



SL. No.1

**NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH**

COURT HALL NO: II

Hearing Through: VC and Physical (Hybrid) Mode

**CORAM: SHRI. RAJEEV BHARDWAJ – HON'BLE MEMBER (J)
CORAM: SHRI. SANJAY PURI- HON'BLE MEMBER (T)**

**ATTENDANCE-CUM-ORDER SHEET OF THE HEARING OF NATIONAL COMPANY LAW TRIBUNAL,
HYDERABAD BENCH, HELD ON 19.11.2025 at 10:30 AM**

TRANSFER PETITION NO.	
COMPANY PETITION/APPLICATION NO.	Company Petition IB/96/7/HDB/2025
NAME OF THE COMPANY	IVRCL Chandrapur Tollways Limited
NAME OF THE PETITIONER(S)	Neuzen Finance Pvt Ltd
NAME OF THE RESPONDENT(S)	IVRCL Chandrapur Tollways Limited
UNDER SECTION	7 OF IBC

ORDER

Orders pronounced, recorded vide separate sheets. In the result, the Company Petition IB/96/7/HDB/2025 is Admitted.

Sd/-
MEMBER (T)

Sd/-
MEMBER (J)

**IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH – II**

CP (IB) No.96/07/HDB/2025

u/s 7 of the IBC, 2016

In the matter of M/s. IVRCL Chandrapur Tollways Limited

BETWEEN :

NEUZEN FINANCE PRIVATE LIMITED

Rep. by its Authorised Representative
Unit No. 1B, 9th Floor, A-Wing,
Times Square Building, Andheri-Kurla Road,
Marol Naka, Andheri (East), Mumbai- 400059

...Financial Creditor

AND

IVRCL CHANDRAPUR TOLLWAYS LIMITED

MIHIR, 8-2-350/5/A/24/1-B & 2,
Road No.2, Panchavati Colony,
Banjara Hills, Hyderabad,
Telangana, India, 500034

...Corporate Debtor

Date of Order: 19.11.2025

Coram:

Shri Rajeev Bhardwaj, Hon'ble Member (Judicial)
Shri Sanjay Puri, Hon'ble Member (Technical)

Counsel present:

For the Financial Creditor : Mr Bendi Ravi Teja, Ld Counsel
For the Corporate Debtor : Mr G. Bhupesh, Ld Counsel

[Per: Bench]

ORDER

1. This application, filed by **Neuzen Finance Private Limited**, the Financial Creditor, seeks initiation of the Corporate Insolvency Resolution Process (CIRP) under Section 7 of the Insolvency and Bankruptcy Code, 2016 (IBC), against **IVRCL Chandrapur Tollways Limited**, the Corporate Debtor for the alleged default in repayment of debt of Rs. 725,70,94,850/- as on 31.01.2025 and the date of default as per part IV of the Petition was 11.02.2025.

Application

2. The Corporate Debtor was incorporated under the Companies Act, 1956, on 21.10.2010. On 12.09.2011, the Bank of India, the Central Bank of India, Indian Overseas Bank, and Indian Infrastructure Finance Company Limited (Collectively referred to as Lenders) sanctioned a loan amount of Rs 313.99 Crores under the Common Facility Agreement¹ in favour of the Corporate Debtor.
3. The Lenders appointed IDBI Trusteeship Services Limited as their Security Trustee under a Security Trustee Agreement² dated 12.09.2011. On the same date, the Corporate Debtor and the Bank of India, acting as the Lenders' Representative, entered into an Escrow Agreement and appointed the Bank of India as the Escrow Bank. The Lenders, the Corporate Debtor, and the Security Trustee also executed a Supplementary Escrow Agreement, and the Lenders executed an Inter-Creditors Agreement³ amongst themselves.
4. Thereafter, as part of the collateral, M/s. IVRCL Assets and Holding Limited (Pledgor) executed a Share Pledge Agreement dated 20.09.2011 in favour of the Security Trustee, and the Corporate Debtor acted as a confirming party to the same. On the same date, a Deed of Hypothecation was entered into between the Corporate Debtor

¹ Annexure C of the Application

² Annexure D of the Application

³ Annexure E of the Application

and the Security Trustee. The Corporate Debtor also issued a Revival Letter⁴ dated 15.11.2012 in favour of the Bank of India in its capacity as the lead bank, acknowledging the then outstanding debt of Rs. 5,19,00,000/- arising out of the Common Facility Agreement dated 12.09.2011 sanctioned by the Lenders.

