



**IN THE NATIONAL COMPANY LAW TRIBUNAL**  
**NEW DELHI BENCH**  
**COURT-IV**

CP (IB) NO. 215 OF 2025

[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:**

**M/S PRADYUMAN OVERSEAS LIMITED  
MR. PRADYUMAN KEDIA 48, VIKAS VIHAR,  
NEAR PANI KI TANKI, NEW MOHANPURI,  
MEERUT-251002 (UTTAR PRADESH)**

.... OPERATIONAL CREDITOR/APPLICANT

VERSUS

**M/S VANYA EDIBLE OILS & REFINERIES PRIVATE LIMITED  
THROUGH ITS DIRECTORS  
AT ITS REGISTERED OFFICE: DESK NO.19, 65-A, U G FLOOR,  
PLOT NO. 65, GALI NO.-4, KUNDAN NAGAR LAXMI NAGAR,  
NEW DELHI- 110092**

**ALSO AT ITS WORKS OFFICE: G-139, 149, 141, 157 AND 158,  
UPSIDC INDUSTRIAL AREA, M.G ROAD, VILLAGE-KHICHRA,  
GHAZIABAD-201001 (UTTAR PRADESH)**

...CORPORATE DEBTOR/RESPONDENT

**Order Delivered on: 02.09.2025**

**CORAM:**

**SHRI MANNI SANKARIAH SHANMUGA SUNDARAM,**  
**HON'BLE MEMBER (JUDICIAL)**

**SHRI ATUL CHATURVEDI,**  
**HON'BLE MEMBER (TECHNICAL)**

**Present:**

**For the Applicant : Mr. Shivam Goel, Ms. Ramya S. Goel,  
Ms. Sanya Sharma, Advocates**

**For the Respondent : Mr. Akshay Saxena,  
Mr. Anurag Soan, Advocates.  
Mr. Alakh Alok Srivastava, Advocate**



**ORDER**

**PER: ATUL CHATURVEDI, MEMBER (TECHNICAL)**

1. This instant application has been filed by M/s Pradyuman Overseas Limited (hereinafter referred as 'Applicant'/ 'Operational Creditor'), having office at 48, Vikas Vihar, near Pani ki Tanki, New Mohanpuri, Meerut-251002 (Uttar Pradesh) under Section 9 of the Insolvency and Bankruptcy Code, 2016 (for brevity 'the Code') with a prayer to initiate Corporate Insolvency Resolution Process in respect of M/s Vanya Edible Oils & Refineries Private Limited, (hereinafter referred as 'Respondent Company' or 'Corporate Debtor').
2. The Respondent Company **M/s Vanya Edible Oils & Refineries Private Limited** having CIN: U15144DL2015PTC277037 was incorporated on 23.02.2015 under the provisions of the Companies Act, 2013 having its registered office situated at Desk No.19, 65-A, U G Floor, Plot No. 65, Gali No.-4, Kundan Nagar Laxmi Nagar, New Delhi-110092 and at the time of issuance of the notice in Form 4, it was B-114, New Seelampur Market, Delhi-110053.
3. The total amount of default alleged in Part-IV of the application preferred under Section 9 is Rs. 1,15,01,373 (Rupees One Crore Fifteen Lakhs One Thousand Three Hundred Seventy Three Only). The debt has become due between 11.09.2023 to 03.10.2023.
4. **Submissions by the Ld. Counsel appearing on behalf of the Operational Creditor.**
  - i. In September, 2021, the Corporate Debtor approached the Operational Creditor intimating its intention of sourcing various oils including RBD Palm Starin, Sal Fat - Sal Olien, etc. As per the





request, the Operational Creditor has been supplying goods to the Corporate Debtor. However, the Corporate Debtor has failed to maintain financial discipline inasmuch as it has been failing to make payments against individual invoices and has only made a few ad hoc payments. Lastly, the Corporate Debtor further placed orders and against which the several invoices were raised by the Operational Creditor.

