

**NATIONAL COMPANY LAW TRIBUNAL
CUTTACK BENCH
CP (IB) No.35/CB/2024**

(An Application 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.)

In the Matter of:

SHREE SHYAM MINERALS

Shop No. 2, Purohit Market Complex,
Kachery Road, Rourkela,
District- Sundargarh, Pin-769012.

Represented Through its Authorized Representative:

Mr. Vicky Kumar Modi

Email: shreeshayamminerals2012@gmail.com

..... APPLICANT/ OPERATIONAL CREDITOR

Vs.

SWASTIK ISPAT PRIVATE LIMITED

Plant Side Road, Rourkela,
District-Sundargarh, Odisha-769001,
Email: mail@swastikispat.com

..... RESPONDENT/ CORPORATE DEBTOR

DATE OF PRONOUNCEMENT: 12.06.2025

CORAM: DEEP CHANDRA JOSHI, MEMBER (JUDICIAL)

BANWARI LAL MEENA, MEMBER (TECHNICAL)

APPEARANCE:

FOR APPLICANT: MR. SASWAT KUMAR ACHARYA, ADVOCATE

MR. SAURAV TIBREWAL, ADVOCATE

FOR RESPONDENT: MR. NITIN DAGA, PCA

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ORDER

PER BANWARI LAL MEENA, MEMBER (T):

1. This present Application has been filed on 04.04.2024 by **Shree Shyam Minerals** (hereinafter "**Operational Creditor/Applicant**") seeking to initiate Corporate Insolvency Resolution Process (hereinafter referred to as "**CIRP**") against **Swastik Ispat Pvt. Ltd.** (hereinafter "**Corporate Debtor/Respondent**") by invoking the provisions of Section 9 of Insolvency and Bankruptcy Code, 2016 (hereinafter "**IBC/the Code**") read with Rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 (hereinafter "**Adjudicating Authority Rules**") for an Operational Debt of **Rs. 1,84,06,686.86/-** (One Crore Eighty-Four Lakhs Six Thousand Six Hundred Eighty-Six Rupees and Eighty-Six Paise only).

BRIEF SUMMARY OF PLEADINGS:

2. **The applicant in its application has made the following averments:**

2.1. The Respondent has issued its first Purchase Order on 09.03.2023. However, the Respondent had already entered an oral understanding with the Applicant for the supply of coal in November 2022. Invoices were duly raised by the Operational Creditor from 14.11.2022 onwards, and the same were accepted without objection by the Corporate Debtor. These transactions are duly reflected in the ledger accounts of both parties.

2.2. As per the terms and conditions mutually agreed between the parties, payment became due and payable after the delivery of every 500 M.T. of coal to the Respondent. Accordingly, the first 500 M.T. of coal was delivered to the Respondent on 27.11.2022, and therefore, the payment became due and the default occurred on 28.11.2022. Subsequently, various invoices were raised on 14.03.2023, 16.03.2023, 21.03.2023, 07.05.2023, 15.05.2023, and 22.05.2023, all of which had also become due and remains

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unpaid. Furthermore, the invoices stipulated an interest rate at 24% per annum, in accordance with industry standards, on the outstanding dues.

2.3. The first purchase order was issued on 09.03.2023 bearing Ref No. SIPL/22-23/PO/SSM/01 for the supply of 2000 M.T. of 100 mm coal, with payment due after every 500 M.T. of supply.

2.4. The second and third Purchase Orders, both dated 03.05.2023, bearing Ref Nos. SIPL/23-24/PO/SSM/01 and SIPL/23-24/PO/SSM/02 were issued for the supply of 2000 M.T. and 200 M.T. of 100 mm coal respectively, with similar payment conditions.

2.5. The Applicant started raising invoices for supply of coal from 14.11.2022, *vide* Invoice No. SSM/22-23/827, and the last invoice was raised on 21.05.2023, bearing Invoice No. SSM/23-24/497.

2.6. The Applicant raised invoices aggregating to Rs. 3,70,43,577.86/- for supply of coal, out of which the Respondent made payments aggregating to Rs. 2,20,00,000/-. However, the Respondent did not specify the invoices against which these payments were made. Applying the FIFO method, the Applicant adjusted the payments made against the invoices raised, in ascending order. The last payment received by the Applicant was on 10.07.2023, amounting to Rs. 15,00,000/-.

