

29th September, 2025

<p>BSE Limited 25 Floor P J Towers Dalal Street, Mumbai 400 001</p> <p><u>BSE SCRIP CODE: 532721</u></p>	<p>National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G Block Bandra – Kurla Complex, Bandra (E) Mumbai 400 051</p> <p><u>NSE SYMBOL: VISASTEEL</u></p>
---	--

Sub: **Intimation under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir/ Madam,

With reference to the announcement submitted by the Company dated 26th September 2025 and in continuation to the same, please find attached a copy of the Order dated 26th September 2025 passed by the Hon'ble National Company Law Tribunal, Cuttack Bench in terms of sub-para 16 of Para A of Part A of Schedule III read with Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This is for your information and records.

Thanking you,

For VISA Steel Limited



**Amisha Chaturvedi
Company Secretary &
Compliance Officer
F11034**



**NATIONAL COMPANY LAW TRIBUNAL
CUTTACK BENCH**

IA(IB) No. 322/CB/2024

In

CP(IB) no. 53/CTB/2020

(An Application under Section 60(5) of the Insolvency and Bankruptcy Code, 2016, read with rule 11 of the National Company Law Tribunal Rules, 2016)

In the matter of:

PUNJAB NATIONAL BANK LTD & ANR.

..... FINANCIAL CREDITOR

Vs.

VISA STEEL LIMITED

..... CORPORATE DEBTOR

In the matter of:

MR. AJAY KUMAR AGARWAL

Interim Resolution Professional of Visa Steel Limited

Having office at plot No. IID/31/1,
Street No. 1111, PS Qube, Unit Number 1015A,
10th Floor, Beside City Centre 2, Kolkata-700161,
E Mail: cs.aaa.2014@gmail.com

... APPLICANT

Vs.

ASSET CARE & RECONSTRUCTION ENTERPRISE LIMITED

Represented by Manish Kumar Manav (Associate Vice President)

Having its office on the 2nd Floor, Mohan Dev Building,
13, Tolstoy Marg, New Delhi-110001
Email: mk.manav@acreindia.in

.....RESPONDENT

Sd

Sd



ORDER PRONOUNCED ON: 26.09.2025

**CORAM: DEEP CHANDRA JOSHI, MEMBER JUDICIAL
BANWARI LAL MEENA, MEMBER TECHNICAL**

APPEARANCE:

FOR IRP/APPLICANT: MR. UMESH CHANDRA SAHOO, ADVOCATE

FOR FINANCIAL CREDITOR/RESPONDENT: MR. S.S. MOHANTY, ADVOCATE

FOR CORPORATE DEBTOR: MR. DIWAKAR MAHESHWARI ALONG WITH MR. P.P. BISWAL, ADVOCATES

ORDER

PER: DEEP CHANDRA JOSHI, MEMBER JUDICIAL


1. This is an application filed under section 60(5) of the Insolvency and Bankruptcy Code, 2016 (**'the Code'**) read with Rule 11 of National Company Law Tribunal Rules, 2016 (**'the Rules'**) by Ajay Kumar Agarwal, (**Interim Resolution Professional**) of Visa Steel Limited (**Corporate Debtor**) seeking necessary direction to withdraw the Company Petition bearing CP(IB) No.53/CTB/2020 filed by Punjab National Bank, which has assigned its debt to Asset Care & Reconstruction Enterprise Limited (**Financial Creditor**) under Section 7 of the Code. The Applicant is seeking withdrawal of the CIRP proceeding of the Corporate Debtor in view of the order passed by the Hon'ble NCLAT dated 13.11.2024.

2. **The averments made by the Applicant in its application are as follows:**

- i. The CIRP of the Corporate Debtor was initiated by this Tribunal on 28.11.2022, in which Mr. Ajay Kumar Agarwal was appointed as IRP. The IRP published the public announcement in Form A in Odia-Pratidin, Bengali-Ekdin, and English-Business Standard on November 30, 2022. Thereafter, the IRP had collated the claims received as of the last date of public announcement

Sd

Sd



and prepared the financial status of the Corporate Debtor by forming a CoC on 20.12.2022 and communicated through mail to all stakeholders and CoC members to conduct the first CoC meeting of members on 26.12.2022.