5. On 30.06.2014, the Corporate Debtor, Lenders, and IVRCL Limited entered into an agreement titled Amendment No. 1 to the Common Facility Agreement⁵. Thereafter, upon several requests by the Corporate Debtor for restructuring, the Lenders held a Joint Lenders Forum meeting on 28.11.2014, approving the Restructuring Package of the Corporate Debtor. Pursuant to the approval, sanction letters were issued by the Bank of India on 30.12.2014, by Indian Overseas Bank on 20.03.2015, by India Infrastructure Finance Company on 25.03.2015, and by Central Bank of India on 27.03.2015 for the grant of Additional and Interim Bridge Facilities.
6. On 30.03.2015, the Corporate Debtor, Lenders, and Security Trustee entered into a Master Restructuring Agreement, thereby restructuring and rescheduling the outstanding amounts under the Common Facility Agreement and sanctioning the Additional Facilities. Pursuant thereto, the Lenders, Corporate Debtor, and Security Trustee entered into a Supplemental Agreement to record amendments to the existing Inter-Creditors Agreement, Security Trustee Agreement, and Supplementary Escrow Agreement. On the same date, IVRCL Limited executed a Sponsor's Undertaking in favour of the Lenders, undertaking to make good the repayment in case the Corporate Debtor failed to do so, and also executed an Amended and Restated Pledge of Shares in favour of the Security Trustee. Mr. E. Sudhir Reddy executed a Deed of Personal Guarantee, and the Corporate Debtor executed a second Deed of Hypothecation on 29.06.2015 in favour of the Security Trustee.

⁴ Annexure F of the Application

⁵ Annexure G of the Application

7. On 30.06.2016, the Bank of India further sanctioned a term loan facility of Rs. 14,08,00,000/- in favour of the Corporate Debtor. Pursuant to the sanction, the Bank of India and the Corporate Debtor entered into a Hypothecation-cum-Loan Agreement dated 20.09.2016, and the Corporate Debtor issued a Revival Letter⁶ on the same date, acknowledging an outstanding debt of Rs. 173,19,46,609.50 arising out of the share of loan amount sanctioned by the Bank of India under the Common Facility Agreement and Supplemental Agreement. On 27.09.2016, the Central Bank of India further sanctioned a term loan facility in favour of the Corporate Debtor.
8. On 27.02.2017, IVRCL Limited executed a Power of Attorney in favour of the Security Trustee. On account of an escalation in the estimated project cost, the Corporate Debtor approached the Lenders, who agreed to provide an additional term loan for an amount not exceeding Rs. 35,21,00,000/- (“Cost Overrun Facility”) under a Second Supplemental Agreement⁷ dated 03.03.2017. The said agreement also reflected consequential amendments in the existing Common Facility Agreement, Master Restructuring Agreement, Security Trustee Agreement, Inter-Creditor Agreement, and Supplementary Escrow Agreement.
9. Pursuant thereto, the Corporate Debtor executed a Supplemental Pledge Agreement on 03.03.2017 in favour of the Security Trustee, and Mr. E. Sudhir Reddy executed an Amended and Restated Deed of Guarantee. The Corporate Debtor subsequently executed a third Deed of Hypothecation dated 21.04.2017, followed by a fourth Deed of Hypothecation in favour of the Security Trustee.
10. On account of failure of the Corporate Debtor to honour its obligations, the Bank of India issued a Recall Notice⁸ dated 28.05.2019, which mentioned that the Corporate Debtor’s account

⁶ Annexure I of the Application

⁷ Annexure J of the Application

⁸ Annexure K of the Application

was classified as a Non-Performing Asset (NPA) on 31.03.2017 and calling upon it to repay Rs. 205,70,65,679.74/-. The Central Bank of India also issued a Recall Notice⁹ dated 10.07.2019, calling upon the Corporate Debtor to repay Rs. 101,23,18,481.12/-. On account of continued defaults in repayment, the Lenders preferred Original Application No. 711 of 2019 before the Debt Recovery Tribunal – I, Hyderabad, which was allowed by order¹⁰ dated 25.02.2020.

