arrived at an amicable settlement of all outstanding disputes.
10. The Applicant Bank had issued a letter dated 31.10.2025 accepting the settlement offer made by the suspended director. Relevant portion is extracted below:

We refer to your letter dated September 04, 2025 requesting IDBI Bank to accept Rs.1.63 crore as settlement amount and subsequent discussions you / your representatives had with us on the subject. Upon considering your request, IDBI Bank is agreeable, in principle, for a settlement of dues (OTS) as under subject to other terms and conditions mentioned in **Annexure - I**.

Sr. No.	Particulars	Details		
1	Settlement Amount	Rs.1.78 (Rupees One crore and seventy eight lakh).		
2	Payment Schedule	Installment Type	Amount Rs lakh	Date
		Upfront payment	16.26	Already paid
		1st payment	19.34	At the time of issuance of LOA. Paid on October 30, 2025.
		2 nd payment	142.40	Within 90 days from the date of LOA
		Total	178.00	
3	Interest on settlement amount	Not Applicable		
	Delayed period interest	In case of delay in making payment of settlement amount beyond 90 days from the date of conveying sanction, interest would be payable @ 1 Year MCLR plus 2% p.a. for the delayed period subject to further period for payment is expressly granted by the Bank.		

4.	NOC for partial release of security	Not Applicable.
	Release of security	No Due Certificate will be issued upon full OTS payment.
5	Settlement towards NFB outstanding	Not Applicable.

11. Applicant – IRP discharged his duties to ensure that CD continued to run under the suspended management.
12. During the course of proceedings in the appeal, several interventions were filed by the following Operational Creditors of the CD:

Date of Filing	Name of applicant	I.A. No. in the Company Appeal
26.08.2025	M/s. Associated Road Carriers Ltd.	I.A. No. 5502 of 2025
19.11.2025	M/s. A.T.O (I) Ltd.	I.A. No. 7178 of 2025
29.01.2026	Sekai Private Limited	I.A. No. 765 of 2026

13. Applicant has been able to reach settlement with all the creditors who intervened in the matter as mentioned above.
14. Relevant portion of the agreement of settlement with M/s Associated Road Carriers Limited is extracted below:

By and Between:

1. HIL (India) Limited, a company incorporated under the laws of India, having its registered office at SCOPE Complex, Core 6, 2nd Floor, 7 Lodhi road, New Delhi-110003, represented through its authorized representative Mr. D.N.V Srinivasa Raju, Director-Finance (hereinafter referred to as the **"First Party/HIL"**);

AND

2. Associated Road Carriers Ltd., having its Regional office at D-901/902, Lotus Corporate Park, Near Jay Coach Flyover/W.E Highway, Goregoan East, Mumbai – 400063 at represented through its Authorized Signatory Mr Lyju Antony, designated as General Manager – Admin & Legal (hereinafter referred to as the **"Second Party/Associated Road Carriers Limited "**).

NOW, THEREFORE, THE PARTIES HEREBY AGREE AS FOLLOWS:

1. Settlement Amount

The First Party agrees to pay the Second Party a sum of **Rs. 1,03,87,464 (Rupees One Crore Three Lakh Eighty-Seven Thousand Four Hundred and Sixty-Four only)** ("Settlement Amount") as full and final settlement of all claims between the Parties in relation to the Dispute.

2. Proposed Repayment Plan

2.1 The entire settlement amount shall be paid in a single payment, within a one week from the signing of the Settlement Agreement and NDA.

2.2 Interest waiver/concessions: We request consideration for waiver or reduction of penal interest and other charges applied post-default date.

2.4 The mode of payment shall be:

- Bank Transfer / RTGS / NEFT to the following account of the Second Party:
 - Account Name: Associated Road Carriers Ltd
 - Bank: State Bank of India, (01861) Jogeshwari East (Mumbai)
 - Account No.: 40037256179
 - IFSC: SBIN0001861 SWIFT

3. Full and Final Closure

3.1 Upon successful receipt of the Settlement Amount by the Second Party, the Dispute shall stand fully and finally resolved.

