



**NATIONAL COMPANY LAW TRIBUNAL**  
**MUMBAI BENCH COURT VI**

Item No. P1.

C.P. (IB)/246(MB)2025

CORAM:

**SHRI SAMEER KAKAR**  
**HON'BLE MEMBER (TECHNICAL)**

**SHRI NILESH SHARMA**  
**HON'BLE MEMBER (JUDICIAL)**

ORDER SHEET OF HEARING (HYBRID) DATED **26.06.2025**

NAME OF THE PARTIES: **CSB Bank Limited**

**Vs**

**Kute Sons Fresh Dairy Private Limited**

**Under Section 7 of the IBC.**

---

**ORDER**

The case is fixed for pronouncement of the order. The order is pronounced in the open court, *vide* separate order. Detailed order is being uploaded on the NCLT portal today.

**Sd/-**  
**SAMEER KAKAR**  
**MEMBER (TECHNICAL)**

//VM//

**Sd/-**  
**NILESH SHARMA**  
**MEMBER (JUDICIAL)**



**IN THE NATIONAL COMPANY LAW TRIBUNAL MUMBAI BENCH-VI**  
**CP (IB) No. 246/MB/2025**

*[Under Section 7 of the Insolvency and Bankruptcy Code, 2016 read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016]*

IN THE MATTER OF:

**CSB BANK LIMITED**

[CIN: L65191KL1920PLC000175]

**Registered office:** CSB Bhavan,  
Post Box No. 502, St. Mary's College, D  
Thissur - 680020, Kerala.

**Branch office:** Basement Floor, Plot No. 15  
Girnar House, Adarsh Society  
Market Yard Road  
Pune- 411037, Maharashtra.

**...Financial Creditor/Applicant**

V/s

**KUTE SONS FRESH DAIRY PRIVATE LIMITED**

(previously known as Tirumalaa Fresh Daairy Farm Private Limited)

[CIN: U15490PN2014PTC151391]

S.No.406 & 407, Nimbhore  
Post Surwadi Taluka Phaltan  
Satara - 415523, Maharashtra.

**...Corporate Debtor**

**Pronounced: 26.06.2025**

**CORAM:**

**HON'BLE SHRI NILESH SHARMA, MEMBER (JUDICIAL)**

**HON'BLE SHRI SAMEER KAKAR, MEMBER (TECHNICAL)**

**Appearances: Hybrid**

Financial Creditor: Adv. Aniruth Purusothaman

Corporate Debtor: None Present



## ORDER

**[PER: BENCH]**

### 1. **BACKGROUND**

- 1.1 This is an Application bearing C.P. (IB) No.246/MB/2025 filed on 05.12.2024 by CSB Bank Limited, the Applicant (Financial Creditor) under Section 7 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as “the Code”) read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 (hereinafter referred to as “the AAA Rules”) by Ms. Tresa John James, Law Officer *vide* Power of Attorney dated 25.10.2023 for initiating Corporate Insolvency Resolution Process (hereinafter referred to as “CIRP”) in respect of Kute Sons Private Limited, the Corporate Debtor (CD).
- 1.2 The Applicant is a banking company incorporated under the Companies Act, 1956. The CD is registered under Companies Act, 1956 and had requested a credit facility from the Applicant.
- 1.3 As per Part-IV of the Application the total amount claimed to be in default is Rs.35,31,33,634/- (Rupees Thirty-Five Crore Thirty-One Lakh Thirty-Three Thousand Six Hundred and Thirty-Four) including interest amount at the rate of 11% p.a. for cash credit limit and 11.5% p.a. for term loan. The principal amounted to Rs. 32,80,91,548/- (Rupees Thirty-Two Crore Eighty Lakh Ninety-One Thousand Five Hundred and Forty-Eight) and interest amounted to Rs.2,50,42,086/- (Rupees Two Crore Fifty Lakh Forty-Two Thousand and Eighty-Six).
- 1.4 The date of default is mentioned as 18.03.2024 when the CD first defaulted in making the repayment towards the loan. The date of NPA is stated as 17.06.2024.



