



IN THE NATIONAL COMPANY LAW TRIBUNAL

KOLKATA BENCH, (Court - II)

KOLKATA

C.P.(IB)/134/KB/2025

A petition under section 9 of the Insolvency and Bankruptcy Code, 2016, read with rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016

And

In the Matter of:

Baba Trading

... Operational Creditor

Versus

Roy Agrovets Private Limited

... Corporate Debtor

Coram:

Shri Labh Singh : **Member (Judicial)**

Ms. Rekha Kantilal Shah : **Member (Technical)**

Appearances (via video conferencing/physical):

For the Operational Creditor

- i. Ms. Urmila Chakraborty, Adv.
- ii. Ms. Sweta Mohanty, Adv.

For the Corporate Debtor

- i. Ms. L.Sinha, Adv.



Date of Pronouncement -: 08.08.2025

ORDER

Per: Rekha Kantilal Shah, Member (Technical)

1. This Court convened through hybrid mode.
2. This is a Company Petition under section 9 of the Insolvency and Bankruptcy Code, 2016 (herein after referred as “the Code” or “IBC”) by **Baba Trading**, hereinafter referred to as “*Operational Creditor*” seeking to initiate Corporate Insolvency Resolution Process (“CIRP”) against **Roy Agrovets Private Limited**, hereinafter referred to as “*Corporate Debtor*”.
3. The Corporate Debtor is a private limited company incorporated on 22/12/2011. The authorized share-capital of the company Rs. 2,00,00,000/- and the paid-up share capital of the company is Rs.1,09,26,610/-.
4. The total amount claimed to be in default by the Operational Creditor, is Rs. 1,01,90,778.75/-. The date of default is mentioned as 31/01/2025.
5. The Operational Creditor has relied on the various documents in support of its claims, including:
 - a) Copy of the invoice bills for the period September, 2024 to January, 2025, annexed as Exhibit “E”;
 - b) Ledger Account maintained by the Operational Creditor in the name of the Corporate Debtor, annexed as Exhibit “F”;
 - c) Copy of the communications exchanged between the parties.
 - d) Demand Notice dated 01.04.2025, annexed as Exhibit “H”;



e) Record of debt filed with National E-Governance Services Ltd., annexed as **Exhibit “J”**;

Submissions on behalf of the Operational Creditor:-

6. Operational Creditor, which is a proprietorship firm is inter alia engaged in the business of supply of maize to the Corporate Debtor, which engaged in the business of Agricultural and animal husbandry service activities including poultry farming. Both the Operational Creditor and Corporate Debtor were engaged in the business since long time and the Corporate Debtor had been placing orders for the supply of maize with the Operational Creditor and has been using the same for feeding its poultry.
7. The Corporate Debtor had also placed orders with the Operational Creditor for supply of maize for the period September, 2024 to January, 2025. Copy of the purchase orders are attached hereto and collectively marked as "D". Pursuant to the various orders placed by the Corporate Debtor from time to time, the Operational Creditor had supplied maize to the Corporate Debtor. The Operational Creditor had supplied maize as per the orders placed without any delay or default and such materials. The Operational Creditor against the orders placed by the Corporate Debtor had raised invoice bills for payment by the Corporate Debtor.
8. Despite various reminders, the Corporate Debtor failed, avoided, and neglected to make payments for the maize supplied by the Operational Creditor and invoice bills raised from the period September, 2024 to January, 2025. The amount of debt due and payable shall be evident from the copy of the ledger account of the



Corporate Debtor maintained in the books of the Operational Creditor which is annexed hereto and marked as "F".

9. On 15.11.2024, the Operational Creditor issued a letter to Corporate Debtor requesting to clear were duly accepted by the Corporate Debtor without any disputes the outstanding payment which was due and payable as on that date. Thereafter, several communications were exchanged between the Operational Creditor and Corporate Debtor whereby constant assurances were given by the Corporate Debtor for making payment of the outstanding debts. However, despite such assurances the Corporate Debtor only made payments of a meagre amount and a substantial amount of money is still due and payable by the Corporate Debtor.
10. The Operational Creditor through its advocates sent a notice of demand dated April 1, 2025 under section 8 of the Code demanding the outstanding dues from the Corporate Debtor, however, such notice was not replied to by the said Corporate Debtor.
11. The Corporate Debtor has not made any payments or part payments to the Operational Creditor in respect thereof.

