




**Insolvency Resolution Process (“CIRP”) against Rajdeep Distributors Private Limited, (hereinafter referred to as “the Corporate Debtor”).**

- 3) The Corporate Debtor was incorporated on 10.06.1996 under Companies Act, 1956. Its registered office is situated at **356/357, Shukrawar Pethshivaji Nagar, Pune, Maharashtra – 411 002**. Hence, this Tribunal has the jurisdiction to entertain the present Company Petition.
- 4) The total amount of debt alleged to be in default is Rs. 11,25,63,661/- (Rupees Eleven Crores Twenty-Five Lakhs Sixty-Three Thousand Six Hundred and Sixty-One Only). Out of this, the Principal amount is Rs.7,66,08,144/- and Rs.3,59,55,517/- is the amount of interest. The date of default is 01.10.2020 for an amount of Rs. 95,00,000/- and 01.10.2021 for an amount of Rs. 6,71,08,144/-.
- 5) The Corporate Debtor has filed and placed on record Affidavit in Reply where in paragraph 10, the Corporate Debtor submits as under:

*“I say that even through the Corporate Debtor has been running its business, the Corporate Debtor has not been able to repay the said outstanding loan of the Financial Creditor due to the persisting financial Crises of the Corporate Debtor”.*
- 6) Corporate Debtor in its Affidavit in Reply further submits that the Corporate Debtor has to recover huge amount of outstanding dues from its clients and customers and however submits that the Corporate Debtor is



unable to recover the same and thus, presently not in a position to repay the same.

- 7) Upon perusing Paragraph 10 of Affidavit in Reply, this bench did not find any serious dispute regarding the debt and default committed by the Corporate Debtor and this Bench is of the considered view that the Corporate Debtor is clearly admitting the debt and default and did not file any reason to dismiss the Company Petition. Therefore, there is no point in postponing admission of this Company Petition.
- 8) We also consider the facts of the case in the lights of the Order passed by Hon'ble Supreme Court in *Swiss Ribbons Pvt. Ltd. & Ors. Vs. Union of India & Ors.* [Writ Petition (Civil) No. 99 of 2018] upholding the Constitutional validity of IBC, the position is very clear that unlike Section 9, there is no scope of raising a 'dispute' as far as Section 7 petition is concerned. As soon as a 'debt' and 'default' is proved, the adjudicating authority is bound to admit the petition.
- 9) The Financial Creditor has proposed the name of **Mr. Arun Nandlal Agrawal**, having Registration No. IBBI/IPA-003/00282/2020-21/13234, as the Interim Resolution Professional of the Corporate Debtor. He has filed his written communication in Form 2 as required under rule 9(1) of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 along with a copy of his **Authorisation for Assignment** dt. 13.10.2022.



10) The present Company Petition filed by the Financial Creditor is complete in all respects as required by law. It clearly shows that the Corporate Debtor is in default of a debt due and payable, and the default is in excess of minimum amount stipulated under section 4(1) of the IBC. Therefore, the debt and default stands established and there is no reason to deny the admission of the Petition. In view of this, this Adjudicating Authority admits this Petition and orders initiation of CIRP against the Corporate Debtor.

11) It is, accordingly, hereby ordered as follows:

(a) The Company Petition bearing **CP (IB) 313/MB/C-I/2023** filed by **M/s Karban Traders**, the Financial Creditor, under section 7 of the IBC read with rule 4(1) of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 for initiating Corporate Insolvency Resolution Process (CIRP) against **Rajdeep Distributors Private Limited**, the Corporate Debtor, is **Admitted**.

(b) There shall be a moratorium under section 14 of the IBC, in regard to the following:

(i) 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;



- (ii) Transferring, encumbering, alienating or disposing of by the Corporate Debtor any of its assets or any legal right or beneficial interest therein;
  - (iii) 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 Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002;
  - (iv) The recovery of any property by an owner or lessor where such property is occupied by or in possession of the Corporate Debtor.
- (c) Notwithstanding the above, during the period of moratorium: -
- (i) 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;
  - (ii) The provisions of sub-section (1) of section 14 of the IBC shall not apply to such transactions as may be notified by the Central Government in consultation with any sectoral regulator;
- (d) The moratorium shall have effect from the date of this order till the completion of the CIRP or until this Adjudicating Authority approves the resolution plan under sub-section (1) of section 31 of the IBC or passes an order for liquidation of Corporate Debtor under section 33 of the IBC, as the case may be.



- (e) Public announcement of the CIRP shall be made immediately as specified under section 13 of the IBC read with regulation 6 of the Insolvency & Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.
- (f) **Mr. Arun Nandlal Agrawal**, having Registration No. IBBI/IPA-003/00282/2020-21/13234, having address Arun Agrawal and Company, Opp. Kshrisagar Hospital, R.P. Road, Jalna, Maharashtra, 431 203, is hereby appointed as Interim Resolution Professional (IRP) of the Corporate Debtor to carry out the functions as per the IBC. The fee payable to IRP or, as the case may be, the RP shall be compliant with such Regulations, Circulars and Directions issued/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 IBC.
- (g) The Financial Creditor shall deposit an amount of Rs. 5,00,000/- (Five Lakhs) forthwith towards the initial CIRP costs, by way of Demand Draft in favour of the Interim Resolution Professional appointed herein, 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). The IRP shall spend the above amount only towards expenses and not towards his fee till his fee is decided by the Committee of Creditors.



- (h) During the CIRP Period, the management of the Corporate Debtor shall vest in the IRP or, as the case may be, the RP in terms of section 17 of the IBC. The officers and managers of the Corporate Debtor shall provide all documents in their possession and furnish every information in their knowledge to the IRP within a period of one week from the date of receipt of this Order, in default of which coercive steps will follow.
- (i) Registry is directed to communicate this Order to the Financial Creditor, the Corporate Debtor and the IRP by Speed Post and email immediately, and in any case, not later than two days from the date of this Order.
- (j) IRP is directed to send a copy of this Order to the Registrar of Companies, Maharashtra, Mumbai, 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.
- (k) Ordered accordingly.

Sd/-

Sd/-

**ANU JAGMOHAN SINGH**  
**MEMBER (TECHNICAL)**

**H. V. SUBBA RAO**  
**MEMBER (JUDICIAL)**