- ii. The Corporate Debtor had also issued a cheque bearing no.000478 drawn on Standard Chartered Bank, Sansad Marg Branch, Delhi for Rs. 1,20,00,000/- (Rupees One Crore and Twenty Lakhs Only). The said cheque was presented on 17.10.2024 which was returned dishonored.
- iii. Owing to the said default, the Operational Creditor issued a Demand Notice in form 4 on 17.10.2024 for default/non-payment by the Corporate Debtor and calling upon it to inform of a pending "dispute" or make payment against the default. The same was served by registered post on 26.10.2024 and by email to its whole time Director on 17.10.2024.
- iv. The Corporate Debtor made part payment of Rs. 5,00,000/- on 25.10.2024. Furthermore, the Corporate Debtor failed to either raise any dispute or make payment of the outstanding amount within the stipulated period of 10 days. This failure, coupled with the dishonoring of cheques, clearly established that no dispute existed between the parties and that the default is admitted.
- v. On 05.11.2024, the Corporate Debtor duly replied to the demand notice whereby taking vague and inchoate plea(s) and proceeding to request for re-conciliation of accounts. However, when the Operational Creditor approached the Corporate Debtor, they started delaying and did not even reconcile the account.
- vi. The Operational Creditor has also issued a legal notice dated 16.11.2024 under Section 138(b) of the Negotiable Instruments Act, owing to the dishonour of the aforementioned cheque. In response, the Corporate Debtor has issued a reply dated 06.12.2024, falsely





alleging the existence of a fictitious General Agreement dated 05.07.2021 and fictitious debit notes dated 01.04.2024. It is respectfully submitted that no such Agreement was ever executed, nor were any such debit notes ever raised.

- vii. That the Operational Creditor has also filed a complaint under Section 138 and 142 read with Section 141 of the Negotiable Instruments Act, 1881 wherein on 09.01.2025, the Ld. JMFC, (NI Act)-02, West, Tis Hazari Courts was pleased to issue notice to the Accused therein, i.e. the Corporate Debtor and its Director(s).
- viii. As of today, the Corporate Debtor remains liable to pay the Operational Creditor Rs. 1,15,01,373/- (Rupees One Crore Fifteen Lakhs One Thousand Three Hundred Seventy-Three Only), which is an admitted debt and default. The Corporate Debtor had issued another cheque No. 000134 dated 07.01.2025 for Rs. 10,00,000/- (Rupees Ten Lakhs Only) as partial payment; however, this cheque was also dishonoured upon presentation on 21.03.2025.
5. In response to the same, the Corporate Debtor has raised several averments against the present application which are mentioned hereinbelow: -
- i. The Applicant and the Corporate Debtor entered into an oral agreement whereby the Operational Creditor was to supply all kinds of edible oils and related products as per the requirements of the corporate debtor. Pursuant to this agreement, the CD issued two blank security cheques dated 28.09.2021 bearing only its signature and stamp drawn on standard chartered bank, bearing cheque numbers 000477 and 000478. These cheques were duly received by the Operational Creditor.
- ii. As per the terms of the oral agreement, the Operational Creditor was required to obtain written consent from the corporate debtor prior to representing the aforementioned cheques for encashment. However, without obtaining any such consent, and allegedly acting in bad faith, the Operational Creditor unilaterally filled in cheque number 000478 with an amount of Rs. 1,20,00,000/- and dated it





10.10.2024, subsequently depositing it with his banker, M/s HDFC Bank Ltd., Punjabi Bagh, New Delhi. The said cheque was dishonoured on 17.10.2024 (with the return memo received on 21.10.2024), bearing the remark "Account Closed." Thereafter, on 17.10.2024, the Operational Creditor issued a demand notice under Section 8 of the Code. The said notice was received on 26.10.2024 to the Corporate Debtor. The Corporate Debtor vide reply dated 05.11.2024 disputed the demand made by the Operational Creditor and sought amicable settlement.

- iii. As the submission made by the Corporate Debtor, the present petition filed by the Operational Creditor is not maintainable as there is a pre-existing dispute regarding the quality of goods supplied and unauthorized use of security cheque of the Corporate Debtor.
- iv. It is submitted that the Corporate Debtor is a solvent company with an annual turnover of Rs.366 Crores and around 30-40 employees, fully capable of discharging its lawful debts. The CD issued a Debit Note dated 01.04.2024 for Rs. 42,14,280/- covering all five invoices relied upon in this petition, raising objections regarding inferior quality of goods. The Debit Note was duly sent to the Operational Creditor, who, despite repeated assurances of replacement during telephonic conversations, failed to take any corrective action. Consequently, the Corporate Debtor suffered losses due to the substandard goods supplied.
- v. It is submitted that the Operational Creditor, without informing the Corporate Debtor, deposited the security cheque with mala fide intent, in violation of the terms of the oral agreement between the parties. The said cheque was returned unpaid with the endorsement "Account Closed." It is pertinent to note that the Corporate Debtor had already transferred its limit account from Standard Chartered Bank to HDFC Bank, and the Standard Chartered limit account was duly closed on 22.12.2022, much prior to the presentation of the security cheque by the Operational Creditor.





