

Case Details



Filing No.

2315106001552024

Party Name

Punjab National Bank Through Chief Manager  
 Dilip H. Patidar  
**VS**  
 ISHAPE APPLIANCES PRIVATE LIMITED

Registration No.

C.P. (IB)/53/MP/2024

All Hearings

13

Effective Hearings

13

Current Details >

Party Details >

Case Disposed Details >

Case Proceeding Details v

S.No.	Bench No./ Court No.	Listing Date	Listing Purpose	Action Taken	Next Listing/ Disposal Date	Next Listing Purpose	Order Upload Date/Time	Status	Orders
1	indore / 1	30-01-2026			30-01-2026	Admission	02-02-2026 06:28:37	Dispose	Interim Order
2	indore / 1	24-09-2025	Further Consideration	List for Further consideration	30-01-2026	Further Consideration	29-09-2025 11:03:47	Pending	Interim Order
3	indore / 1	19-08-	Admission	List for Further	24-09-2025	Further	29-08-2025 06:44:57	Pending	Interim

**NATIONAL COMPANY LAW TRIBUNAL**

**INDORE SPECIAL BENCH**



**ITEM No.1**

**CP(IB)/53(MP)2024**

**Order under Section 7 IBC**

**IN THE MATTER OF:**

**Punjab National Bank, through Chief Manager, Mr. ....Applicant  
Dilip H. Patidar**

**V/s**

**Ishape Appliances Pvt Ltd .....Respondent**

**Coram:**

**Mohan P. Tiwari, Hon'ble Member(J)**

**Sanjeev Sharma, Hon'ble Member(T)**

**PRONOUNCEMENT ORDER**

**Delivered on 30/01/2026**

The case is fixed for pronouncement of the order. The order is pronounced in open Court *vide* separate sheet.

Sd/-

**SANJEEV SHARMA  
MEMBER (TECHNICAL)**

Neeraj

Sd/-

**MOHAN P. TIWARI  
MEMBER (JUDICIAL)**

**THE NATIONAL COMPANY LAW TRIBUNAL**

**BENCH AT INDORE**

**CP(IB) No. 53 of 2024**

**IN THE MATTER OF**

**Punjab National Bank**

Head Office at; Plot No.4,

Sector 10, Dwarka

New delhi, 110075

**.....Applicant/Financial Creditor**

**Versus**

**M/s Ishape Appliances Private Limited**

Having its registered office at:

203, Western Business Centre,

1/6, New Palasia, Indore, (M.P.)

Pin Code -452001

**....Respondent/Corporate Debtor**

**Coram:**

Hon'ble Sh. Mohan Prasad Tiwari Member (Judicial)

Hon'ble Sh. Sanjeev Sharma (Technical)

**Appearances:**

**For the Applicant :** Ms. Shraddha Chaudhry

**For the Respondent :** Mr. Rajat Lohia

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**ORDER**

**Order delivered on: 30.01.2026**

**CP(IB) No. 53 of 2024**

1. This Company Petition has been filed by **Punjab National Bank** (“Financial Creditor”) seeking initiation of the **Corporate Insolvency Resolution Process (“CIRP”)** against **M/s Ishape Appliances Private Limited** (“Corporate Debtor”) under Section 7 of the Insolvency and Bankruptcy Code, 2016 (“IBC”) read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016, on account of default in repayment of its outstanding financial debt amounting to **₹17,13,16,221.85/- as on 03.02.2024**, together with applicable interest and penal charges. The date of default is stated to be **30.11.2020**.
2. The Financial Creditor is a Bank/Financial Institution. The Head Office of the Financial Creditor is situated at **Plot No. 4, Sector-10, Dwarka, New Delhi – 110075**. The present petition has been filed through its Chief Manager, **Shri Dilip H. Patidar**, who has been duly authorised by a **Power of Attorney dated 27.12.2011** (Annexure A-3).
3. The Corporate Debtor is **M/s Ishape Appliances Private Limited**, having CIN **U74999MP2017PTC043877**. The registered office of the Corporate Debtor is situated at **203, Western Business Centre, 1/6, New Palasia, Indore (M.P.) – 452001**, which falls within the territorial jurisdiction of this Tribunal.
4. The Applicant has proposed **Shri Prabhat Jain**, Insolvency Professional, bearing Registration No. **IBBI/IPA-001IPP-02233/2020–2021/13480**, to act as the **Interim Resolution Professional (“IRP”)**.