Submissions on behalf of the Corporate Debtor:

12. Corporate Debtor admit that Rs. 1,01,90,778.75/- (Rupees One Crore One Lakh Ninety Thousand Seven Hundred only) as mentioned in Part IV Clause 2 of the said application is outstanding which the Corporate Debtor has not been able to pay due to financial constraints.
13. Respondent submits that in view of the poor market condition and many pending litigations going on against the Corporate Debtor, the Corporate Debtor has not been able to pay the said sum of Rs. 1,01,90,778.75/- outstanding on account of supplies made to the Corporate Debtor.



14. Request has been made by the Corporate Debtor to the Operational Creditor to grant time to explore various means to raise funds and liquidate the dues of the Corporate Debtor. However, the Operational creditor has not accepted the request.
15. Corporate Debtor submits that this Tribunal may be graciously pleased to grant an opportunity, if possible, to pay the sum due to the Operational Creditor and prayed to this Tribunal to adjourn the present proceedings against the Corporate Debtor for at least a year for the said purpose.

Analysis and Findings:

16. Heard the Ld. Counsels on behalf of the parties and perused the record.
17. The claim of the Petitioner is for the supply of maize to the Corporate Debtor. A simple reading of the definitions envisaged in section 3 and 5 of the Code its proposition clear that a 'claim' must bear nexus with a provision of goods or services, without specifying whether such goods are for sale or for hire. Section 5(20) defines 'Operational Creditor' as a person to whom operational debt is owed. Sec 5(21) states that an 'Operational Debt' is a claim in respect of the provision of goods or services. And, sec 3(6) defines 'claim' as either a right to payment, whether or not such right is reduced to judgment, fixed, disputed, undisputed, legal, equitable, secured or unsecured; or a right to remedy for breach of contract under any law for the time being in force, if such breach gives rise to a right to payment, whether or not such right is reduced to judgment, fixed, matured, unmatured, disputed, undisputed, secured or unsecured.
18. The Corporate Debtor has also admitted in its reply affidavit that Rs. 1,01,90,778.75/- (Rupees One Crore One Lakh Ninety Thousand



Seven Hundred only) as mentioned in Part IV Clause 2 of the said application is outstanding Further, the Corporate Debtor's records maintained in National E-Governance Services Limited also indicate that an amount of Rs. 1,01,90,778.75/- was outstanding payment to the Operational Creditor.

19. The date of default being 31.01.2025 indicates that the instant petition filed on 24.04.2025, is within limitation. Further, the amount in default i.e Rs. 1,01,90,778.75/- is above the minimum pecuniary threshold i.e One Crore Rupees, under section 4 of the Code. The instant petition is complete in all respects. In light of the same, we are of the considered opinion that the Corporate Debtor should be admitted into CIRP.
20. In the light of the enumerations supra, the application bearing **C.P. (IB) No. 134/KB/2025**, and the evidence placed on record and the discussion hereinabove, we **allow** this application filed under **Section 9 of I&B Code**, and accordingly, we order the initiation of **Corporate Insolvency Resolution Process (CIRP)** in respect of the Corporate Debtor by the following **Orders**:
 - i. The Application filed by the **Baba Trading (Operational Creditor)**, under **Section 9** of the Insolvency & Bankruptcy Code, 2016, is hereby, **admitted** for initiating the **Corporate Insolvency Resolution Process** in respect of **Roy Agrovets Pvt. Ltd. (Corporate Debtor)**.
 - ii. As a consequence of this Application being admitted in terms of Section 9 of the I&B Code, moratorium as envisaged under the provisions of Section 14(1) of the Code, shall follow in relation to the Respondent/(CD) as per clauses (a) to (d) of Section 14(1) of the Code. However, during the pendency of the

moratorium period, terms of Section 14(2) to 14(3) of the Code shall come into force.


iii. Moratorium under Section 14 of the Insolvency & Bankruptcy Code, 2016, prohibits the following, as:

- a) *The institution of suits or continuation of pending suits or proceedings against the Corporate Debtor including execution of any judgment decree or order in any court of law, Tribunal, arbitration panel or other authority;*
- b) *Transferring, encumbering, alienating or disposing of by the Corporate Debtor any of its asset or any legal right or beneficial interest therein;*
- c) *Any action to foreclose, recover or enforce any security interest created by the Corporate Debtor in respect of its property including any action under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (54 of 2002);*
- d) *The recovery of any property by an owner or Lessor where such property is occupied by or in possession of the Corporate Debtor.*