- vi. It is respectfully submitted that the Operational Creditor has stated in its petition that upon dishonour of the cheque on 17.10.2024, a demand notice under Section 8 of the Code was issued. However, as per the Operational Creditor's own legal notice placed at page 114 (Annexure P-14 of the petition), the return memo of the cheque was in fact received from its bank only on 21.10.2024. This inconsistency itself reflects the mala fide intent of the Operational Creditor.
- vii. It is further submitted that the said demand notice does not make any reference to the debit notes which were consistently raised by the Corporate Debtor, including the Debit Note dated 01.04.2024 for Rs. 42,14,280/-. The deliberate omission of such material facts from the demand notice demonstrates suppression of a genuine pre-existing dispute between the parties, thereby rendering the petition non-maintainable under Section 9 of the Code.
- viii. The corporate debtor in his reply dated 05.11.2024 denied any liability as was claimed by the operational creditor. Further, the reply given to the operational creditor raised the issue of quality of goods that was supplied and the debit notes that were issued.
- ix. Moreover, the payment of Rs. 5,00,000/- made by the Corporate Debtor to the Operational Creditor was not towards discharge of liability under the invoices relied upon in the petition. The said payment was made only to settle outstanding dues of Rs. 2,26,248/-. Consequently, after adjustment, the Operational Creditor is in fact liable to refund the excess sum of Rs. 2,73,752/- to the Corporate Debtor.
- x. It is submitted that there was never any provision for interest on delayed payment. The operational creditor has unilaterally mentioned interest @24% on the invoices. Reliance is placed on the judgment of Hon'ble NCLAT in the matter of Comet Performance Chemicals Private Limited vs. Aarvee Denims and Exports Limited [Company Appeal (AT) (Insolvency) No. 1878 of 2024].





6. The Operational Creditor filed its rejoinder and made the averments in the rejoinder which are stated below:-

- i. In the rejoinder, the Operational Creditor contended that the Corporate Debtor has admitted liability of Rs. 1,15,01,373/- in its own ledger but is attempting to set it off against fabricated debit notes dated 01.04.2024. It is argued that these debit notes are false, having no acknowledgment, no supporting correspondence, no GST/e-way bill entries, and even the courier receipt filed is forged, which DTDC has confirmed as never booked. The Operational Creditor further submits that if such debit notes genuinely existed, there was no reason for the Corporate Debtor to make an alleged overpayment of Rs. 5,00,000/- on 25.10.2024 (after receipt of demand notice) or to issue another cheque of Rs. 10,00,000/- in January 2025.
- ii. It is emphasized that the invoices themselves were on “Ex-Factory” and “All risk buyer account” terms, with payment due within ten days. Thus, debit notes raised six months later are untenable. The Operational Creditor denies all allegations of inferior goods, oral agreement, malafide cheque use, or solvency claims of the Corporate Debtor. Relying on *Mobilox Innovations v. Kirusa Software* (2018) 1 SCC 353, it is asserted that no pre-existing dispute exists, and the defence is illusory.
- iii. The Operational Creditor submits that the Corporate Debtor has defaulted without any bona fide dispute, and the petition deserves admission by initiating CIRP.

#### **ANALYSIS AND FINDINGS**

7. We have heard the Ld. Counsel on behalf of the Operational Creditor and Corporate Debtor and further perused the averments made in the application, reply filed by the Corporate Debtor, Rejoinder by the Operational Creditor and written submission presented by Operational Creditor and the Corporate Debtor. Since, the registered office of the respondent/ Corporate Debtor is in Delhi, this Adjudicating Authority is having territorial jurisdiction as the Adjudicating Authority in relation to





prayer for initiation of Corporate Insolvency Resolution Process (CIRP) under Section 9 of The Insolvency and Bankruptcy Code, 2016, against the Corporate Debtor. Further, the present petition is filed within the period of limitation.

