

Party	Claim/Argument	NCLT Finding/Countered (Admitted the petition)	NCLAT Finding/Observation (Granted Stay)
<b>Financial Creditor (Canara Bank)</b>	<b>Existence of Financial Debt/Liability:</b> EDL was the Corporate Guarantor for approx. <b>INR 372.35 crore</b> debt owed by Sinnar Thermal Power Limited (Principal Borrower). Liability was established via the Corporate Guarantee Deed (2010) and Cost Overrun Undertaking (2016), among other documents.	NCLT found that the Corporate Guarantee (2010) and Cost Overrun Undertaking (2016), read collectively, created an obligation establishing the element of financial debt under Section 5(8) of the IBC.	EDL argued that the 2012 Deed related only to default in equity, not debt repayment, citing a parallel NCLT dismissal. NCLAT noted that the submissions made by the parties needed consideration.
<b>Corporate Debtor (EDL)</b>	<b>Guarantee Discharge/Novation:</b> The original 2010 Guarantee was discharged and novated pursuant to a 2011 Scheme of Arrangement approved by the Delhi High Court and substituted by the 2012 Corporate Guarantee.	NCLT rejected this, finding that the 2012 Deed explicitly required EDL to continue to be responsible for fulfilling obligations if substituted Guarantors defaulted, and no unconditional written release was produced.	EDL submitted that the guarantee was substituted in 2012, releasing them from being the principal obliger. NCLAT did not rule definitively on this point but noted the argument.
<b>Corporate Debtor (EDL)</b>	<b>Section 10A Bar:</b> The application is barred because the default (i.e., the cause of action against the guarantor) arose upon invocation of the guarantee on <b>30.09.2020</b> , which falls within the statutory suspension period (25.03.2020 to 24.03.2021).	NCLT rejected this, holding that the continuing default originated on the NPA date (28.09.2017), which pre-existed the Section 10A period. The recall notice in 2020 was merely an enforcement step.	<b>NCLAT <i>Prima Facie</i> Finding:</b> NCLAT was of the <i>prima facie</i> view that since the guarantee was invoked on <b>30.09.2020</b> , the application was <b>hit by Section 10A</b> . The NCLAT held that the cause of action arose upon the invocation of the guarantee.
<b>Corporate Debtor (EDL)</b>	<b>Limitation Bar:</b> The petition filed in January 2025 is barred by limitation, especially given the alleged invocation date of 20.09.2020.	NCLT rejected this, finding that repeated acknowledgments of debt and One Time Settlement (OTS) proposals made by the Principal Borrower and its promoters, extending up to 17.04.2024, extended the limitation period under Section 18 of the Limitation Act, 1963.	EDL submitted that the application was barred by limitation. NCLAT did not issue a conclusive finding on limitation but focused on the 10A bar when granting the stay.
<b>Overall Order</b>	Admission of CIRP petition.	<b>NCLT admitted the petition</b> on December 9, 2025, initiating CIRP.	<b>NCLAT granted a Stay:</b> On December 11, 2025, the NCLAT admitted EDL's appeal and <b>granted a stay</b> against the NCLT Order, halting all proceedings arising from it.