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5. The Authorisation for Assignment of the proposed IRP is valid up to **30.06.2026**, as per the records of the Insolvency and Bankruptcy Board of India. The proposed IRP has furnished his written communication in terms of Rule 9(1) of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 (Annexure A-2). The factual matrix of the case is that the Corporate Debtor is a company incorporated under the provisions of the Companies Act, 2013 and is engaged in the business of manufacturing and trading of steel furniture and precision cooling machines, having its registered office within the territorial jurisdiction of this Tribunal.
6. In the year 2017, the Corporate Debtor approached the Financial Creditor by submitting a loan application dated **27.11.2017**, seeking financial assistance. Pursuant thereto, the Financial Creditor sanctioned the following credit facilities vide **Sanction Letter dated 22.01.2018**:
  - **Term Loan** – ₹1,100 Lakhs
  - **Cash Credit (Hypothecation)** – ₹300 Lakhs
7. The total amount sanctioned and disbursed aggregated to **₹14,82,20,000/-**, which also included **Funded Interest Term Loan (FITL) of ₹84.20 Lakhs**. The Corporate Debtor, along with its promoters and guarantors, executed various loan and security documents, including inter alia: an Agreements of Guarantee (Annexure A-6), Hypothecation of plant and machinery, raw materials, semi-finished goods, finished goods, goods in transit and book debts (Annexures A-6 and A-7). Debtor–Creditor Agreements executed in favour of the Financial Creditor (Annexure A-6); Mortgage by deposit of title deeds created by the guarantors in favour of the Financial Creditor (Annexures A-8 to A-11).

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8. The Corporate Debtor and guarantors deposited original title deeds of various immovable properties with the intention to create mortgage, including diverted lands and constructions situated at **Village Kalukhedi, Tehsil and District Dewas (M.P.)**, and other properties as detailed in Part–IV of the petition. The mortgage entries were duly recorded in the title deed register on **01.02.2018**, acknowledged by the parties, registered with the Sub-Registrar, Dewas, and the charges were duly registered with the **Registrar of Companies and CERSAI**. The deposit of original title deeds was acknowledged by the Corporate Debtor and/or guarantors vide letter dated **02.02.2018**, and receipt thereof was acknowledged by the Financial Creditor vide its letter dated **03.02.2018**.
9. At the request of the Corporate Debtor, the Financial Creditor restructured the term loan of **₹720.66 Lakhs** and sanctioned **FITL of ₹84.20 Lakhs** vide **Sanction Memo dated 28.06.2019** (Annexure A-14). Pursuant thereto, the Corporate Debtor executed Hypothecation of Assets and Debtor–Creditor Agreements dated **28.06.2019** in connection with restructuring of the term loan and FITL, copies whereof are annexed as **Annexure A-15 (Colly)**.
10. The Corporate Debtor failed to adhere to the repayment schedule and committed persistent defaults in repayment of the credit facilities. Consequently, the loan account of the Corporate Debtor was classified as **Non-Performing Asset (NPA) on 30.11.2020**, in accordance with the guidelines issued by the Reserve Bank of India. The Corporate Debtor thereafter executed a **Balance and Security Confirmation Letter dated 05.01.2021**, acknowledging the outstanding liability and continuation of securities in favour of the Financial Creditor.
11. Subsequent to NPA classification, the Financial Creditor initiated proceedings under the **SARFAESI Act, 2002**, issued demand notice

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under Section 13(2), and thereafter issued and published possession notice dated **14.09.2021** for taking possession of the secured assets.

12. An application under Section 14 of the SARFAESI Act was also filed before the Collector and District Magistrate, Dewas on **30.11.2021**.

13. In response, the Corporate Debtor filed its reply before the District Magistrate admitting that due to the Covid-19 pandemic its business had suffered severe setback and it was unable to service its loan obligations. The Corporate Debtor also disclosed filing of **SA No. 369/2021** before the Hon'ble Debt Recovery Tribunal, Jabalpur.