15. Relevant portion of the agreement of settlement with M/s ATO (I) Limited, is extracted below:

By and Between:

1. HIL (India) Limited, a company incorporated under the laws of India, having its registered office at SCOPE Complex, Core 6, 2nd Floor, 7 Lodhi road, New Delhi-110003, represented through its authorized signatory Director (Finance) Mr. D.N.V Srinivasa Raju (hereinafter referred to as the "**First Party/HIL**");

AND

2. ATO (I) Ltd., having its address 60-C, Colootola Street, Kolkata- 700073 at represented through its Branch Manager (Delhi), Mr. Sanjay Singh (hereinafter referred to as the "**Second Party/ATO**").

The First Party and Second Party are individually referred to as "**the Party**" and collectively as "**Parties**".

NOW, THEREFORE, THE PARTIES HEREBY AGREE AS FOLLOWS:

1. Settlement Amount

The First Party agrees to pay the Second Party a sum of **Rs. 1,10,89,506 (Rupees One Crore Ten Lakh Eighty-Nine Thousand Five Hundred and Sixonly)** ("Settlement Amount") as full and final settlement of all claims between the Parties in relation to the Dispute.

2. Proposed Repayment Plan

2.1 The entire settlement amount shall be paid in a single payment, within a one week from the signing of the Settlement Agreement and NDA.

2.2 Interest waiver/concessions: We request consideration for waiver or reduction of penal interest and other charges applied post-default date.

2.4 The mode of payment shall be:

- Bank Transfer / RTGS / NEFT to the following account of the Second Party:
 - Account Name: ATO (I) LIMITED
 - Bank: HDFC BANK
 - Account No.: 50200022179970
 - IFSC: HDFC0000718

3. Full and Final Closure

3.1 Upon successful receipt of the Settlement Amount by the Second Party, the Dispute shall stand **fully and finally resolved**.

To,
The Legal Cell,
HIL (India) Limited,
Scope complex, Core- 6, 2nd floor,
7 Lodi Road,
Delhi- 110 003.

Subject- Money receipt.

Sir/Ma'am,

We have received Rs. 2,05,78,028/- on 19.03.2026 from HIL India Limited against our product MCB supplied to HIL Rasayani in the year 2022 for purchase order number 4500003932 dated 23.02.2022.

Thanking you,
Sincerely,
For Sekai Pvt. Ltd.,


Harsh Gupta.
(Director).



16. Relevant portion of the agreement of settlement with M/s Sekai Private Limited, is extracted below:

By and Between:

1. HIL (India) Limited, a company incorporated under the laws of India, having its registered office at SCOPE Complex, Core 6, 2nd Floor, 7 Lodhi road, New Delhi-110003, represented through its authorized signatory Director (Finance) Mr. D.N.V Srinivasa Raju (hereinafter referred to as the "**First Party/HIL**");

AND

2. Sekai Private Limited, having its address at 3A, Hare Street, Room No. 208, Kolkata-700001 represented through its (hereinafter referred to as the "**Second Party/Sekai**").
General Manager Mr. Manoj Kumar

NOW, THEREFORE, THE PARTIES HEREBY AGREE AS FOLLOWS:

1. Settlement Amount

The First Party agrees to pay the Second Party a sum of ₹ 2,05,78,028/- (Rupees **Two Crore Five Lakhs Seventy-Eight Thousand and Twenty- Eight only**) ("Settlement Amount") as full and final settlement of all claims between the Parties in relation to the Dispute.

2. Proposed Repayment Plan

2.1 The entire settlement amount shall be paid in a single payment, within a period 30 days from the signing of the Settlement Agreement and NDA.

2.2 Interest waiver/concessions: We request consideration for waiver or reduction of penal interest and other charges applied post-default date.

2.4 The mode of payment shall be:

- Bank Transfer / RTGS / NEFT to the following account of the Second Party:
 - Account Name: Sekai Private Limited
 - Bank: Axis Bank
 - Branch: Hare Street Branch, Kolkata
 - Account No.: 922020048967306
 - IFSC: UTIB0004104

3. Full and Final Closure

3.1 Upon successful receipt of the Settlement Amount by the Second Party, the Dispute shall stand **fully and finally resolved**.