1.5 The Applicant has relied on the following documents:

- i. Power of Attorney dated 25.10.2023 authorising Smt. Tresa John James, Law Officer-Recovery of the Financial Creditor to file the present Application.
- ii. Certificate of Incorporation pursuant to change of name issued by the Registrar of Companies, Pune on 01.04.2021 along with Board Resolution dated 26.02.2021 of the CD.
- iii. Written communication by proposed interim resolution professional in form-2 along with Form-B Authorisation for Assignment dated 14.11.2024.
- iv. Accepted Sanction Letter dated 16.09.2020.
- v. Demand notice u/s 13(2) of SARFAESI Act, 2002 dated 12.07.2024.
- vi. NPA Certificate dated 11.11.2024.
- vii. Composite hypothecation cum Loan Agreement dated 16.10.2020
- viii. Agreement to Mortgage dated 16.10.2020
- ix. Mortgage Deed dated 23.10.2020
- x. Copy of declaration cum affidavit dated 23.10.2020 executed by Mr. Suresh Kute.
- xi. Copy of declaration cum affidavit dated 23.10.2020 executed by Mr. Suresh Kute
- xii. Guarantee Agreement dated 16.10.2020
- xiii. Copy of the data submitted by the Financial Creditor to the Central Repository of Information on Large Credits.
- xiv. Copies of the updated statement of accounts along with certificates under the Banker's Book Evidence Act, 1881.
- xv. Copy of the audited financials of the Corporate Debtor for the financial year ending on 31.03.2023.



xvi. NeSL record of default in Form-D.

## 2. AVERMENTS OF THE APPLICANT

2.1 The CD was previously known as 'Tirumalaa Fresh Daairy Farm Private Limited'. After the sanction and disbursal of financial facilities by the Applicant, name of the CD was changed to 'Kute Sons Fresh Dairy Private Limited'. A 'Certificate of Incorporation pursuant to change of name' dated 01.04.2021 was issued by the Registrar of Companies, Pune. Thus, at the relevant time, the documents pertaining to the financial debt forming subject matter of the present Application were executed in the name of 'Tirumalaa Fresh Daairy Farm Private Limited.' The copy of the Certificate of Incorporation (name change) dated 01.04.2021 along with Board Resolution dated 26.02.2021 is attached to the Application as **Annexure C**.

2.2 Pursuant to CD's request the Applicant sanctioned and disbursed the following loans to the CD *vide* its Sanction Letter dated 16.09.2020 bearing reference no. CSB WB/PUNEMARKETYARD/1/2020-21:

- a. Cash Credit Limit of Rs. 25,00,00,000/- (Rupees Twenty-Five Crore) carrying a rate of interest of 11% per annum, for meeting working capital requirements of the CD;
- b. Term Loan of Rs. 20,00,00,000/- (Rupees Twenty Crore) carrying a rate of interest of 11.50% per annum for a tenure of 96 months repayable in 84 instalments, with a 12-month moratorium, for meeting capital expenditure in connection with expansion of the unit from "existing level of 2 lakh litres per day (LPD) to 3.50 lakh LPD and backward/forward integration of the unit along with diversification in to retail products." The copy of the Sanction Letter dated 16.09.2020 is attached to the Application as **Annexure F**.



2.3 The first disbursements towards the above facilities was on:

- i. Cash Credit Limit Bearing A/c No. 0451-04199705-710501 on 16.10.2020.
- ii. Term Loan bearing A/c No. 0451-04199705-665001 on 28.10.2020.

The Loans were secured by a registered mortgage of 3 immovable properties *vide* Mortgage Deed dated 23.10.2020 executed by Mr. Suresh Kute, one of the Directors of the CD, also declaring his clear title to the mortgaged properties by executing Declaration cum Affidavits and by hypothecation of the CD's movable assets *vide* the Composite Hypothecation cum Loan Agreement dated 16.10.2020. The charge created on the assets of the CD is registered with the Registrar of Companies under SRN R73790164 and Charge ID 100384512. The details of assets mortgaged/hypothecated by the CD/its promoters/group companies, as provided on pages 14 to 16 of the Application are as stated below:

(I) Mortgage of the following immovable properties:

- A. 25000 sq. mtr. Industrial land with plant and machinery at Gat No. 120/4, 120/3 & 304, Jawkhede Khalasa, Tal.- Pathardi, Dist.-Ahemadnagar owned by Fresh N Natural Dairy Farms Pvt. Ltd. Pune & Promoter Directors.
- B. 6500 sq. mtr. oen land at R. S. No. 53/1 (Part), Behind Tirumala head office, near State Bank of India, Beed Kurla Road, Bahirwadi, Dist.-Beed owned by Mr. Suresh Kute. and,
- C. Total land admeasuring about 21599.50 Sq. fts. i.e. 2007.38 sq. mtrs. out of the land property bearing S. No. 44, Plot No. A, B, B-1, C and D, Grampanchayat, Kramkant-6932, 6746, 6757, 6929, 6931 (New Number) situated at Village Bahirwadi, Taluka Beed, District Beed owned by Suresh Kute.