14. The application under Section 14 of the SARFAESI Act came to be rejected on the ground that proceedings were pending before the Hon'ble DRT, Jabalpur.

15. Aggrieved thereby, the Financial Creditor filed **Writ Petition No. 8468 of 2022** before the Hon'ble High Court of Madhya Pradesh, Indore Bench, challenging the order dated 14.02.2022.

16. The Financial Creditor also initiated recovery proceedings by filing **Original Application No. 1285 of 2022** before the Hon'ble Debt Recovery Tribunal, Jabalpur, claiming recovery of **₹14,93,11,900.85/- as on 22.09.2022**, which is stated to be pending adjudication.


17. On account of continued default in repayment of the financial facilities, the present application under Section 7 of the Insolvency and Bankruptcy Code, 2016 has been filed, claiming default of **₹17,13,16,221.85/- as on 03.02.2024**.

**Reply Submitted by the Respondent-**

18. The Respondent filed its reply on **31.01.2025**, contending that the present Company Petition is **not maintainable**, is **devoid of merits**, and amounts to an **abuse of the process of law**. It has been contended that the present

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application has been instituted on the basis of a **General Power of Attorney dated 27.12.2011** executed by **Oriental Bank of Commerce (OBC)** in favour of **Shri Dilip H. Patidar**, whereas OBC ceased to exist upon its amalgamation with Punjab National Bank with effect from **01.04.2021**.

19. It is submitted that upon such amalgamation, the said authorisation stood extinguished and, therefore, the petition is not supported by a legally valid affidavit. In support of this contention, reliance has been placed on the judgment of the Hon'ble Supreme Court in **Anuj Jain, IRP for Jaypee Infratech Limited v. Axis Bank Ltd**, AIR 2020 SC 3291.


20. It is further submitted that the Corporate Debtor never availed any credit facility from Oriental Bank of Commerce. It is contended that reliance on a Power of Attorney executed by OBC is erroneous, particularly when the loan application dated **27.11.2017** was submitted on the letterhead of **Punjab National Bank**.

21. A specific objection has been raised under **Section 10A of the Insolvency and Bankruptcy Code, 2016**, contending that the alleged date of default is **30.11.2020**, which squarely falls within the suspension period prescribed under Section 10A, i.e., between **25.03.2020 and 24.03.2021**, during which initiation of CIRP is statutorily barred.

22. Reliance has been placed on the judgment of the Hon'ble Supreme Court in **Ramesh Kymal v. Siemens Gamesa Renewable Power Pvt. Ltd.** AIR 2021 SC 1685. (Civil Appeal No. 4050 of 2020), to contend that Section 10A creates a complete bar on initiation of insolvency proceedings for defaults occurring during the said period.

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23. It is further contended that the Financial Creditor has improperly relied upon the date of classification of the account as **Non-Performing Asset (NPA)** for the purpose of limitation. According to the Respondent, limitation commences from the **date of default** and not from the date of NPA declaration.
24. In support of the said contention, reliance has been placed on the judgment of the Hon'ble Supreme Court in **B.K. Educational Services Private Limited v. Parag Gupta and Associates**, AIR 2018 SC 5601.
25. It is alleged that the Financial Creditor has deliberately relied upon the NPA date in order to circumvent the law of limitation, which, according to the Respondent, is impermissible and contrary to settled legal principles.
26. The Corporate Debtor has further objected to the non-filing of evidence from the **Information Utility (NeSL)** in terms of Section 215 of the Code. Reliance has been placed on **Asset Reconstruction Company (India) Limited v. Bishal Jaiswal and Anr** AIR 2021 SC 2436, to contend that Information Utility records constitute prima facie evidence of default.
27. It is submitted that the Financial Creditor has failed to place on record **certified statements of account under the Bankers' Books Evidence Act, 1891**, which, according to the Respondent, are the primary documents for determination of default.
28. The Respondent has disputed the computation of the outstanding amount of **₹17,13,16,221.85/-**, alleging the same to be inflated and unjustified.
29. It is contended that although the sanction letter dated **22.01.2018** provided for a total sanction of **₹11 Crores**, the actual amount disbursed

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was only ₹8,64,54,612/-, which, according to the Respondent, constitutes breach of obligations on the part of the Bank.