8. In order to determine the admissibility of petition for initiating CIRP under section 9 of the Code, the judgment of the Hon'ble Supreme Court in Mobilox Innovations (P) Ltd. v. Kirusa Software (P) Ltd., (2018) 1 SCC 353, is to be taken into consideration. The said judgment makes it clear that in order to initiate CIRP proceedings under Section 9 of the Code, the Adjudicating Authority has to determine:
  - A. Whether there is an 'Operational Debt' exceeding Rs. 1 Lakh (Rs. 1 Crore, in case the petition is filed after 24.03.2020) as defined under Section 4 of the IBC?
  - B. Whether the documentary evidence furnished with the application shows that the aforesaid debt is due and payable and has not yet been paid?
  - C. Whether there is existence of a dispute between the parties or the record of the pendency of a suit or arbitration proceeding filed before the receipt of the demand notice of the unpaid operational debt in relation to such dispute?
9. In the present case, the Operational creditor supplied oils including RBD Palm Starin, Sal Fat - Sal Olien, etc., to the Corporate Debtor in September 2023 against which invoices were raised between 11.09.2023 to 03.10.2023. While part-payment were made, a sum of Rs. 1,15,01,373/- remains outstanding and in default.
10. The Operational Creditor had issued a demand notice dated 17.10.2024 to the Corporate Debtor. After receipt of the notice, the Corporate Debtor made a part-payment of Rs. 5,00,000/- on 25.10.2024. The Corporate Debtor further issued two cheques which were dishonoured upon presentation. In this regard, the operational





creditor also filed a complaint under Section 138 and 142 read with Section 141 of the Negotiable Instruments Act, 1881 which is pending before the Ld. JMFC, (NI Act)-02, West, Tis Hazari Courts.

11. The Operational Creditor has placed on record the ledgers of both parties, which reflect that as on 01.04.2024, the liability of the Corporate Debtor stood at Rs. 1,70,01,373/-, out of which payment of Rs. 55,00,000/- were made, leaving the present default of Rs. 1,15,01,373/-.
12. The Corporate Debtor has resisted the petition by contending that debit notes dated 01.04.2024 were issued to the Operational Creditor adjusting a substantial part of the liability. It has also been contended that the cheque relied upon was in fact a blank security cheque given in 2021 and has been misused. Further, it is urged that the Code is not a recovery forum and the petition is an abuse of the process of law
13. The Operational Creditor, in its rejoinder and written submissions, has strongly refuted the debit notes relied upon by the Corporate Debtor. It has been pointed out that there is no acknowledgment or acceptance of the alleged debit notes, that no contemporaneous correspondence, GST entry or e-way bill supports them, and further that the alleged courier receipt evidencing dispatch has been confirmed by DTDC to be non-existent. The plea of debit notes is therefore asserted to be a fabrication raised as an afterthought.
14. On perusal of the records, this Tribunal finds that the liability of the Corporate Debtor is admitted in its own ledger for the financial year 2024-2025 wherein the opening balance payable was shown at Rs.





1,70,01,373/- . After part-payments, the default of Rs. 1,15,01,373/- remains. The issuance of cheques after receipt of the demand notice further evidences acknowledgment of liability. The defence of debit notes appears wholly unsubstantiated. They were allegedly raised six months after supply of goods, have not been contemporaneously communicated, and are unsupported by any credible document. The DTDC courier record has also been specifically denied by the service provider. In view of the law laid down in **Writers & Publishers Pvt. Ltd. v. Oriental Coal Corp. (NCLAT, 2022)**, a mere debit note does not amount to a valid dispute.

15. The contention that the cheque was only a security cheque is equally untenable. The Supreme Court in the matter of Bir Singh Vs Mukesh Kumar 2019(4)SCC197, while dealing with the presumption as stated in section 139 of the Negotiable Instruments Act, 1881 has held as follows:

*40. Even a blank cheque leaf, voluntarily signed and handed over by the accused, which is towards some payment, would attract presumption under Section 139 of the Negotiable Instruments Act, in the absence of any cogent evidence to show that the cheque was not issued in discharge of a debt.*

16. Thus, from the decision rendered by the Supreme Court as cited above, the issue as to whether the payment by cheque whether it is honoured or not, amounts to acknowledgment of a debt is answered in the affirmative and as such this Tribunal, in such a circumstance comes to an irresistible conclusion that the payment by cheque itself would amount to acknowledgment of a debt and liability.





17. This Tribunal is mindful that the Code is not a mere recovery mechanism. However, where a clear operational debt exists, and default is established, the provisions of Section 9 of the Code are attracted. The law as laid down in ***Mobilox Innovations Pvt. Ltd. v. Kirusa Software Pvt. Ltd. (2018) 1 SCC 353*** makes it clear that only a genuine, pre-existing dispute raised before issuance of demand notice would bar admission. In the present case, no such dispute was raised prior to the Section 8 notice dated 17.10.2024. The alleged debit notes are an afterthought and cannot be considered as a plausible contention.

