IN THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD
COURT - 2

ITEM No.301

C.P. (IB)/278(AHM)2024

Proceedings under Section 9 IBC

IN THE MATTER OF:

Satyarath Foods Private Limited .....**Applicant**

V/s

Mishtann Shoppee India Private Limited .....**Respondent**

Order delivered on: 16/05/2025

Coram:

Mrs. Chitra Hankare, Hon'ble Member(J)
Dr. Velamur G Venkata Chalapathy, Hon'ble Member(T)

ORDER

The case is fixed for pronouncement of order.

The order is pronounced in open court vide separate sheet.

Sd/-

DR. V. G. VENKATA CHALAPATHY
MEMBER (TECHNICAL)

Sd/-

CHITRA HANKARE
MEMBER (JUDICIAL)

IN THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD (COURT - II)

CP (IB) NO. 278/NCLT/AHM/2024

(An Application filed under Section 9 of the Insolvency & Bankruptcy Code, 2016)

IN THE MATTER BETWEEN

Satyarath Foods Private Limited

...Petitioner

Versus

Mishtann Shoppee India Private Limited

... Respondent

MEMO OF PARTIES

Satyarath Foods Private Limited
CIN: U01110GJ2021PTC124629
Having address at:
B1-1201, Westgate Business Bay,
Near YMCA Club, S.G Highway, Jivraj Park,
Ahmedabad, Gujarat, India, 380051

....Applicant
[Operational Creditor]

Versus

Mishtann Shoppee India Private Limited
CIN: U15400GJ2012PTC071454
Having address at:
Office number D-1201 Titanium Business Park, Nr. Makarba Railway crossing,
Jivraj Park, Ahmedabad,
Gujarat, India, 380051

...Respondent
[Corporate Debtor]

Order Pronounced on 16.05.2025

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Coram:

MRS. CHITRA HANKARE,
HON'BLE MEMBER (JUDICIAL)

MR. VELAMUR G VENKATA CHALAPATHY
HON'BLE MEMBER (TECHNICAL)

Appearance:

For the Petitioner : Mr. Nilesh Udernani, Adv.
For the Respondent : Mr. Mahadev Birla, Adv.

JUDGEMENT

1. The present application is filed by the operational creditor Satyarath Foods Private Limited under Section 9 of Insolvency and Bankruptcy Code 2016 against the Corporate Debtor viz. Mishtann Shoppee India Private Limited seeking, *inter alia,* initiation of Corporate Insolvency Resolution Process as against the Corporate Debtor for having total debt of an amount of Rs.3,18,91,056/- consisting of Principal amount of Rs.3,09,55,513/- and 24% rate of interest Rs.9,35,543/- as on 19.07.2024 as per MSME Rules and Regulations. The date of default is stated to be 02.05.2024.

2. The applicant submitted that it is engaged in the business of trading of agro-commodities. As per agreed terms with

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the corporate debtor, during the course of its business, the applicant had regularly supplied rock salt to the corporate debtor from 02.04.2024 to 29.05.2024. It is submitted that despite repeated requests made by the applicant to clear the outstanding dues, the corporate debtor failed to make the payments. The invoices pending for payments raised dated from 02.04.2024 to 29.05.2024 is placed on record.

3. The applicant sent Form 3 demand notice dated 15.07.2024 pursuant to section 8 of the I&B Code, 2016 demanding the payment of the outstanding operational debt of Rs. 3,09,55,513/- from the corporate debtor. It further states that the default occurred on 02.05.2024.

4. The Respondent/CD in its reply affidavit dated 29.11.2024 acknowledge the presence of debt due to be paid to the applicant and submitted that due to continuous losses and extreme financial difficulties, the company is unable to pay the outstanding amount due to be paid. Further the CD raised issues regarding the requisite standards of the goods supplied.

5. The applicant in its rejoinder affidavit dated 13.01.2024 submitted that the CD has acknowledged the debt and

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further states that the debt recorded under NESL (From D) clearly substantiates status of debt as "Deemed to be Authenticated" which establishes acknowledgement of debt by Respondent. It further placed reliance on the judgement passed by the Hon'ble NCLAT in the matter of Vipul Himatlal Shah Vs. Teco lndustries (Company Appeal (AT) (Insolvency) No. 470 of 2022).

