



INDIALAW

Debt Recovery and Insolvency Litigation

Debt Recovery and Insolvency Litigation Law Firm in India for SARFAESI and IBC

PRACTICE PROFILE • MAY 2026

Overview

With experienced practice heads and specialized teams overseeing Debt Recovery and Insolvency Litigation practice, we are pioneers in the field handling litigation, resolution, liquidation, and enforcement action on end-to-end basis for individuals and corporates before Tribunals and Courts of competent jurisdiction.

Overview

Insolvency & Bankruptcy Law pertains to reorganization and insolvency resolution of companies, partnership firms, and individuals in a time bound manner for maximization of value of assets of such persons, to promote entrepreneurship, availability of credit and balance the interests of all the stakeholders.

Debt Recovery Law pertains to debt recovery actions, including enforcement of security, stemming from defaults committed by corporate and individuals in repayment of borrowings before specialized Tribunals and Civil Courts.

Debt Recovery:

Requires adherence to procedural requirements and legal stipulations with respect to invoking personal/corporate guarantee, security enforcement action, filing of necessary applications before the Debt Recovery Tribunal and appellate forums.

Legal assistance is imperative to initiate recovery action based on incidence of stamp duty and determination of proper jurisdiction to pursue best possible course of action for recovery of debts and enforcement of security.

Our Services

Our expertise includes tendering legal opinions and transaction advisory involving complex matrix of SARFAESI, 2002, Insolvency and Bankruptcy Code, 2016, Companies Act, 2013, including special enactments like Prevention of Money Laundering Act, 2002, and Negotiable Instruments Act, 1881.

Key Highlights

- Debt Recovery
- Issuance of Notice under SARFAESI, 2002.
- Drafting and filing of Petitions and interim applications seeking reliefs against Principal Borrowers, Corporate/Personal Guarantors before the Debt Recovery Tribunal and appellate forums.
- Enforcement of security interest and guarantees, including extended assistance for taking physical possession of assets.
- Negotiating Settlement/Consent Terms between parties.
- Asset-tracing and Recovery Strategizing.

Key Professionals



Shiju P V

Managing Partner



Vinod P.V.

Senior Partner



Abdullah Qureshi

Associate Partner



G.P. Yash Vardhan

Associate Partner



Nidhi Singh

Partner

Frequently Asked Questions

Q1 What does debt recovery and insolvency litigation cover in India?

It covers actions to recover outstanding debts through DRT proceedings, SARFAESI enforcement, and insolvency resolution under IBC, 2016. This includes filing claims, enforcing security interests, invoking guarantees, and representing creditors or debtors before NCLT, NCLAT, and appellate courts.

Q2 When should a creditor consider initiating formal debt recovery action?

Action should be considered once a borrower defaults and informal resolution efforts have failed. Limitation periods apply; for instance, suits under the Limitation Act must generally be filed within three years of default. Early legal intervention preserves security value and improves recovery prospects.

Q3 Which Indian statutes govern debt recovery and insolvency proceedings?

The primary statutes are SARFAESI Act, 2002 for secured creditor enforcement, the Recovery of Debts and Bankruptcy Act, 1993 for DRT proceedings, and the Insolvency and Bankruptcy Code, 2016 for CIRP and liquidation before NCLT. RBI directions and Companies Act, 2013 also apply in specific contexts.

Q4 What is the typical timeline for an insolvency resolution process under IBC?

CIRP under IBC must be completed within 180 days from admission, extendable by 90 days. Including litigation and delays, total timelines often stretch to 270 to 330 days. DRT proceedings vary widely but typically take 12 to 24 months depending on case complexity and tribunal workload.

Q5 What documents are needed to initiate a debt recovery or insolvency case?

Key documents include the loan or facility agreement, guarantee deeds, security documents, demand notices issued under Section 13(2) of SARFAESI or Section 8 of IBC, bank statements evidencing default, board resolutions authorizing proceedings, and records of prior correspondence with the borrower.

Q6 What common mistakes do creditors make during debt recovery proceedings?

Frequent pitfalls include issuing defective statutory notices, missing limitation deadlines, failing to classify the account as NPA per RBI norms before initiating SARFAESI action, and not preserving the chain of assignment documents in cases involving debt transfer to ARCs. Each can result in dismissal of proceedings.

Related Practice Areas

Litigation