2.7. The Applicant mentioned that despite repeated requests and demands, the Respondent failed to release the outstanding dues. Therefore, a demand notice under Section 8(1) of the Code was issued on 29.01.2024 to the respondent.

3. In response to the demand notice under Section 8(1) of IBC, 2016, the Respondent in his reply dated 11.02.2024 under Section 8(2) of IBC, 2016 raised the following objections:

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3.1. The Respondent alleged that the Applicant in its demand notice had concealed the fact that a modified Purchase Order issued on 08.05.2023, bearing Ref No. SIPL/23-24/PO/SSM/2M, had enhanced the originally ordered quantity from 200 M.T. to 3000 M.T. and the modified Purchase order contained a Force Majeure Clause which was invoked by the respondent through its letter dated 08.05.2023 citing a plant shutdown for two months, which was reopened in February 2023. In the event of a Force Majeure situation, it was agreed between the parties that no party will raise any claim against the other party during such a situation.

3.2. The Respondent had also issued another Purchase Order dated 10.05.2023, bearing Ref No. SIPL/23-24/PO/SSM/03, for the supply of 2000 M.T. of coal with the same payment conditions.

3.3. The Respondent further alleged that the account statements/ledgers annexed with the demand notice are false and fabricated, as some invoices do not have reference to any of the Purchase Orders, and anomalies were found in the invoices and mining passes, indicating improper business practices by the Applicant.

3.4. The Respondent has raised quality concern issues in its letter dated 19.05.2023, claiming that coal supplied under Purchase Order Ref No. SIPL/23-24/PO/SSM/01 was of inferior quality and not of G5 grade. The Respondent had also claimed a right to compensation for the poor quality of coal supplied to him by the applicant.

3.5. Additionally, the Respondent alleged that the Applicant failed to supply coal under the modified Purchase Order dated 08.05.2023 and the new Purchase Order dated 10.05.2023, causing irreparable loss and damage to its business operations.

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3.6. The Respondent had pointed out that, vide letter dated 29.05.2023, it requested the Applicant to fulfil the modified and fresh Purchase Orders. After receiving no response from the applicant, the Respondent sent another letter dated 15.09.2023 seeking to terminate all its business relations and to settle their accounts amicably between the parties.

3.7. Respondent also contended that the demand notice under Section 8 of the IBC, 2016 suffers from material defects, lacking compliance with statutory requirements. According to the Respondent, the notice failed to include:

- a.** Details of the underlying transactions undertaken between the parties;
- b.** Date on which the debt fell due;
- c.** Amount of Default;
- d.** Date of Default;
- e.** Provisions of law under which the debt fell due;
- f.** Underlying contracts or agreements as executed between the parties to support the claim;
- g.** Documentary evidence to substantiate the claim amount;

4. In response to the reply by the respondent under section 8(2) of the IBC, 2016, the Applicant in its reply dated 28.02.2024, raised the following contentions:

4.1. The Applicant denied receiving or acknowledging the modified Purchase Order dated 08.05.2023 (Ref No. SIPL/23-24/PO/SSM/2M) or the fresh Purchase Order dated 10.05.2023 (Ref No. SIPL/23-24/PO/SSM/03) nor it was endorsed by any authorized representative of the Applicant company and these documents only bear the signature of the Respondent's representative.

4.2. The Applicant categorically denied allegations of falsification and manipulation of books of account and invoices.

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4.3. As regards to the alleged pre-existing dispute about the quality of coal, the Applicant stated that the letter dated 19.05.2023 from the Respondent was never received by it or any of its representatives.

4.4. The applicant has also raised contentions that the respondent has never intimated them regarding any of the Force Majeure situation or any agreement which will affect the operational activity of the respondent.

4.5. As regards to alleged defects in the demand notice, the Applicant reiterated that the date of default first arose on 28.11.2022 upon delivery of the first 500 M.T. of coal, and the outstanding amount of Rs. 1,84,06,686.86 (inclusive of interest as of 31.12.2023) was due under the Indian Contract Act, 1872, the Sale of Goods Act, 1930, and the Specific Relief Act, 1963. All relevant Purchase Orders, invoices, and bank statements were duly annexed with the demand notice, making it legally valid under Section 8 of the IBC, 2016.