11. The Financial Creditor states that under Deed of Assignment¹¹ dated 05.11.2024, the Bank of India (Lender No. 1), Central Bank of India (Lender No. 2), and Indian Overseas Bank (Lender No. 3) assigned their respective loans and facilities to the Financial Creditor.
12. After assignment of debt, the Lender No. 1, in its capacity as Lenders' Representative, issued letters dated 13.11.2024, intimating¹² the assignment of debt to the Financial Creditor, the Security Trustee, Lender No. 4, Public Works Department, Government of Maharashtra, and the Corporate Debtor.
13. Subsequently, the Corporate Debtor issued a Balance Confirmation Letter¹³ dated 24.01.2025 in favour of Neuzen Finance Pvt. Ltd., acknowledging an outstanding debt of Rs. 698,46,88,620/-. The Financial Creditor issued a Recall Notice¹⁴ dated 01.02.2025 for repayment of the loan facilities availed by the Corporate Debtor.
14. Pursuant to the rights assigned under the Deed of Assignment, the Financial Creditor has instituted the present Company Petition seeking initiation of the Corporate Insolvency Resolution Process against the Corporate Debtor.

⁹ Annexure L of the Application

¹⁰ Annexure M of the Application

¹¹ Annexure N of the Application

¹² Annexure O of the Application

¹³ Annexure P of the Application

¹⁴ Annexure Q of the Application

Counter

15. At the outset, the Corporate Debtor denies the averments of the Financial Creditor and states that the company petition filed is devoid of merits, barred by limitation, not maintainable and therefore needs to be dismissed in limine. The CD states that the petition does not satisfy the criteria for admission under Section 7 of the IBC, 2016 and the proceedings are nothing but a disguised attempt to enforce a recovery of alleged debt, which is contrary to the settled principles of law.

Assignment Invalidity and Lack of Locus

16. It is stated that the Financial Creditor is not the original Lender under the Common Facility Agreement dated 12.09.2011 or its subsequent amendments. The Financial Creditor claims its right on the basis of a Deed of Assignment dated 05.11.2024, purportedly executed by Bank of India, Central Bank of India and Indian Overseas Bank in its favour.
17. It is stated that Bank of India, Central Bank of India and Indian Overseas Bank along with India Infrastructure Finance Company Limited entered into the said Common Facility Agreement with the Corporate Debtor and vide the said Agreement sanctioned an amount of Rs. 313.99 Crores.
18. It is stated that no prior consent or permission was obtained from the Corporate Debtor for effecting the said assignment. Further, there was no intimation provided concerning the same. As such, the same is violative of the express contractual framework and undermines principles of privity.

Balance Confirmation Letter Not a Valid Acknowledgement

19. It is stated that the Corporate Debtor had issued a Balance Confirmation Letter dated 24.01.2025. However, the same cannot be

construed as a binding and conscious acknowledgement under Section 18 of the Limitation Act, 1963, in favour of the Financial Creditor.

20. It is alleged that the Balance Confirmation Letter was issued amidst prior pressure exerted by the Financial Creditor without full disclosure or affirmation of its capacity as a lawful assignee of the debt. In the absence of any prior consent or permission to such assignment, unilateral reliance on the Letter dated 24.01.2025 is unjust and unlawful. Further, the purported Letter dated 24.01.2025 cannot override the mandatory requirement that a valid debt must be due and payable to a “Financial Creditor” as defined under the IBC, 2016.

No Established Financial Relationship

21. The Financial Creditor has failed to establish any legitimate and enforceable financial relationship with the Corporate Debtor in accordance with the foundational lending arrangements.

Security Cover and Failure to Enforce Security

22. It is stated that the debt alleged to be due is fully secured through security interest, including pledge of 51% shareholding, hypothecation over project receivables, escrow account rights, first and second charges on all movable and immovable assets, and sponsor undertakings, all of which continue to subsist.
23. The CD states that this Petition is entirely silent on the value of the securities or any efforts made by the Applicant to enforce such security in accordance with law.