17. Ld. Counsel for the Applicant therefore submits that having entered into settlement with the creditors who intervened, the withdrawal application is maintainable and deserves to be allowed.

Claim by Respondent No. 3 – M/s Wanksons Chemical Industries Pvt. Ltd.:

18. It has been submitted that in the year 2017, M/s Wanksons entered into a commercial arrangement with the Corporate Debtor, which is a Government of India enterprise, for the supply of Chloral to be used in the production of DDT.

19. The Operational Creditor, M/s Wanksons has an outstanding claim of Rs. 21,11,07,858.95/- as on 31.03.2026, against the Corporate Debtor which remains wholly unpaid. The said claim comprises of Rs. 10,02,24,993.10/- towards principal and Rs. 11,08,82,865.95/- towards interest, apart from further interest accruing until actual realisation. M/s Wanksons initially did not consent to the proposed withdrawal nor was approached for any settlement.

20. Respondent No. 3 – M/s Wanksons had also filed a claim for an amount of Rs. 19,66,20,761.66/- due as on 30.07.2025 with the IRP herein through the specified Claim Form B dated 12.08.2025.

21. The aforesaid claim of Rs. 19,66,20,761.66/- is stated to be a matter of pre-existing dispute as the same was pending prior to commencement of the CIRP before the Ld. State Level Micro and Small Enterprises Facilitation Council (“Ld. MSEFC”) in Case No. MSME-D/MSEFC/DP-5544/602/25.

ANALYSIS AND FINDINGS:

22. We have heard the Learned Counsel for both parties and perused the contents of the Application, Reply by M/s Wanksons, and Rejoinder thereto.

23. In the course of hearing on the Application, the Adjudicating Authority was apprised of the settlement reached with Respondent No.3 - M/s Wanksons Chemical Industries Private Limited. On 15.09.2026, the parties were given liberty by this Adjudicating Authority to place an affidavit in respect of the record settlement.

24. In compliance thereof, Respondent No. 3 – M/s Wanksons has filed an affidavit dated 11.09.2026 on 16.09.2026, relevant portion of which is extracted hereinbelow:

I, Tanya Wankawalla, Authorised Representative of M/s Wanksons Chemical Industries Pvt. Ltd., Objector having Office at Plot No. 518, GIDC Industrial Estate, Panoli – 394116, currently residing in Mumbai, do hereby solemnly affirm and declare as under: -

1. I say that I am the Authorised Signatory of M/s Wanksons Chemical Industries Private Limited and well conversant with the facts and circumstances of the present case, hence, competent to swear this affidavit.
2. I say that the present application has been filed by the Interim Resolution Professional under Section 12A of Insolvency and Bankruptcy Code, 2016
r/w Regulation 30A(1)(a) of IBBI (Insolvency Resolution Process of Corporate Persons) seeking withdrawal of the CP(IB) No. 404 (PB) 2024 and thereby closure of the Corporate Insolvency Resolution Process against the Corporate Debtor in pursuance of the order dated 08.04.2026 passed by this Hon'ble Tribunal.
3. I say that M/s Wanksons Chemical Industries Pvt. Ltd. filed its objections seeking dismissal of the present application.
4. I say that the claim of M/s Wanksons Chemical Industries Pvt. Ltd. has been settled in full and final for an amount of Rs. 12,01,00,000/- (excluding GST of Rs. 42,87,343/-) in terms of the settlement agreement dated 09.09.2026.
5. I say that the M/s Wanksons Chemical Industries Pvt. Ltd. has received full and final settlement amount of Rs. 12,20,05,486.00/- (Rs. 12,01,00,000/- + GST of Rs. 42,87,343 - TDS of Rs. 23,81,857/-).
6. I say that the permission may kindly be granted to M/s Wanksons Chemical Industries Pvt. Ltd. to withdraw its objections to the application bearing IA No. 1432 of 2026 filed under Section 12A of Insolvency and Bankruptcy Code, 2016.
7. I say that the said application may be decided by this Hon'ble Tribunal without any objections from /s Wanksons Chemical Industries Pvt. Ltd.
8. I say that this is my true and correct statement and nothing has been concealed therefrom.