5. The respondent in its reply dated 11.01.2025 filed before this Tribunal has contended as under:

5.1. The Respondent contends that the present application is not maintainable in view of the Applicant's material suppression of facts. The Applicant has deliberately withheld disclosure of the modified Purchase Order dated 08.05.2023, as well as the subsequent and independent Purchase Order dated 10.05.2023, bearing Reference Nos. SIPL/23-24/PO/SSM/2M and SIPL/23-24/PO/SSM/3, respectively. Furthermore, the applicant has not disclosed the fact that, *vide* letter dated 29.05.2023, the Respondent once again called upon the Applicant to effect supply of coal in terms of the Purchase Orders.

5.2. The Respondent has further contended that they have suffered substantial commercial loss owing to the non-

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performance of the aforesaid Purchase Order by the Applicant and despite the issuance of the Purchase Order in favour of the Applicant, there was a complete failure on the part of the Applicant to supply coal as contractually agreed. This non-supply of coal has adversely impacted the Respondent operations and caused significant financial loss.

5.3. The Respondent has further contended that, as per the express terms agreed between the parties, in the event of a Force Majeure situation, the outstanding dues would be settled over an extended period of time. However, it is alleged that during the subsistence of the Force Majeure conditions, the Applicant failed to discharge its corresponding contractual obligations. Consequently, having failed to perform its part of the contract, the Applicant is estopped from raising any monetary or contractual claim against the Respondent under the doctrine of reciprocal obligations.

5.4. The Respondent has also disputed the veracity of the accounts and ledgers annexed to the Demand Notice issued by the Applicant. It is specifically contended that certain invoices relied upon by the Applicant do not bear any reference to the subsisting Purchase Orders executed between the parties. Moreover, the Respondent has pointed out various discrepancies and inconsistencies between the invoices and the accompanying mining passes, which raises serious concerns and prima facie indicate the Applicant's involvement in questionable business practices.

5.5. Additionally, the Respondent has raised objections regarding the quality of coal supplied under Purchase Order Ref. No. SIPL/23-24/PO/SSM/01. Vide their letter dated 19.05.2023, the Respondent asserted that the coal delivered was of substandard quality and failed to meet the G5 grade specification

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as contractually agreed. It is therefore contended that the Applicant is liable for breach of quality standards and that the Respondent is entitled to pursue appropriate claims arising from the supply of inferior-grade material.

5.6. The Respondent has relied on the judgement of the **Hon'ble Supreme Court** in ***Mobilox Innovations Private Limited vs. Kirusa Software Private Limited (Civil Appeal No. 9405 of 2017)*** to substantiate that so long as a dispute truly exists in fact and is not spurious, hypothetical, or illusionary, the Adjudicating Authority must reject the Application filed under Section 9 of the Code.

5.7. The Respondent has also relied on the judgement of the **Hon'ble Supreme Court** in ***K. Kishan vs. Vijay Nirman Company Private Limited (Civil Appeal No. 21825 of 2017)*** to substantiate that any dispute that existed before the issuance of the Demand Notice, and is not a sham or frivolous, bars the admission of an application under Section 9 of IBC, 2016.

5.8. The Respondent has further alleged that the present Application has been instituted with a mala fide intent, solely with a view to exert undue pressure upon the Respondent to compel payment of the alleged dues. It is submitted that the Applicant is seeking to misuse the insolvency process as a tool of coercion, with the ulterior objective of arm-twisting the Respondent into a settlement as the respondent is solvent and is a going concern entity, and that invocation of the Corporate Insolvency Resolution Process (CIRP) under such circumstances constitutes an abuse of the process of law.

5.9. The Respondent has relied on the judgment of the **Hon'ble NCLAT** in ***Prowess International Private Limited vs. Parker Hannifin India Private Limited (Company Appeal (AT) (Ins.) No. 89 of 2017)*** to substantiate that CIRP is not a recovery

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proceeding to recover the dues of the creditors. The Code is an Act relating to reorganization and insolvency resolution of corporate persons, partnership firms, and individuals in a time-bound manner for maximization of the value of assets of such persons and to promote entrepreneurship, availability of credit, and balance the interests of all the stakeholders, including the Government dues.

5.10. The Respondent relied on the judgement of the **Hon'ble NCLAT in Palogix Infrastructure Private Limited vs. ICICI Bank Limited (Company Appeal (AT) (Ins.) No. 30 of 2017)** to substantiate that if an application is filed with malicious intent or for a purpose other than the resolution or insolvency, it should be dismissed, and the Applicant should be penalized under Section 65 of IBC, 2016.