Abuse of the IBC and Forum Shopping

24. It is stated that the present Petition, seeking initiation of insolvency proceedings against the Corporate Debtor without exhausting the

alternative contractual and statutory remedies, amounts to forum shopping and constitutes gross abuse of the statutory scheme of the Code.

25. It is stated that it is a well-settled law that the object of the Code is not to serve as a debt recovery forum. The same has been held by the Hon'ble Supreme Court in **Vidarbha Industries Power Ltd. v. Axis Bank Ltd**¹⁵, wherein it was emphatically held that the Adjudicating Authority is not bound to admit a Section 7 Application merely upon proof of default. The Supreme Court clarified that the use of the word "may" under Section 7(5) of the IBC, 2016 confers a discretionary power.
26. It is stated that the Corporate Debtor is a special-purpose vehicle established to execute a long-term infrastructure project. Despite facing financial constraints arising from systemic and macroeconomic factors, the Corporate Debtor continues to remain an operational entity with valuable underlying project assets and recoverable receivables. While so, it is not just and proper on part of the Financial Creditor to push the Corporate Debtor into insolvency proceedings.

No Material to Establish Insolvency

27. It is alleged that there is no finding or prima facie material to establish that the Corporate Debtor is commercially unviable or that its liabilities exceed its assets, warranting initiation of insolvency proceedings. This Petition is only an attempt by the Financial Creditor to substitute commercial prudence with coercive process, without demonstrating any compelling insolvency situation.
28. The Corporate Debtor, relying on the cases of the Hon'ble Supreme Court in the matter of **Swiss Ribbons Pvt. Ltd. v. Union of India**¹⁶ and **Innoventive Industries Ltd. v. ICICI Bank**¹⁷, and stated that the

¹⁵ (2022) 8 SCC 352

¹⁶ (2019) 4 SCC 17

¹⁷ (2018) 1 SCC 40 7

objective of the IBC, 2016 is to revive and rehabilitate commercially non-viable entities through a time-bound resolution mechanism. However, in the present matter, there is no such factual predicate indicating commercial death or financial mismanagement for the Financial Creditor to seek initiation of CIRP.

29. Further, the proceedings are clearly initiated with a view to accelerating recovery and to misuse the provisions of the Code as a pressure tactic.
30. It is stated that the Corporate Debtor has been engaged in active dialogue with its secured creditors for a comprehensive restructuring and revival package. The Financial Creditor has not demonstrated that the initiation of CIRP is the only viable alternative left, nor has it addressed the adverse consequences of disrupting a live infrastructure concession.
31. It is stated that, as detailed supra, the present Petition filed by the Financial Creditor under section 7 of IBC, 2016, is not a fit case for initiation of CIRP in respect of the Corporate Debtor. The existence of a debt, even if assumed, must be evaluated in conjunction with the larger test of insolvency, which, in the facts of the present case, remains completely unestablished.
32. It is stated that initiation of CIRP will result in irreparable loss, hardships and consequences not only for the Corporate Debtor, but also for its project obligations, employees and the public at large. It is stated that the Financial Creditor has concealed all the aforementioned facts before this Tribunal. In view of the aforesaid, the petition is devoid of merit and without any cause of action whatsoever and is liable to be rejected with costs.

Findings and Decision

33. We have heard the Ld Counsels appearing for the Financial Creditor and the Corporate Debtor and perused the averments and documents placed on record filed by both parties.
34. A bare reading of Section 7 of the IBC states that to initiate CIRP of the Corporate Debtor, the Applicant is required to establish that there is a financial debt and that a default has occurred. The Code requires the adjudicating authority to ascertain and record satisfaction in a summary adjudication regarding the occurrence of default before admitting the application.