(II) Hypothecation of 'All book debts and securities belonging to the borrower and/or all fixed assets, goods and assets of the Borrower kept in the



godowns at S. No. 406 & 407, at Nimbhore, Post Surwadi Taluka Phaltan Satasa-415523 or in the business premises of the Borrower at S. No. 406 & 407, At Nimbhore, Post Surwadi Taluka Phaltan Satara-415523 Maharashtra or other places and/or all the plant and machineries present and future.” (Hypothecated Properties)

The charge created on the assets of the Financial Creditor is registered with the Registrar of Companies under SRN R73790164 and Charge ID 100384512.

2.4 Mrs. Archana Kute, Mr. Suresh Kute, Tirumalla Oil Refinery Private Limited and, Tirumalaa Daairy Limited Executed Guarantee Agreement dated 16.10.2020 in favour of the Applicant, securing the loans availed by the CD.

2.5 The CD was not maintaining financial discipline as agreed by it under the Composite Hypothecation cum Loan Agreement dated 16.10.2020 and other financial documents. Further, the CD first defaulted in repayment of dues to the Applicant on 18.03.2024. Therefore, the Applicant was constrained to classify the Loan Account of the CD as NPA on 17.06.2024. The copy of NPA certificate attached to the Application as **Annexure-H**.

2.6 Thereafter, the Applicant issued a Demand Notice dated 12.07.2024 under Section 13(2) of the SARFAESI Act, 2002 to the CD and the security providers demanding repayment of Rs.33,60,53,662/- as on 30.06.2024 along with interest, further interest, default interest and other monies payable at the contractual rate, till payment or realization and has appended postal receipts as proof of delivery to the CD, which are attached on pg. no 56. The CD has not responded to the demand notice, nor repaid the dues. The copy of the Demand Notice is attached to the Application as **Annexure-G**.



### **3. CONTENTIONS OF CORPORATE DEBTOR**

3.1 The Tribunal's order dated 21.04.2025 records that:

*"2. A perusal of the AOS reveals that the fresh registry notice was dispatched upon the Respondent Director Mr. Suresh Kute, vide letter dated 04.04.2025 (wrongly mentioned as 4 July, 2025) through RPAD, on 08.04.2025. Applicant has attached a Track Consignment Report at Page No. 11, a perusal of the same reflects that it was delivered to the Jail Superintendent on 11.04.2025.*

*3. Ld. Counsel Mr. Bhushan Yadav appears on behalf of the Respondent and states that they have not received the copy of the Application. At this stage, Ld. Counsel for the Applicant states that he will be serving the copy of the Application upon the Respondent Counsel by the end of the day today through email.*

*4. Ld. Counsel for the Respondent seeks, and is granted two weeks' time to file reply in the matter. Thereafter rejoinder, if any, may be filed within a period of 7 days."*

3.2 Thereafter, the matter was listed on 26.05.2025, 02.06.2025 and 11.06.2025. It was seen that no one appeared on behalf of the CD on these dates and no Vakalatnama or Reply was filed on the DMS. Therefore, this Tribunal vide order dated 11.06.2025, set the CD *ex-parte* and its right to file reply was closed.

### **4. ANALYSIS AND FINDINGS**

4.1 We have heard the Counsel for the Applicant and have perused the records as placed before us. Our findings in the matter are as under: -

4.2 The Applicant has placed on record Sanction Letter dated 16.09.2020 bearing reference no. CSB WB/PUNEMARKETYARD/1/2020-21. From perusal of this letter it is seen that the Applicant had sanctioned the credit facilities as requested by the CD



for Cash Credit Limit and Term Loan. The Cash Credit sanctioned was for Rs. 25 Crore and Term Loan for Rs.20 Crore. The Cash Credit was later reduced to Rs. 18 Crore, which is recorded in the Demand Notice under Section 13(2) of the SARFAESI Act, 2002 issued by the Applicant to the CD. The disbursement of the Cash Credit facilities commenced on 16.10.2020 and disbursement of the Term Loan was made with effect from 28.10.2020.