5.11. The Respondent has further contended that, in terms of Section 9(5)(ii)(d) of the Code, the Adjudicating Authority is mandated to reject an Application filed under Section 9 where a notice of dispute has been received by the Operational Creditor within the statutorily permitted 10 days period, indicating the existence of a genuine dispute between the parties prior to the issuance of the demand notice under Section 8 of the Code.

5.12. It is contended by the Respondent that the Demand Notice issued by the Applicant under Section 8 of IBC, 2016 has material defects specifically concerning the compliance of the respective provisions of IBC, 2016 and hence shall be considered as void and illegal.

6. The applicant in response to the reply filed a rejoinder on 21.03.2025 wherein it has contended that: -

6.1. The respondent has not annexed a valid authorization in favour of the person, who has filed the reply affidavit on behalf of the respondent company.

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6.2. The Applicant denied receiving or acknowledging the modified Purchase Order dated 08.05.2023 (Ref No. SIPL/23-24/PO/SSM/2M) or the fresh Purchase Order dated 10.05.2023 (Ref No. SIPL/23-24/PO/SSM/03), stating that neither it was communicated to applicant nor endorsed by any authorized representative of the Applicant and these documents only bear the signature of the Respondent's representative.

6.3. The applicant has contended that the respondent has never intimated them regarding any of the Force Majeure situation or any agreement which will affect the operational activity of the respondent or the business relations between the parties.

6.4. The Respondent had never supplied any goods to the applicant and without supply of any goods, the applicant is not liable to pay any due amount to the Respondent.

6.5. The respondent is trying to misguide this Tribunal under the pretext of Pre-existing dispute as the letter dated 19.05.2023 from the Respondent was never received by it or any of its representatives and these documents have been created are backdated and are false and fabricated as they also do not carry any acknowledgement of the Applicant.

6.6. The respondent has not brought on record any pre-existing dispute during its reply to the Demand Notice under Section 8 (2) (a) of the IBC, 2016.

6.7. The respondent is taking a dual stand before this Tribunal. On the one hand respondent is taking a stand that no amount is due and payable to the applicant but on the other hand the respondent has clearly admitted that it owes Rs. 1,50,33,330.30 as on 01.04.2024 to the applicant as the same was clear from the respondent's own ledger which has been annexed with their reply but subsequently the amount was shown in the debit side of the

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Ledger by not making appropriate entry in the ledger account maintained by the respondent.

6.8. The Demand Notice sent under Section 8 of IBC, 2016 to the respondent is in Form -3 as required under Rule 5 of Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016. The Demand Notice contains each detail regarding the outstanding debt and default along with supporting documents. Hence, there is no material defect in the Demand Notice and it complies with the provisions of IBC, 2016.

6.9. The applicant had not received any letter from the respondent dated 29.05.2023, purportedly requesting the supply of coal pursuant to the modified Purchase Order dated 08.05.2023 and Purchase Order dated 10.05.2023. The applicant submits that no such communication was ever served upon or acknowledged by any authorized representative of the applicant, and hence no obligation could be said to have arisen therefrom.

6.10. The applicant denied to have received any letter dated 15.09.2023 from the respondent, alleging a loss of Rs. 2.5 Crore on account of the non-supply of coal and any communication regarding the closure of business relations or settlement of accounts amicably between the parties.

7. We have heard the Ld. Counsels for both the parties and perused the material on record:

7.1. As regards to the issue of suppression of facts regarding modified Purchase Order dated 08.05.2023 (Ref No. SIPL/23-24/PO/SSM/2M) or the fresh Purchase Order dated 10.05.2023 (Ref No. SIPL/23-24/PO/SSM/03) issued by the respondent, the applicant has denied the fact that the above-mentioned purchase order was ever received by the applicant company. The applicant has contended that the respondent has issued the Purchase order on its letter head, containing signature of authorized

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representative of the respondent company without any valid acknowledgement from the applicant company and no valid proof of service has been annexed by the respondent to substantiate its claim of communicating the Modified Purchase Order and Purchase Order dated 08.05.2023 and 10.05.2023 respectively to the applicant. **The argument advanced by the applicant are found to be correct as verifiable from records. The respondent has not adduced any evidence on record to substantiate its contention that the modified purchase order was served on the applicant by any valid mode. There is no proof of service of said purchase order on the applicant.**