Existence of Financial Debt

35. To recapitulate the factual matrix of the case, the Corporate Debtor availed Rs 313.99 crores under a Common Facility Agreement dated 12.09.2011 from a consortium of lenders, with IDBI Trusteeship appointed as the Security Trustee, and all corresponding security, escrow, and inter-creditor documents executed on the same date. Collateral was created through a Share Pledge Agreement and multiple Deeds of Hypothecation, and the Corporate Debtor issued a Revival Letter on 15.11.2012, acknowledging its dues.
36. Due to financial difficulties, the Common Facility Agreement was amended on 30.06.2014, followed by approval from the Joint Lenders' Forum on 28.11.2014 for restructuring and the sanction of additional and interim bridge facilities. Consequently, the parties executed the Master Restructuring Agreement dated 30.03.2015, along with supplemental security, escrow, and inter-creditor amendments, a Sponsor Undertaking, a restated Share Pledge Agreement, a personal guarantee, and additional hypothecation.
37. Thereafter, additional term loans were sanctioned in 2016, with the Corporate Debtor issuing a Revival Letter acknowledging Rs 173.19 crores as outstanding. To address project-cost escalation, a cost

overrun facility was approved under a Second Supplemental Agreement dated 03.03.2017, followed by supplemental pledge, guarantee, and additional hypothecation documents.

38. These facts stand admitted and are substantiated by the documents on record. Hence, the existence of a financial debt, as defined under Section 5(8) of the IBC, is clearly established.

Default of Debt

39. On account of persistent non-payment, the Corporate Debtor's account was classified as NPA on 31.03.2017. Bank of India issued a notice for the recall of the loan on 28.05.2019, demanding Rs 205,70,65,679.74/-. Subsequently Central Bank of India recall notice on 10.07.2019 demanding Rs 101,23,18,481.12/-. Due to continued defaults, the lenders filed O.A. No. 711/2019 before DRT-I, Hyderabad, which was allowed on 25.02.2020. Thereafter, by a Deed of Assignment dated 05.11.2024, the Bank of India, the Central Bank of India, and the Indian Overseas Bank assigned their respective loan exposures to the Financial Creditor, which was duly intimated by letters dated 13.11.2024 to all stakeholders, including the Corporate Debtor.

40. Following this assignment, the Corporate Debtor issued a Balance Confirmation Letter dated 24.01.2025, acknowledging Rs 698,46,88,620/- as outstanding to the Financial Creditor. Thereafter, a Recall Notice dated 01.02.2025 was issued by the Financial Creditor. These facts clearly establish the occurrence of default within the meaning of Section 3(12) of the IBC.

Assignment of debt

41. The Corporate Debtor objected that the Financial Creditor had not obtained its consent or permission for effecting the said assignment, and that no intimation was provided in this regard. Hence, such action, according to the Corporate Debtor, is violative of the express

contractual framework and undermines the principles of privity of contract.

42. In this context, reference may be made to Section 5(7) of the IBC, which defines a Financial Creditor as:

“financial creditor means any person to whom a financial debt is owed and includes a person to whom such debt has been legally assigned or transferred to.”

43. The assignment of debt is essentially a transaction between the creditor and the assignee, and such an assignment is expressly recognised under the IBC, 2016, as a valid mode of transfer of rights within the meaning of Section 5(7). Accordingly, the entity that receives the assigned debt squarely falls within the fold of a “Financial Creditor”. In any case, an intimation letter¹⁸ dated 13.11.2024 was issued to the Corporate Debtor.

Limitation

44. In Part IV of the Application, the date of default is stated as 11.02.2025, in accordance with the Common Facility Agreement. The Financial Creditor has relied on the Recall Notice dated 01.02.2025, wherein paragraph 9 states as follows:

“In the event of your failure to pay the outstanding amount of INR 725,70,94,850/- (Indian Rupees Seven Twenty Five Crore Seventy Lakhs Ninty Four Thousand Eight Hundred Fifty Only) due as on 31st January, 2025 along with further interest at such rate as specified in the Financing Documents or Recovery Certificate calculated from 11th February, 2025, till the date of actual repayment of the outstanding amount within 10 (ten) days from the issuance of this notice, the Lender/Security Trustee shall be constrained to exercise all rights available under the Financing Documents and/or under any applicable law, which shall be at your own costs and consequences thereof. In addition to

¹⁸ Annexure O of the Application

our rights under the Financing Documents, we reserve our right to initiate such legal proceedings, including but not limited to any civil, criminal and/or insolvency proceedings against all of you.”