4.3 Thereafter, a Composite Hypothecation cum Loan Agreement was executed between the parties on 16.10.2020. This agreement was in consonance with the credit facilities borrowed by the CD, thereby agreeing to pay the dues as per the Sanction Letter. We find that there arose a financial transaction between the parties.

4.4 On perusal of the Statement of Account of the CD in the Applicant bank in respect of the term loan bearing A/c no. 0451-04199705-665001, there were disbursements of amount of Rs.7,11,00,119/- on 28.10.2020, of Rs. 93,46,987/-, Rs. 2,35,71,000/- and Rs. 3,99,94,000/- on 26.11.2020 of Rs. 1,10,16,744/- on 12.04.2021 and another disbursement of term loan amount of Rs.4,00,00,000/- on 24.05.2021 along with certain other disbursements/debits. The account statements in respect of the CD's Cash Credit Facilities bearing account no. 0451-0419-9705-710501 record that the disbursements of Rs. 7,00,00,000/- and Rs. 300,00,000 were made on 16.10.2020 and thereafter, further disbursements were made in the account from time to time by way of making of payments by the CD to its suppliers and others. Therefore, it is clear that loan disbursements have been made by the Applicant to the CD.

4.5 The Sanction Letter dated 16.09.2020 contains the repayment terms for the term loan facilities and event of default with respect to term loan as well as cash credit account as follows:



<b>Principal repayment of the term loan</b>	Principal loan amount shall be repaid in 84 instalments after moratorium period of 12 months from the date of first disbursal.  The amount of each instalment is clearly specified in the sanction letter.
<b>Interest payment</b>	Monthly interest shall be serviced separately as and when debited

The Events of Default included at point no. XIV *non-compliance of the sanction terms stipulated by the bank*. It is observed that the CD was to repay the term loan in 84 instalments after 12 months from the date of disbursal. Accordingly, the first instalment of the term loan became due on 28.11.2021 i.e. after the expiry of 12 months from the date of first disbursement. It is seen from the Statements of Accounts of the CD in the Applicant's bank that the CD has paid several instalments over a period of time, however, we have observed that the CD stopped making payment of the term loan instalments after 22.05.2024 and stopped making deposits in the Cash Credit Account after 19.03.2024, except deposit of some very small amounts. There also accrued interest to be paid by the CD as per the terms mentioned above and the Statement of Accounts records the interest was applied by the Applicant on monthly basis and the CD was making payment of the same by making the deposits of its collections before it started to make default.

4.6 On perusal on the latest Balance Sheet for FY-2022-23 of the CD, we find that the CD acknowledged an amount of Rs.14.05 Crore under 'Non-Current Liabilities' as Long-Term Borrowings from CSB Bank (on page no. 2597 of the Application), an amount of Rs.17.98 Crore under Short-Term Borrowings (Loans from Bank repayable on demand by CSB Bank) (on page no. 2598 of the Application) and an amount of Rs.2.85



crore reflected as current maturity of long term debts towards CSB term loan (on page no. 2599 of the Application).

4.7 The Bank Statements duly certified under the Bankers Book Certificate Act, 1891 reflect outstanding in the term loan account as on 30.09.2024 as Rs 14.82 crore (on page no. 239 of the Application) and outstanding in respect of Cash Credit Account as on 30.09.2024 as Rs. 17.98 crore (on page no. 2588 of the Application), along with further interest amounting to Rs. 2.51 crore till 30.11.2024, all totalling to Rs. 35.31 crore as on 30.11.2024 as claimed by the Applicant in its Application. The same demonstrates that an amount of more than Rs.1 Crore is the outstanding payable by the CD as on 30.11.2024 and that the said amount is in default.

4.8 The date of default mentioned in Part-IV of the Application, which is the date on which the Corporate Debtor first defaulted in repayment of loan, is 18.03.2024. It is observed that the account of the CD was declared as NPA on 17.06.2024 as is seen from the NPA Certificate dated 11.11.2024 and that the date of default, being 90 days prior to the NPA date, is 18.03.2024.

4.9 The Applicant had issued Demand Notice dated 12.07.2024 under Section 13(2) of the SARFAESI Act, 2002 demanding the defaulted amount, however, the CD has not replied or disputed the said Demand Notice.