ii. The Applicant submits that by complying with regulation 13(2)(d) and 17(1) of the IBBI(IRPCP) Regulations, 2016, which was duly filed before this Tribunal on 22.12.2022. The IRP had filed the Progress Report bearing IA(IB) No. 361/CB/2022, wherein the constitution of the CoC for M/s visa Steel Limited was recorded. The IRP had sent a communication regarding the 1st meeting of the CoC, scheduled to be held on Monday, i.e., 26.12.2022, at 03:00 PM, by sharing the link for the video conference of the first CoC on 24.12.2022.

iii. This Tribunal, on 17.07.2023, heard the IA(IB) No. 361/CB/2022 and on the same day recorded the order by hearing the submission of the parties that the stay order granted by the Hon'ble High Court of Orissa is in continuance. Hence, this Tribunal, by observing their submissions, adjourned the matter for the production of the extension of stay order passed by the Hon'ble High Court.

iv. The IRP has shared the list of creditors as of 20.12.2022 with the Company Secretary of Visa Steel Ltd. (Corporate Debtor) through email dated 26.12.2022, with a request to update the list on the website of the Corporate Debtor. It is submitted by the IRP that, before the CoC meeting, the IRP received a communication on 26.12.2022 from Visa Industries Limited regarding the stay order passed by the Hon'ble High Court vide its Order dated 21.12.2022 in W.P.(C) No. 35205 of 2022 and IA No.17482 of 2022 for staying the admission order dated 28.11.2022.

v. The Applicant submits that one of the directors of the Suspended Board of Directors of the Corporate Debtor had filed

Sd

Sd




a Company Appeal(AT)(Ins) No. 1464 & 1465 of 2022 and IA No. 180, 181 & 5022 of 2023 before the Hon'ble NCLAT. The Hon'ble NCLAT vide its order dated 13.11.2024 directed that, by recording the statement made by the counsel for Respondent No.1, they shall file an application through IRP before this Tribunal for obtaining an order based on settlement, as CoC was not then constituted.

vi. The Applicant further submitted that the submission made by the Respondent No.1 before the Hon'ble NCLAT is incorrect as the CoC was constituted on 20.12.2022, and the IRP had filed the Constitution of CoC before this Tribunal on 22.12.2022 through an IA(IB) No. 361/CB/2022. The above events had occurred prior to the knowledge of the stay order passed by the Hon'ble High Court of Orissa dated 21.12.2022, which came to the IRP's knowledge on 26.12.2022.

vii. The IRP had received an email dated 07.12.2024 from Corporate Debtor along with a Financial Application (FA) and a revised bank guarantee. Thereafter, the Corporate Debtor requested the IRP to file an application under section 12A of the Code for withdrawal of the application. It is further submitted that the IRP, in response to the email, had stated that the observation laid down by the Hon'ble NCLAT under Para 5 of the order dated 13.11.2024 to file an appropriate application through IRP to obtain an order based on settlement, as the CoC has not been constituted. Whereas the CoC was already constituted on 20.12.2022, and the 1st CoC meeting notice and link to the virtual meeting were circulated among members on 21.12.2022 and 24.12.2022, respectively. It is also that the Hon'ble High Court of Orissa had passed an order to stay the CIRP proceeding, and the stay order is still in continuance.

Sd

Sd



viii. The IRP had also approached the Hon'ble NCLAT by filing an application under Rule 11 for recalling the order dated 10.12.2024. It is also submitted that due to the stay order of the Hon'ble High Court of Orissa, the IRP was prevented from convening the CoC meeting for voting by the CoC members for withdrawal of the application.

2. The reply filed by the Respondent is as follows:

- i.** This Tribunal vide order dated 28.11.2022 initiated the CIRP process, and Ajay Kumar Agarwal was appointed as the IRP. Subsequently, the suspended board of Directors of the Corporate Debtor had challenged the said order by way of an appeal being CA(AT)(Ins) No. 1464 & 1465 of 2022 before the Hon'ble NCLAT.
- ii.** Thereafter, the shareholders of the Corporate Debtor filed W.P. (C) No. 35205 of 2022 and W.P.(C) No.35241 of 2022 before the Hon'ble High Court of Orissa, assailing the order dated 28.11.2022 by this Tribunal. It is submitted that in the above-mentioned writ petition, an order dated 21.12.2022 stayed the operation of the order dated 28.11.2022. The stay order was extended from time to time and continues to be in effect as of the date of this reply affidavit.
- iii.** The PNB (Financial Creditor) vide a Deed of assignment dated 25.08.2023 in pursuance of section 5(1)(b) of the SARFAESI Act, 2002, had unconditionally and irrevocably sold, assigned, transferred and released in favour of the ACRE (acting in its Trustee of the ACRE-139-TRUST), with all its rights, title and interest in the Financing Documents (as defined in the Assignment Agreement), including the financial facilities forming part of CP9IB) No. 53/CTB/2020 and the proceedings under in the main case was also assigned to ACRE by the Assignment Agreement dated 25.08.2023. Accordingly, an application for