45. Upon perusal of the material on record, the initial cause of action arose when the account was classified as NPA on 31.03.2017. Thereafter, the lenders issued recall notices dated 28.05.2019 and 10.07.2019. Subsequently, the Financial Creditor secured a favourable order in O.A. No. 711/2019 from the DRT-I, Hyderabad vide order dated 25.02.2020. The passing of a decree or issuance of a Recovery Certificate constitutes a fresh cause of action to initiate proceedings under Section 7 of the IBC. This legal position has been settled by the Hon’ble Supreme Court in **Dena Bank Vs. C. Shivkumar Reddy**¹⁹, wherein it was held:

“143. Moreover, a judgment and/or decree for money in favour of the Financial Creditor, passed by the DRT, or any other Tribunal or Court, or the issuance of a Certificate of Recovery in favour of the Financial Creditor, would give rise to a fresh cause of action for the Financial Creditor, to initiate proceedings under Section 7 of the IBC for initiation of the Corporate Insolvency Resolution Process, within three years from the date of the judgment and/or decree or within three years from the date of issuance of the Certificate of Recovery, if the dues of the Corporate Debtor to the Financial Debtor, under the judgment and/or decree and/or in terms of the Certificate of Recovery, or any part thereof remained unpaid.”

46. Accordingly, in the present case, a fresh three-year limitation period commenced on 25.02.2020. Ordinarily, the limitation would have expired on 24.02.2023. However, immediately after the commencement of this period, the Hon’ble Supreme Court, in Miscellaneous Application No. 21 of 2022²⁰, directed that the period

¹⁹ 2021 SCC Online SC 543

²⁰ M.A No. 21 of 2022, in M.A No. 665 of 2021, in Suo Motu Writ Petition (C) No. 3 of 2020

from 15.03.2020 to 28.02.2022 shall stand excluded for computing limitation. The Court further clarified that the limitation shall resume from 01.03.2022 with the balance period remaining.

47. Here, the limitation ran only from 25.02.2020 to 14.03.2020, consuming 18 days. In view of the Supreme Court's COVID-19 extension orders, the entire period from 15.03.2020 to 28.02.2022 stands excluded. Consequently, the balance period resumed on 01.03.2022, and the extended limitation period would therefore expire only on 11.02.2025.
48. After the assignment of debt, the Corporate Debtor issued a Balance Confirmation Letter dated 24.01.2025 to the Financial Creditor. This acknowledgement was made before the expiry of the extended limitation period (11.02.2025). In this context, Section 18 of the Limitation Act, 1963, becomes relevant. Under this provision, an acknowledgement of debt gives rise to a fresh limitation period computed from the date of such acknowledgement, provided that the acknowledgement is made before the expiry of the prescribed period of limitation. We place reliance on the case of Hon'ble Supreme Court, **Laxmi Pat Surana v. Union Bank of India**²¹, the Court observed:

37. Ordinarily, upon declaration of the loan account/debt as NPA that date can be reckoned as the date of default to enable the financial creditor to initiate action under Section 7 of the Code. However, Section 7 comes into play when the corporate debtor commits "default". Section 7, consciously uses the expression "default" — not the date of notifying the loan account of the corporate person as NPA. Further, the expression "default" has been defined in Section 3(12) to mean non-payment of "debt" when whole or any part or instalment of the amount of debt has become due and payable and is not paid by the debtor or the corporate debtor, as the case may be. In cases where the corporate person had offered guarantee in respect of loan transaction, the right of the financial creditor to initiate action against such entity being a corporate debtor (corporate guarantor),

²¹ (2021) 8 SCC 481

would get triggered the moment the principal borrower commits default due to non-payment of debt. **Thus, when the principal borrower and/or the (corporate) guarantor admit and acknowledge their liability after declaration of NPA but before the expiration of three years therefrom including the fresh period of limitation due to (successive) acknowledgments, it is not possible to extricate them from the renewed limitation accruing due to the effect of Section 18 of the Limitation Act. Section 18 of the Limitation Act gets attracted the moment acknowledgment in writing signed by the party against whom such right to initiate resolution process under Section 7 of the Code enures. Section 18 of the Limitation Act would come into play every time when the principal borrower and/or the corporate guarantor (corporate debtor), as the case may be, acknowledge their liability to pay the debt. Such acknowledgment, however, must be before the expiration of the prescribed period of limitation including the fresh period of limitation due to acknowledgment of the debt, from time to time, for institution of the proceedings under Section 7 of the Code. Further, the acknowledgment must be of a liability in respect of which the financial creditor can initiate action under Section 7 of the Code. .”**