30. The Respondent has relied upon restructuring of the loan account under the **Committee for Stressed MSMEs**, and sanction of **Funded Interest Term Loan (FITL) of ₹84.20 Lakhs on 28.06.2019**, to contend that there were no irregularities or defaults at that stage.

31. It is further submitted that the Bank's internal review conducted on **20.06.2019** had found no irregularities in the account. An objection has also been raised that the present application is a misuse of the Insolvency and Bankruptcy Code as a recovery mechanism. Reliance has been placed on the judgment of the Hon'ble Supreme Court in **Mobilox Innovations Private Limited v. Kirusa Software Private Limited** (2018) 1 SCC 353 to contend that the Code cannot be used as a coercive recovery tool.

32. The Respondent has further contended that the Financial Creditor failed to exhaust alternative remedies such as restructuring or settlement negotiations prior to invoking insolvency proceedings, rendering the present petition premature.

33. It is also submitted that the alleged loan agreements are insufficiently stamped, barred by limitation, and therefore inadmissible in evidence. A plea of absence of cause of action has also been raised, contending that no actionable default has been established and that the claims are inconsistent and unsupported by substantive evidence.

34. Lastly, it is contended that the application under Section 7 of the Code is incomplete as contemplated under Section 7(5), inasmuch as information regarding pending litigations has allegedly not been disclosed and

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primary documents evidencing default are stated to be absent from the record.

**Rejoinder Submitted by the Applicant**

35. The Applicant filed its rejoinder on **05.05.2025**, reiterating that the present Company Petition has been filed for initiation of the **Corporate Insolvency Resolution Process (“CIRP”)** against the Corporate Debtor. The amount claimed to be in default is **₹17,13,16,221.85/- as on 03.02.2024**.

36. The allegation of the Corporate Debtor that the amount in default has been incorrectly stated is specifically denied. It is submitted that the figure of **₹14,82,20,000/-** relied upon by the Corporate Debtor pertains only to the **principal amount disbursed**, whereas the amount in default includes accrued interest, penal interest and other charges levied strictly in terms of the loan documents and applicable banking norms.<sup>2</sup> It is denied that the Financial Creditor has misrepresented the nature or extent of the financial debt. The credit facilities availed by the Corporate Debtor comprised **Term Loan** and **Cash Credit (Hypothecation)** facilities, and the total disbursement of **₹14,82,20,000/-** stands admitted by the Corporate Debtor.

37. The Applicant has denied any irregularity in disbursement of the loan amounts or any breach on the part of the Financial Creditor. All disbursements were made strictly in accordance with the sanction terms, executed loan agreements and prevailing banking norms.

38. It is further submitted that the Corporate Debtor has repeatedly acknowledged its liability, including through restructuring proposals,

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request letters and **Balance and Security Confirmation Letters**, even subsequent to classification of the account as NPA.

39. Reliance is placed on the **Balance and Security Confirmation Letter dated 05.01.2021**, annexed with the petition, as well as the communication dated **09.09.2021** issued by the Corporate Debtor, which unequivocally acknowledge the outstanding liability towards the Financial Creditor.


40. It is submitted that the default in the present case is a **continuous default**, which has persisted both prior to and subsequent to the relevant statutory period, and acknowledgements of debt have been made at every stage.

41. The Applicant has denied that the Financial Creditor has improperly relied upon the NPA date in order to circumvent limitation. The date of NPA, i.e., **30.11.2020**, has been correctly determined in accordance with RBI guidelines. The date of default is further corroborated by **Original Application No. 1285 of 2022** filed before the Hon'ble DRT, Jabalpur, claiming recovery of ₹14,93,11,900.85/- as on 22.09.2022; and records available with **National e-Governance Services Limited (NeSL)**, which confirm the date of default as **30.11.2020**.