[Explanation.--For the purposes of this sub-section, it is hereby clarified that notwithstanding anything contained in any other law for the time being in force, a license, permit, registration, quota, concession, clearances or a similar grant or right given by the Central Government, State Government, local authority, sectoral regulator or any other authority constituted under any other law for the time being in force, shall not be suspended or terminated on the grounds of insolvency, subject to the condition that there is no default in payment of current dues arising for the use or


continuation of the license, permit, registration, quota, concession, clearances or a similar grant or right during the moratorium period;]

- iv. The supply of essential goods or services to the corporate debtor as may be specified shall not be terminated or suspended or interrupted during moratorium period.
- v. The provisions of sub-section (1) of the Section 14 shall not apply to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.
- vi. The Applicant has proposed the name of "IRP". Hence, we appoint **Ms. Ms. Neha Agarwal**, having registration number IBBI/IPA-001/IP-P02873/ 2023- 2024/14387, email: nehabagarwalandco@gmail.com as the **Interim Resolution Professional (IRP)** of the Corporate Debtor, to carry out the functions as per the I&B Code. The fee payable to IRP or the RP, as the case may be, shall be compliant with such Regulations, Circulars and Directions as may be issued by the Insolvency & Bankruptcy Board of India (IBBI). The IRP shall carry out his functions as contemplated by sections 15, 17, 18, 19, 20 and 21 of the I&B Code.
- vii. In pursuance of Section 13 (2) of the Code, we direct the IRP or the RP, as the case shall cause a public announcement immediately with regard to the admission of this application under Section 7 of the Code and **call for the submission of claims** under Section 15 of the Code. The public announcement referred to in Clause (b) of sub-section (1) of Section 15 of



Insolvency & Bankruptcy Code, 2016, shall be made immediately. The expression immediately means within three days as clarified by Explanation to Regulation 6 (1) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.

- viii. During the CIRP period, the management of affairs of the Corporate Debtor shall vest in the IRP or the RP, as the case may be, in terms of Section 17 of the IBC. *The suspended Board of Directors is directed to extend all cooperation to the Interim Resolution Professional/Resolution Professional and to provide access to all books of accounts, documents, records, and assets of the Corporate Debtor as required for smooth conduct and completion of the CIRP.* The officers and managers of the Corporate Debtor shall also provide all documents in their possession and furnish every information in their knowledge to the IRP within one week from the date of receipt of this Order, in default of which coercive steps will follow. There shall be no future opportunities in this regard.
- ix. The Interim Resolution Professional is also free to take police assistance to take full charge of the Corporate Debtor, its assets and its documents without any delay, and this Court hereby directs the concerned **Police Authorities and/or the Officer-in-Charge of Local Police Station(s)** to render all assistance, as may be required by the Interim Resolution Professional in this regard.
- x. The Operational Creditor shall initially deposit a sum of Rs. **2,00,000/- (Rupees two lakh only)** with the IRP to meet the expenses arising out of issuing public notice and inviting claims. These



expenses are subject to approval by the Committee of Creditors (CoC). Further, the Fees of the IRP will be subject to the approval of the COC and in accordance with Regulation 34B of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.

- xi.** In terms of sections 9(5)(i) of the Code, the **Registry of this Adjudicating Authority** is hereby directed to communicate this Order to the Operational Creditor, the Corporate Debtor and the Interim Resolution Professional by Speed Post and through email immediately, and in any case, not later than two days from the date of this Order.
- xii.** Additionally, the **Registry of this Adjudicating Authority** shall serve a copy of this Order upon the Insolvency and Bankruptcy Board of India (IBBI) for their record and also upon the Registrar of Companies (ROC), West Bengal, Kolkata by all available means for updating the Master Data of the Corporate Debtor. The said Registrar of Companies shall send a compliance report in this regard to the Registry of this Court within seven days from the date of receipt of a copy of this order.
- xiii.** The Resolution Professional shall conduct CIRP in time-bound manner as per Regulation 40A of IBBI (Insolvency Resolution Process for Corporate Persons) Regulation, 2016.
- xiv.** The IRP/RP shall be liable to submit the periodical report including the minutes of the CoC of the Corporate Debtor, with regard to the progress of the CIRP in respect of the Corporate Debtor to this Adjudicating Authority time to time.



xv. The order of moratorium shall cease to have effect as per Section 14(4) of the I&B Code.

21. C.P. (IB) No. 134/KB/2025 to come up on 15-09-2025 for filing the progress report.

22. A certified copy of this order may be issued, if applied for, upon compliance with all requisite formalities.

Rekha Kantilal Shah
Member (Technical)

Labh Singh
Member (Judicial)

Order Signed On 08.08.2025

RSM(LRA)