6. Both the parties have filed their written submissions.

7. Heard the learned counsel for both the parties, perused documents produced on record.

8. We observe that the date of default is 02.05.2024. The Operational Creditor has sent demand notice dated 15.07.2024 in pursuant to section 8 of the IBC, 2016. The present application was filed on 23.08.2024. The respondent has admitted the debt and the default and submitted lack of funds to repay the debt. This application is filed well within the limitation. The amount defaulted is above Rs.1 Cr. which meets the threshold limit as per section 4 of the Code. Accordingly, the application filed under section 9 of the Insolvency and Bankruptcy Code, 2016 for initiation of corporate insolvency resolution process against the

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Respondent/Corporate Debtor deserves to be admitted. Hence we pass the following orders:-

ORDER

I. The CP (IB) 278 of 2024 is allowed.

II. The Corporate Debtor - Mishtann Shoppee India Private Limited is admitted into Corporate Insolvency Resolution Process under section 9(5) of the Code.

III. The order of moratorium under section 14 of the Code shall come to effect from the date of this order till the completion of the Corporate Insolvency Resolution Process or until this Adjudicating Authority approves the Resolution Plan under sub-section (1) of section 31 or passes an order for liquidation of the corporate debtor under Section 33 of the IBC 2016, as the case may be.

IV. However, in terms of Section 14(2) to 14(3) of the Code, the supply of essential goods or services to the corporate debtor as may be specified, if continuing, shall not be terminated or suspended, or interrupted during the moratorium period.

V. We hereby appoint from the panel suggested by IBBI, Mrs. Shubham Agarwal Goyal, Registered IP having IBBI registration no. as IBBI/IPA-002/IP-N01000/2020-

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2021/13229, Email- fcs.shubhamgoyal@gmail.com, under section 13 (1)(c) of the Code to act as Interim Resolution Professional (IRP). He shall conduct the Corporate Insolvency Process as per the Insolvency and Bankruptcy Code, 2016 r.w. Regulations made thereunder.

VI. The IRP so appointed shall make a public announcement of the initiation of Corporate Insolvency Resolution Process and call for submissions of claims under section 15, as required by Section 13(1)(b) of the Code.

VII. The IRP shall perform all his functions as contemplated, inter-alia, by sections 17, 18, 20 and 21 of the Code. It is further made clear that all personnel connected with the corporate debtor, its promoters, or any other person associated with the management of the corporate debtor are under legal obligation as per section 19 of the Code to extend every assistance and cooperation to the IRP. Where any personnel of the corporate debtor, its promoters, or any other person required to assist or co-operate with IRP, do not assist or cooperate, the IRP is at liberty to make appropriate application to this Adjudicating Authority with a prayer for passing an

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appropriate order.

VIII. The IRP is expected to take full charge of the corporate debtor's assets, and documents without any delay whatsoever. He is also free to take police assistance in this regard, and this Court hereby directs the Police Authorities to render all assistance as may be required by the IRP in this regard.

IX. The IRP shall be under a duty to protect and preserve the value of the property of the 'corporate debtor company' and manage the operations of the corporate debtor company as a going concern as a part of obligation imposed by section 20 of the Code.

X. The IRP or the RP, as the case may be shall submit to this Adjudicating Authority periodical report with regard to the progress of the CIRP in respect of the Corporate Debtor.

XI. We direct the Operational Creditor to pay IRP a sum of Rs.2,00,000/- (Rupees Two Lakh Only) in advance within a period of 7 days from the date of this order to meet the cost of CIRP arising out of issuing public notice and inviting claims till the CoC decides about his fees/expenses.

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XII. The Registry is directed to communicate this order to the Operational Creditor, corporate debtor, and to the Interim Resolution Professional, the concerned Registrar of Companies and the Insolvency and Bankruptcy Board of India after completion of necessary formalities, within seven working days and upload the same on the website immediately after pronouncement of the order. The Registrar of Companies shall update its website by updating the Master Data of the Corporate Debtor in MCA portal specific mention regarding admission of this Application and shall forward the compliance report to the Registrar, NCLT.

XIII. The commencement of the Corporate Insolvency Resolution Process shall be effective from the date of this order.

Sd/-

DR. V.G. VENKATA CHALAPATHY
MEMBER (TECHNICAL)

Sd/-

CHITRA HANKARE
MEMBER (JUDICIAL)

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