7.2. As regards to the issue of the pre-existing dispute, it is noted that the respondent has only brought on record the letter dated 19.05.2023 wherein, the respondent company in its letter head had claimed to have informed the applicant regarding poor quality of coal supplied against the Purchase Order No. SIPL/23-24/PO/SSM01 dated 03.05.2023 to the respondent. But neither it contains any valid acknowledgement by the applicant nor the respondent had attached any valid proof of service to substantiate his claim that the said letter dated 19.05.2023 was duly communicated to the applicant. Despite the quality concern issues raised in the letter dated 19.05.2023 pertaining to the supply of coal, the respondent company had made payments on 08.06.2023, 19.06.2023, 27.06.2023 and 10.07.2023 which is quite evident from the ledger account of applicant maintained by respondent. Thus, mere showing the notice of dispute without showing proper acknowledgement by applicant and without enclosing proper proof of service of the letter dated 19.05.2023 upon the applicant, it cannot be held to be sufficient to show the existence of any pre-existing dispute as the referred notice dated 19.05.2023 was never communicated to the applicant before issuance of notice under Section 8 of IBC, 2016. It has been

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clearly held by the **Hon'ble Supreme Court** in **Innoventive Industries Limited vs. ICICI Bank & Anr. (CIVIL APPEAL Nos. 8337-8338 OF 2017)** that **mere assertions** or **vague allegations** by a corporate debtor cannot bar insolvency proceedings; disputes must be real and demonstrated with credible evidence.

7.3. The respondent has relied upon the Judgement of **Hon'ble Supreme Court** in **Mobilox Innovations Private Limited (*supra*)** to substantiate that so long as a dispute truly exists in fact and is not spurious, hypothetical, or illusionary, the Adjudicating Authority must reject the Application filed under Section 9 of the Code which is not applicable to factual matrix of the present case as no proof of any pre-existing dispute prior to issue of demand notice under Section 8(1) of IBC, 2016 has been filed by the respondent. The respondent has also relied upon the Judgement of **Hon'ble Supreme Court** in **K. Kishan vs. Vijay Nirman Company Private Limited (*supra*)** to substantiate that any dispute that existed before the issuance of the Demand Notice, and is not a **sham or frivolous**, bars the admission of an application under Section 9 of IBC, 2016 is not applicable to the factual matrix of the present case.

7.4. As regards to the issue of financial loss claimed to have been incurred by the respondent for non-supply of coal by the applicant, it is pertinent to note that the modified Purchase Order dated 08.05.2023 (Ref No. SIPL/23-24/PO/SSM/2M) or the fresh Purchase Order dated 10.05.2023 (Ref No. SIPL/23-24/PO/SSM/03) and letter dated 29.05.2023 for immediate supply of coal were never in the knowledge of the applicant. The respondent has not been able to demonstrate whether the applicant had ever acknowledged those purchase orders and the letter dated 29.05.2023 for immediate supply of coal against the modified purchase order and fresh purchase order dated 08.05.2023 and 10.05.2023 respectively. Thus, the respondent

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fails to demonstrate any valid proof of service on record to substantiate its claim. The applicant was neither served a purchase order nor such proof is filed by the respondent in support thereof. **Therefore, the contentions raised by the respondent as regards to pre-existing dispute does not carry any substance hence is devoid of merits.**

7.5. It is seen from records that the respondent has admitted that the amount of Rs. 1,50,33,330.30 is due to the applicant as on 01.04.2024 as is evident from the ledger account of the applicant maintained by the respondent in its books of account but subsequently the same amount of Rs. 1,50,33,330.30 was shown in the debit side of the ledger without any corresponding transaction with the applicant related to this entry made by the respondent in its books of accounts. Thus, the respondent has squared up the account of the applicant in its books of account for the compensatory loss claimed to have been suffered by the respondent company allegedly due to non-supply of coal by the applicant company is not supported by any documentary evidence by the respondent.

7.6. In view of the foregoing paras, it is established that there was no pre-existing dispute between the applicant and respondent prior to issuance of Demand Notice under Section 8 of IBC, 2016 by the applicant. The respondent has failed to show a valid acknowledgement of service of its letter dated 19.05.2023 and proper proof of service thereof, wherein, the respondent company claims to have informed the applicant company regarding poor quality of coal supplied in respect of the Purchase Order No. SIPL/23-24/PO/SSM01 dated 03.05.2023. **On perusal of ledger account of applicant, it is seen that the Respondent has defaulted in payment of a debt amount exceeding Rs. 1 Crore which is also conclusively established from the ledger**

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account of the applicant maintained by the respondent in its books of account.