(emphasis supplied)

49. Since the acknowledgement dated 24.01.2025 was made during the continuing limitation period, a fresh limitation period commenced from that date. The allegation of the Corporate Debtor that the Balance Confirmation Letter was signed under pressure and without disclosure of the Financial Creditor's assignment cannot be accepted. The letter was signed by its Director and duly stamped. There is no evidence that this was submitted under duress.
50. Hence, in view of the admitted debt and default, the present petition, CP (IBC) No.96/7/HDB/2025, is allowed with the following directions:

ORDER

- A. The Application is admitted, and this Adjudicating Authority orders the commencement of the Corporate Insolvency Resolution Process, which shall ordinarily be completed within the timelines stipulated in the Code, 2016 (as amended), reckoning from the date on which this order is passed.
- B. The Applicant has proposed the name of Mr. Piyush Kisanlal Jani, Registration Number: IBBI/IPA-001/IP-P01439/2018-2019 /12164, R/o Om Ashray New Laxminagar Behind Mazar Ring Road, Gondia, Maharashtra, 441614. E-mail ID: capiyushj@gmail.com, Mobile No. 9922999355 as the Interim Resolution Professional (IRP), whose Authorization for Assignment (AFA) as per the IBBI website is valid up to 31.12.2025. The proposal to appoint Mr. Piyush Kisanlal Jani as IRP is approved. The IRP is directed to file an AFA within three days of the date of this order.
- C. The IRP is directed to take immediate charge of the management of the Corporate Debtor. He is also directed to cause public announcement as prescribed under Section 15 of the Code, 2016, within three days from the date of receipt of this order, and call for submissions of claim in the manner as prescribed.
- D. Moratorium is hereby declared and shall have effect from the date of this order till the completion of the CIRP, for the purposes referred to in Section 14 of the Code, 2016. It is hereby ordered that all of the following are prohibited:
1. 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 or law, tribunal, arbitration panel or other authority;
 2. Transferring, encumbering, alienating or disposing of by the Corporate Debtor any of its assets or any legal rights or beneficial interest therein;
 3. 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 (54 of 2002);

4. The recovery of any property by an owner or lessor where such property is occupied by or in the possession of the corporate debtor.
 5. 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, concessions, clearances or a similar grant or right during the moratorium period.
- E. The supply of essential goods or services to the Corporate Debtor shall not be terminated, suspended, or interrupted during the moratorium period. Further, if the IRP considers supply of any goods or services critical to protect and preserve the value of the Corporate Debtor and manage the operations of such Corporate Debtor as a going concern, then the supply of such goods or services shall not be terminated, suspended or interrupted during the period of moratorium, except where such Corporate Debtor has not paid dues arising from such supply during the moratorium period. Furthermore, the provisions of Subsection (1) of Section 14 shall not apply to such transactions, agreements, or other arrangements as may be notified by the Central Government in consultation with any financial sector regulator or other relevant authorities.
- F. The IRP shall comply with the provisions of Sections 13(2), 15, 17 & 18 of the Code, 2106. The Directors, Promoters, or any other person associated with the management of Corporate Debtor are directed to extend all assistance and co-operation to the IRP as stipulated under

Section 19 for discharging their functions under Section 20 of the Code, 2016.

- G. The Corporate Applicant, as well as the Registry, is directed to send a copy of this Order to the IRP, to enable him to take charge of the assets, etc. of the Corporate Debtor, and comply with this order as per the provisions of the Code, 2016.
- H. The Registry is directed to communicate this Order to the Corporate Applicant.
- I. The Registry shall also communicate this Order to the Registrar of Companies, Hyderabad, for updating the status of the Corporate Debtor on the website of the Ministry of Corporate Affairs.

Accordingly, this Company Petition is allowed.

Sd/-

(SANJAY PURI)

MEMBER (TECHNICAL)

Sd/-

(RAJEEV BHARDWAJ)

MEMBER (JUDICIAL)