18. In view of the above findings, this Tribunal is satisfied that the Operational Creditor has established the existence of an operational debt, the occurrence of default, and that there is no pre-existing dispute within the meaning of the Code. Accordingly, the petition is admitted under Section 9 of the Insolvency and Bankruptcy Code, 2016. In the light of the above facts and circumstances, it is, hereby ordered as follows:-

- i. The application bearing CP (IB) No. 215/ND/2025 filed by M/s M/s Pradyuman Overseas Limited, the Operational Creditor, under Section 9 of the Code read with rule 6 of the Insolvency & Bankruptcy (Application to Adjudicating Authority) Rules, 2016 for initiating CIRP against M/s Vanya Edible Oils & Refineries Private Limited, the Corporate Debtor, is hereby admitted.

The Applicant has not proposed any name of the Interim Resolution Professional ('IRP') and requested this Adjudicating





Authority to appoint the IRP. Therefore, this Adjudicating Authority hereby appoint Mr. Shailendra Singh from the panel of Insolvency Professional via reference letter IP-12011/1/2020-IBBI/171/958 Dated 30.06.2025 received from Insolvency and Bankruptcy Board of India valid for the period July 01-December 31, 2025. Mr. Shailendra Singh, having Registration Number IBBI/IPA-002/IP-N00471/2017-2018/11372, email: [shailendralaw@gmail.com](mailto:shailendralaw@gmail.com). Mr. Shailendra Singh is hereby appointed as Interim Resolution Professional (IRP) of the Corporate Debtor. The IRP so appointed shall file a valid AFA and disclosure about non-initiation of any disciplinary proceedings against him, within three working days (3) of pronouncement of this order.

- iii. We direct the applicant to deposit a sum of Rs. 2 lacs with the Interim Resolution Professional, namely Mr. Shailendra Singh, to meet out the expenses to perform the functions assigned to him in accordance with regulation 6 of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Person) Regulations, 2016. The needful shall be done within one week from the date of receipt of this order by the Operational Creditor. The amount, however, be subject to adjustment by the Committee of Creditors, as accounted for by Interim Resolution Professional, and shall be paid back to the Operational Creditor.





iv. We also declare moratorium in terms of Section 14 of the Code.

The necessary consequences of imposing the moratorium flows from the provisions of Section 14 (1) (a), (b), (c) & (d) of the Code.

Thus, the following prohibitions are imposed:

*(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, Adjudicating Authority, 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.*

*(e) The IB Code 2016 also prohibits Suspension or termination of any 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, 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, concessions, clearances or a similar grant or right during the moratorium period.*

v. It is made clear that the provisions of moratorium shall not apply to transactions which might be notified by the Central Government or the supply of the essential goods or services to the Corporate Debtor as may be specified, are not to be terminated or suspended or interrupted during the moratorium period. In addition, as per the Insolvency and Bankruptcy Code (Amendment) Act, 2018 which has come into force w.e.f. 06.06.2018, the provisions of moratorium shall not apply to the





surety in a contract of guarantee to the corporate debtor in terms of Section 14 (3)(b) of the Code.

- vi. The Interim Resolution Professional shall perform all his functions contemplated, inter-alia, by Sections 15, 17, 18, 19, 20 & 21 of the Code and transact proceedings with utmost dedication, honesty and strictly in accordance with the provisions of the Code, Rules and Regulations. It is further made clear that all the personnel connected with the Corporate Debtor, its promoters or any other person associated with the Management of the Corporate Debtor are under legal obligation under Section 19 of the Code to extend every assistance and cooperation to the Interim Resolution Professional as may be required by him in managing the day-to-day affairs of the 'Corporate Debtor'.
- vii. In case there is any violation committed by the ex-management or any tainted/illegal transaction by ex-directors or anyone else, the Interim Resolution Professional would be at liberty to make passing an appropriate order.
- viii. The Interim Resolution Professional shall be under duty to protect and preserve the value of the property of the 'Corporate Debtor' as a part of its obligation imposed by Section 20 of the Code and perform all his functions strictly in accordance with the provisions of the Code, Rules and Regulations.
- ix. A copy of the order shall be communicated to the applicant, Corporate Debtor and IRP above named, by the Registry.





addition, a copy of the order shall also be forwarded to IBBI for its records. Applicant is also directed to provide a copy of the complete paper book to the IRP.

- x. A copy of this order is also sent to the ROC for updating the Master Data. ROC shall send compliance report to the Registrar, NCLT.
- xi. Accordingly, the instant application filed under Section 9 of the Code, 2016 bearing **IB/215(ND)/2025 stands admitted.**

**Sd/-**  
**ATUL CHATURVEDI**  
**MEMBER (TECHNICAL)**

**Sd/-**  
**MANNI SANKARIAH SHANMUGA SUNDARAM**  
**MEMBER (JUDICIAL)**