25. Therefore, it is patent that all claims of all the interveners have been satisfied.

26. The instant Application was filed on 02.04.2026, which is before the coming into effect of the 2026 amendments to the IBC provisions, including Section 12A. Prior to the amendment, Section 12A read as follows:

The Adjudicating Authority may allow the withdrawal of application admitted under section 7 or section 9 or section 10, on an application made by the applicant with the approval of ninety per cent. voting share of the committee of creditors, in such manner as may be specified.

27. Further, Regulation 30A of the CIRP Regulation, effective at the time of filing of the instant application, reads as follows:

⁸⁷ **[30 A. Withdrawal of application.**

- (1) An application for withdrawal under section 12A may be made to the Adjudicating Authority –
 - (a) before the constitution of the committee, by the applicant through the interim resolution professional;
 - (b) after the constitution of the committee, by the applicant through the interim resolution professional or the resolution professional, as the case may be:

Provided that where the application is made under clause (b) after the issue of invitation for expression of interest under regulation 36A, the applicant shall state the reasons justifying withdrawal after issue of such invitation.

- (2) The application under sub-regulation (1) shall be made in Form FA of the ⁸⁸[Schedule-I] accompanied by a bank guarantee-
 - (a) towards estimated expenses incurred on or by the interim resolution professional for purposes of regulation 33, till the date of filing of the application under clause (a) of sub-regulation (1); or
 - (b) towards estimated expenses incurred for purposes of clauses (aa), (ab), (c) and (d) of regulation 31, till the date of filing of the application under clause (b) of sub-regulation (1).
- (3) Where an application for withdrawal is under clause (a) of sub-regulation (1), the interim resolution professional shall submit the application to the Adjudicating Authority on behalf of the applicant, within three days of its receipt.

- (4) Where an application for withdrawal is under clause (b) of sub-regulation (1), the committee shall consider the application, within seven days of its receipt.
- (5) Where the application referred to in sub-regulation (4) is approved by the committee with ninety percent voting share, the resolution professional shall submit such application along with the approval of the committee, to the Adjudicating Authority on behalf of the applicant, within three days of such approval.
- (6) The Adjudicating Authority may, by order, approve the application submitted under sub-regulation (3) or (5).
- (7) Where the application is approved under sub-regulation (6), the applicant shall deposit an amount, towards the actual expenses incurred for the purposes referred to in clause (a) or clause (b) of sub-regulation (2) till the date of approval by the Adjudicating Authority, as determined by the interim resolution professional or resolution professional, as the case may be, within three days of such approval, in the bank account of the corporate debtor, failing which the bank guarantee received under sub-regulation (2) shall be invoked, without prejudice to any other action permissible against the applicant under the Code.]

28. The provision effective at the relevant time permitted the original Applicant to settle the matter with the CD and seek withdrawal of the main petition through IRP before the constitution of CoC.

29. In view of the above, the instant Application under Section 12A is liable to be allowed, as the interveners' claims have been settled. However, it is made clear that the settlement has been recorded only with creditors who have intervened in the matter either before this Adjudicating Authority or before NCLAT, and therefore the same and/ or this order allowing the instant Application shall not be construed to bar the rights of other creditors who either have already filed their claims before IRP but not intervened or may file their claims, from availing their legal remedies in accordance with law, as the case may arise.

30. The IRP is directed to hand over all records, documents, and information collected during the course of the CIRP to the suspended Board of Directors. Upon such handover, the IRP shall stand discharged from his duties in relation to the CIRP.

31. Further, in terms of Regulation 30A(7) above, IDBI Bank Limited is directed to pay expenses incurred by and fees payable to the IRP pursuant to the commencement of the CIRP to the date of this order.
32. In view of the above, the instant Application bearing **I.A. 1432 of 2026 is Allowed.**
33. Accordingly, **CP(IB)-404(PB)/2024 is dismissed as withdrawn.**
34. Files be consigned to the record room (current)

Sd/-
(ANUPINDER SINGH GREWAL)
PRESIDENT

Sd/-
(RAVINDRA CHATURVEDI)
MEMBER (TECHNICAL)