8. In view of the aforesaid observations, we hereby admit the application and pass the following orders:

8.1. The Petition bearing CP (IBC) No. 35/CB/2024 under Section 9 of the Code read with Rule 6 of the Insolvency & Bankruptcy (Application to Adjudicating Authority) Rules, 2016 for initiating CIRP of **Swastik Ispat Private Limited** [CIN: U27102OR2003PTC007161], Corporate Debtor is '**ADMITTED**'.

8.2. The moratorium under section 14 of the Insolvency and Bankruptcy Code, 2016 is declared for prohibiting all the following in terms of section 14(1) of the Code –

- 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 assets 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;
- d.** the recovery of any property by an owner or lessor where such property is occupied by or in the possession of the corporate debtor.

8.3. The order of moratorium shall have effect from the date of this order till the completion of the Corporate Insolvency Resolution Process until this Adjudicating Authority approves the Resolution Plan under sub-section (1) of section 31 or passes an

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order for liquidation of Corporate Debtor under section 33 of the Insolvency & Bankruptcy Code, 2016.

8.4. As proposed by the applicant **Ms. Payal Agarwal** having **Registration No. IBBI/IPA-001/IP-P-02254/2021- 22/13571** and Email Id: agarwalpayal2008@gmail.com office at Old College Lane, Nimchouri, Cuttack, Odisha, Pin- 753002 is hereby appointed as Interim Resolution Professional (IRP) of the Corporate Debtor to carry out the functions as per the Code, subject to him possessing a valid Authorization for Assignment (AFA) in terms of 7A of the Insolvency and Bankruptcy Board of India (Insolvency Professional) Regulations, 2016.

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

8.6. The supply of essential goods or services to the corporate debtor, if continuing, shall not be terminated or suspended, or interrupted during the moratorium period. The corporate debtor to provide effective assistance to the IRP as and when he takes charge of the assets and management of the corporate debtor.

8.7. The IRP shall perform all his functions as contemplated, interalia, by sections 17, 18, 20 & 21 of the Code. It is further made clear that all personnel connected with Corporate Debtor, its Promoter or any other person associated with management of the Corporate Debtor are under legal obligation under section 19 of the Code extending every assistance and co-operation to the Interim Resolution Professional. Where any personnel of the Corporate Debtor, its Promoter or any other person required to assist or cooperate with IRP, do not assist or co-operate, the IRP is at liberty to make appropriate application to this Adjudicating Authority with a prayer for passing an appropriate order.

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- 8.8.** The IRP shall be under duty to protect and preserve the value of the property of the 'Corporate Debtor' and manage the operations of the Corporate Debtor as a going concern as a part of obligation imposed by section 20 of the Insolvency & Bankruptcy Code, 2016.
- 8.9.** The IRP/RP shall submit to this Adjudicating Authority periodical reports concerning the progress of the CIRP in respect of the Corporate Debtor.
- 8.10.** The Operational Creditor shall deposit a sum of **₹2,00,000/- (Rupees Two Lakhs only)** with the within two weeks from the date of receipt of this order for the purpose of smooth conduct of Corporate Insolvency Resolution Process (CIRP) and IRP to file proof of receipt of such amount to this Adjudicating Authority along with First Progress Report. Subsequently, IRP may raise further demands for Interim funds, which shall be provided as per Rules.
- 8.11.** In terms of section 9(5)(i) of the Code, the Registry is hereby directed to communicate a copy of this order to the Operational Creditor, Corporate Debtor and to the Interim Resolution Professional and the concerned Registrar of Companies, within seven (7) working days and upload the same on website immediately after pronouncement of the order.
- 8.12.** The IRP shall also serve a copy of this order to the various departments such as Income Tax, GST, State Commercial Tax, and Provident Fund etc. who are likely to have their claim against Corporate Debtor as well as to the trade unions/employee's associations so that they are informed of the initiating of CIRP against the Corporate Debtor timely.
- 8.13.** The commencement of the Corporate Insolvency Resolution Process shall be effective from the date of this order.

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8.14. The Resolution Professional shall submit his periodic reports before this Adjudicating Authority as per rules/regulations.

The petition CP (IB) No. 35/CB/2024 stands **"ALLOWED"**.

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BANWARI LAL MEENA
MEMBER (TECHNICAL)

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DEEP CHANDRA JOSHI
MEMBER (JUDICIAL)