Sd

Sd

substitution was filed by the ACRE, which was allowed by this Tribunal vide order dated 29.11.2024.

iv. The ACRE, in pursuance of the said order dated 13.11.2024, passed by Hon'ble NCLAT, had provided the duly executed FORM FA along with the Original Bank Guarantee to the IRP vide letter dated 07.12.2024 for withdrawal of the main case and all related pending applications. After receiving FORM FA, the IRP had filed an application bearing IA(IB) No. 8753-8754 of 2024 dated 13.12.2024 before Hon'ble NCLAT, seeking clarification of the order dated 13.11.2024 and subsequently, the said application was disposed of by the Hon'ble NCLAT vide order dated 17.12.2024, and meanwhile, the IRP had filed the present application before this Tribunal on 16.12.2024 enclosing the FORM FA.

v. The Respondent submits that this application was listed before this Tribunal on 19.12.2024 and this Tribunal had passed the order by picking up an issue whether the withdrawal application filed under Section 60(5) of the Code can be allowed in absence of 90% approval by the CoC, when it is mandate under Section 12 A of the Code as the 1st meeting of CoC was not convened due to the stay order of the Hon'ble High Court of Orissa against the admission order passed by this Tribunal.

vi. The Respondent, in response to the issue raised by this Tribunal, had submitted that:

a. That ACRE has been substituted as the Applicant/Financial Creditor upon submission of *Form FA*, holding approximately 95% voting share in the CoC of the Corporate Debtor. Assignment Agreements were executed with all Secured Financial Creditors, except Edelweiss Asset Reconstruction Company Ltd., which was settled directly by the Corporate Debtor. By virtue of such

Sd

Sd



assignments, the admitted claims stand vested in ACRE. Accordingly, the present application is supported by more than 90% voting share of the CoC as mandated under Section 12A of the Code, ACRE collectively holding 95.94%.

Present Financial Creditor	Previous Financial Creditor	Voting Share
ACRE-139-Trust	Punjab National Bank	28.43%
ACRE-131-Trust	State Bank of India	21.48%
ACRE-147-Trust	Canara Bank	11.67%
ACRE-143-Trust	Union Bank of India	11.56%
ACRE-32-Trust	UCO Bank	4.88%
ACRE-42-Trust	Central Bank of India	4.87%
ACRE-90-Trust	Vijaya Bank	3.21%
ACRE-47-Trust	Indian Overseas Bank	2.67%
ACRE-146-Trust	Exim Bank	2.07%
ACRE-51-Trust	Dena Bank	1.81%
ACRE-65-Trust	Bank of Baroda	1.62%
ACRE-91-Trust	SIDBI	0.13%

Sd

Sd



ACRE-149-Trust	Bank of India	1.54%
Total		95.94%

b. The Respondent submits that the present application under Section 60(5) of the Code is liable to be allowed even in the absence of 90% approval of the CoC under Section 12A of the IBC, for the following reasons:

Admittedly, the Stay Order passed by the Hon'ble High Court interdicted all proceedings pursuant to the Admission Order. As a consequence, the process of constitution and functioning of the CoC has been rendered legally ineffective.

Firstly, the intimation issued by the IRP regarding the 1st CoC meeting was after the Stay Order dated 21.12.2020, having been sent only at 10:24 PM on the same day. The list of creditors, dated 20.12.2020 but circulated on 26.12.2020 without verification, further establishes that the purported constitution of CoC lacks sanctity.

Secondly, the CoC cannot be regarded as lawfully constituted under Section 21, since verification of claims under Section 18(b) read with Regulation 12(1) and Regulation 40A was never concluded owing to the Stay Order. The very document relied upon for the constitution of the CoC records that claims were "subject to verification".