4.10 The Applicant has also attached the record of default recorded with the information utility i.e. National E-Governance Services Limited (NeSL) in Form-D, attached on page no. 2616 of the Application, which reflects status of authentication of default as "AUTHENTICATED".

4.11 The Applicant has proposed the name of Mr. Ritesh R. Mahajan to act as the Interim Resolution Professional (IRP) and has given his declaration in Form 2, *inter alia*,



stating that no disciplinary proceeding is pending against him. The Applicant has provided his valid AFA in Form B, which is valid till 31.12.2025.

4.12 Thus, it is clear from perusal of the record that an amount of more than the threshold limit of Rs.1 Crore as per Section 4 of the Code is due and payable by the CD to the Applicant, with respect to which, the CD has committed a default. Hence, we find that the Applicant has been able to substantiate the existence of a financial debt due and payable by the CD to it, which has remained in default. The debt so owed by the CD to the Applicant against the loan amount falls within the definition of “financial debt” under Section 5(8) of the Code. We further hold that the Application made by the Applicant is complete in all respects.

4.13 In view of the above, we find that requisite requirements necessary to trigger CIRP in respect of the CD are fulfilled and the matter needs to be admitted under Section 7 of the Code.

## **ORDER**

In view of the aforesaid findings, the Application bearing C.P.(IB) No.246/MB/2025 filed under Section 7 of the Code by CSB Bank Limited, the Applicant, for initiating CIRP in respect of **Kute Sons Fresh Dairy Private Limited**, the Corporate Debtor is hereby **admitted**.

We further declare moratorium under Section 14 of the Code with consequential directions as mentioned below: -

I. We prohibit-



- 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 Securitisation 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 possession of the Corporate Debtor.
- II. That 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.
- III. That the order of moratorium shall have effect from the date of this order till the completion of the CIRP or until this Tribunal approves the resolution plan under Section 31(1) of the Code or passes an order for the liquidation of the Corporate Debtor under Section 33 thereof, as the case may be.
- IV. That the public announcement of the CIRP shall be made immediately as specified under Section 13 of the Code read with Regulation 6 of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 and other Rules and Regulations made thereunder.



- V. That this Bench hereby appoints **Mr. Ritesh R. Mahajan**, a registered Insolvency Professional having Registration Number **IBBI/IPA-002/IP-N00048/2017-2028/10132** and e-mail address [riteshmahajancs@gmail.com](mailto:riteshmahajancs@gmail.com) having valid Authorisation for Assignment up to 31.12.2025 as the IRP to carry out the functions under the Code.
- VI. That the fee payable to IRP/RP shall be in accordance with such Regulations/Circulars/ Directions as may be issued by the IBBI.
- VII. That 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 or Section 25, as the case may be, of the Code. The officers and managers of the Corporate Debtor the Corporate Debtor is directed to provide effective assistance to the IRP as and when he takes charge of the assets and management of the Corporate Debtor. 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/RP within a period of one week from the date of receipt of this Order and shall not commit any offence punishable under Chapter VII of Part II of the Code. Coercive steps will follow against them under the provisions of the Code read with Rule 11 of the NCLT Rules for any violation of law.
- VIII. That the IRP/IP shall submit to this Tribunal periodical reports with regard to the progress of the CIRP in respect of the Corporate Debtor.
- IX. In exercise of the powers under Rule 11 of the NCLT Rules, 2016, the Applicant is directed to deposit a sum of Rs.3,00,000/- (Rupees Three Lakh) with the IRP to meet the initial CIRP cost arising out of issuing public notice and inviting claims, etc. The amount so deposited shall be interim finance and paid back to the



Applicant on priority upon the funds available with IRP/RP from the Committee of Creditors (CoC). The expenses incurred by IRP out of this fund are subject to approval by the CoC.

- X. A copy of this Order be sent to the Registrar of Companies, Maharashtra, Mumbai for updating the Master Data of the Corporate Debtor.
- XI. A copy of the Order shall also be forwarded to the IBBI for record and dissemination on their website.
- XII. The Registry is directed to immediately communicate this Order to the Applicant, the Corporate Debtor and the IRP by way of Speed Post, e-mail and WhatsApp.
- XIII. **Compliance report of the order by Designated Registrar is to be submitted today.**

**Sd/-**  
**SAMEER KAKAR**  
**MEMBER (TECHNICAL)**  
*//VM//*

**Sd/-**  
**NILESH SHARMA**  
**MEMBER (JUDICIAL)**