Thirdly, even assuming a lawful constitution, the decision-making framework of the CoC was suspended. The first meeting scheduled on 26.12.2020 under Section 22(1) was

Sd →

Sd —



recalled, and no meeting under Section 24 has been conducted till date.

Accordingly, the decision-making mechanism of the CoC remains unavailable, rendering the requirement of 90% CoC approval under Section 12A read with Regulation 30A inapplicable. In any event, the Applicant (ACRE) already holds more than 90% voting shares in the CoC.

Hence, the parties stand relegated to the pre-admission stage, where withdrawal of the insolvency application does not require approval of the CoC.

c. Having stated the effect of the Stay Order, it is submitted that the well-settled principle of ***actus curiae neminem gravabit***, that no one should be prejudiced by an act of court, is squarely attracted herein in this case. The Stay Order has rendered the decision-making function of the CoC non-existent and impossible to implement. Accordingly, the Stay Order cannot be construed in a manner prejudicial to the parties, all of whom stand to benefit from an out-of-court resolution of the Corporate Debtor, in alignment with the objectives of the Code.

In this context, it is submitted that the settlement arrived at between the Corporate Debtor and ACRE/Financial Creditor, and the consequent filing of the present application, does not amount to overreaching the proceedings before the Hon'ble High Court. On the contrary, the settlement and resultant withdrawal of the insolvency application are in furtherance of the process enabled under the aegis of the Hon'ble High Court and bring such process to its logical conclusion.

Sd

Sd



d. It is further submitted that the Hon'ble NCLAT, while taking note of the Stay Order passed by the Hon'ble High Court and the settlement arrived at between the parties, directed ACRE to seek withdrawal of the insolvency application through the IRP before this Hon'ble Tribunal. Accordingly, the present application has been filed in compliance with the Order dated 13.11.2024 passed by the Hon'ble NCLAT and is therefore in accordance with law.

3. We have heard the learned Counsel for both parties and have perused the documents available on record. It is noted that the withdrawal application has been filed under Section 60(5) of the Code, seeking necessary direction in regard to the withdrawal of the application filed in Form FA under Section 12A.

4. The Punjab National Bank filed the Application to admit the Corporate Debtor into CIRP, and after initiation of CIRP, the CoC was constituted on 20.12.2022, and the members of CoC were communicated regarding the 1st meeting of CoC that was scheduled on 26.12.2022. Furthermore, it is also noted that the report certifying the constitution of CoC was filed before this Adjudicating Authority on 22.12.2022, bearing IA(IB) No. 361/CB/2022. The 1st meeting of CoC, which was scheduled to be held on 26.12.2022, could not be convened as the Hon'ble High Court of Orissa stayed the CIRP vide order dated 21.12.2022 in WP(C) No.35205 of 2022 filed by the suspended Board of Directors and still in continuance.

5. In the meantime, all the Secured Financial Creditors have assigned their debts in favour of Asset Care and Reconstruction Enterprise Ltd. ("ACRE") under the Deed of Assignments. By virtue of such assignments, the ACRE has been substituted as the Financial Creditor in the present proceedings. It is on record that ACRE, through its various trusts, now holds 95.94% of the admitted financial debt of the Corporate Debtor.

Sd

Sd



6. The suspended management had also preferred an appeal before the Hon'ble NCLAT challenging the admission order, wherein during the course of hearing both the Financial Creditor and Suspended Directors submitted that the settlement talks were undergoing, which is evident from the order dated 14.10.2024, subsequently on the next date of hearing, i.e., 13.11.2024, the assignee of the Financial Creditor's, i.e., ACRE's Counsel submitted that since the CoC has not been constituted yet, hence, they will take appropriate steps as per the Code to withdraw the petition before the Adjudicating Authority, and hence, the appeal was disposed of being infructuous. The said appellate direction was issued after taking note of the subsisting stay order of the Hon'ble High Court, and the settlement arrived at between the Corporate Debtor and the Financial Creditor. The present application has been filed in compliance with the aforesaid direction of the Hon'ble NCLAT. The ACRE has also filed Form FA on 07.12.2024, accompanied by the original bank guarantee.

7. It is observed that the Hon'ble High Court of Orissa had passed a stay order in the CIRP Process of the Corporate Debtor. It is seen that due to stay, the Applicant is unable to proceed in the matter to conduct 1st CoC meeting to obtain a ninety percent vote to withdraw the said application. Thus, this Tribunal is inclined to rely upon the judgment of Hon'ble Supreme Court in **Jai Jai Ram Manohar Lal Vs. National Building Material Supply, 1969 SCC (1) 869** wherein it was held that the rule of procedure are handmaid to the administration of justice and it cannot be refused merely of some mistake, negligence, inadvertence, or even infraction of the rules of procedure. The relevant excerpt of the said judgment is reproduced herein below:

"5. Rules of procedure are intended to be a handmaid to the administration of justice. A party cannot be refused just relief merely because of some mistake, negligence, inadvertence or even infraction of the Rules of procedure."

Sd

Sd



This Tribunal is also inclined to place reliance upon the judgment of the Hon'ble Supreme Court in ***Amit Katyal Vs. Meera Ahuja & Ors, Civil Appeal No. 3778 of 2020***, wherein, the Hon'ble Supreme Court observed that immediately after constitution of CoC, the Apex Court itself had stayed the operation and implementation of the CIRP Proceedings and no further steps could be taken by the IRP. The Apex court observed that as section 12A of the Code was inserted by the Insolvency and Bankruptcy (Second Amendment) Act, 2018 with retrospective effect from 06.06.2018, wherein the Adjudicating Authority may allow the withdrawal of application admitted under Section 7, Section 9 and Section 10 on an application made by the applicant with the approval of ninety percent voting share of the CoC or in such manner as may be specified. The rationale behind the insertion of Section 12A is contained in the Insolvency Law Commission Report. The relevant clause of the Insolvency Law Commission Report is as under:

"29.1 Under Rule 8 of the CIRP Rules, NCLT may permit withdrawal of the application on a request by the applicant before its admission. However, there is no provision in the Code or the CIRP Rules in relation to permissibility of withdrawal post admission of a CIRP application. It was observed by the Committee that there have been instances where on account of settlement between the applicant creditor and the corporate debtor, judicial permission for withdrawal of CIRP was granted. [...] Thus, it was agreed that once CIRP is initiated, it is no longer a proceeding only between the applicant creditor and the corporate debtor but is envisaged to be a proceeding involving all creditors of the debtor. The intent of the Code is to discourage individual actions for enforcement and settlement to the exclusion of the general benefit of all creditors."

Sd

Sd



The procedure for preferring an application under Section 12 A of the Code is contained in Regulation 30A of the CIRP Regulations, 2016, and the Hon'ble Apex Court by relying upon its own decision in the case case of *Brilliant Alloys Pvt. Ltd Vs. S. Rajagopal*, 2018 SCC online SC 3154, held that the said provision is directory, depending on the facts of each case.

8. In the peculiar facts of this case, it is observed that as the CoC could not convene their 1st CoC meeting due to the stay order passed by the Hon'ble High Court, therefore, they were unable to vote for withdrawal of the main application, but it is seen that the erstwhile Financial Creditors have already assigned their debts to ACRE and as of now, ACRE is holding 95.94% voting share in the CoC , which far exceeds the statutory threshold of 90% voting share of CoC, as prescribed under section 12A of the Code.

9. Accordingly, **IA(IB) No. 322/CB/2024** stands **ALLOWED** and the main petition bearing **CP(IB) No. 53/CB/2020** stands '**Dismissed as withdrawn**'. Since this is an admitted matter, the applicant is at liberty to revive the main petition in the event of breach of the settlement agreement. Consequently, the Corporate Debtor, i.e., **Visa Steel Limited**, is released from the rigours of the CIRP.

10. The moratorium order passed by this Adjudicating Authority under Section 14 of the Code shall cease to have effect from the date of this order.

11. The Resolution Professional is directed to hand over the records and assets of the Company, if any, to the management of the said Corporate debtor forthwith. The Registrar of Companies, Cuttack, is also directed to change the status of the Corporate Debtor as not being under CIRP.

Sd —

Sd —



NCLT Cuttack Bench
IA(IB) No.322/CB/2024
In
CP(IB) No. 53/CB/2020

12. Accordingly, **IA(IB) No. 322/CB/2024** stands '**DISPOSED OF**' along with closure of the main petition, i.e., **CP(IB) No. 53/CB/2020**

Sd

BANWARI LAL MEENA
MEMBER TECHNICAL

Sd

DEEP CHANDRA JOSHI
MEMBER JUDICIAL