42. It is submitted that acknowledgements of debt, including balance and security confirmations, constitute valid acknowledgment under **Section 18 of the Limitation Act, 1963**, thereby extending the limitation period and rendering the present application well within time. Reliance is placed on **Laxmi Pat Surana v. Union Bank of India**, wherein the Hon'ble Supreme Court held that initiation of CIRP under Section 7 requires proof of default and not necessarily classification of the account as NPA. The trigger under Section 7 is "default" and not NPA declaration. **Lakshmi Narayan Sharma v. Punjab National Bank 2021 SCC OnLine NCLAT**

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155, wherein the Hon'ble NCLAT held that balance and security confirmation letters executed by the corporate debtor and guarantors constitute acknowledgment of debt under Section 18 of the Limitation Act, thereby extending limitation. **Zest Systems (P) Ltd. v. Centre for Vocational Entrepreneurship Studies** 2018 SCC OnLine Del 12116, wherein it was held that acknowledgment of debt in the balance sheet extends the period of limitation under Section 18 of the Limitation Act.

43. Further it is emphatically denied that the Financial Creditor has relied upon the NPA date to circumvent limitation, as the default stands duly acknowledged by the Corporate Debtor itself. With respect to the objection under **Section 10A of the IBC**, reliance is placed on the judgment of the Hon'ble NCLAT dated **05.03.2025** in **Harish Makin v. Riddi Siddhi & Anr.**, wherein it was clarified that defaults falling within the Section 10A period are to be excluded, and if upon such exclusion the remaining default exceeds the threshold prescribed under Section 4 of the Code, the application remains maintainable.

44. In accordance therewith, the Financial Creditor has recalculated the outstanding amount after excluding the Section 10A period. Even after such exclusion, the default amount remains well above the statutory threshold. The recalculation has been annexed as **Annexure R-2**.

45. It is denied that Information Utility records have not been filed. The petition contains:

- i. Statements of Account of the Corporate Debtor;
- ii. NeSL records (Pages 776A–776U); and
- iii. Certificate under the **Bankers' Books Evidence Act, 1891** (Annexure A-28).

46. It is further denied that any inflated or improper interest or penalties have

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been levied. All interest and charges have been applied strictly in accordance with the Loan Agreements and applicable banking norms. The allegation that no credit facility existed with Punjab National Bank is wholly erroneous.

The **Ministry of Finance Notification dated 04.03.2020**, issued under Section 9 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, provides for the amalgamation of Oriental Bank of Commerce and United Bank of India into Punjab National Bank with effect from **01.04.2020**.

47. Under the Scheme of Amalgamation, all assets, liabilities, contracts, guarantees, securities, powers of attorney and legal proceedings of the transferor banks vested in Punjab National Bank by operation of law, without requiring any further act or consent. The notification is annexed as **Annexure R-1**. Accordingly, it is denied that there exists any defect in authorisation or documentation.

48. The Applicant has denied that the present petition constitutes abuse of the IBC mechanism. The application has been filed bona fide for resolution of insolvency and not as a recovery proceeding. All objections raised by the Corporate Debtor are stated to be **frivolous, misconceived and contrary to the material on record**.

### **Analysis and Observation:**

49. We have heard the counsel appearing for both the parties and have perused the records. The following issues emerged from the consideration.

- i. Whether the present application under Section 7 of the Insolvency and Bankruptcy Code, 2016 is within the period of limitation.

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- ii. Whether the amount claimed to be in default satisfies the minimum threshold prescribed under Section 4 of the Code.
- iii. Whether the objections raised by the Corporate Debtor regarding authorisation, documentation, Section 10A of the Code and alleged misuse of the IBC mechanism disentitle the Applicant from admission of the present application

**I. First issue: - Limitation:**

50. It is the case of the Applicant that the loan account of the Corporate Debtor was classified as Non-Performing Asset (NPA) on 30.11.2020. The Corporate Debtor has disputed the reliance on the NPA date and contended that limitation cannot be computed therefrom.


51. From the record, it is evident that the Corporate Debtor has, subsequent to the date of NPA, executed Balance and Security Confirmation Letters, including the confirmation dated 05.01.2021, and has also issued communication dated 09.09.2021 acknowledging the outstanding liability towards the Applicant. These documents have been specifically pleaded and annexed with the petition.

52. The Applicant has further placed on record that recovery proceedings were initiated before the Hon'ble Debt Recovery Tribunal, Jabalpur, by filing Original Application No. 1285 of 2022, wherein the date of default has been reflected as 30.11.2020.

53. Reliance has been placed by the Applicant on the judgment of the Hon'ble Supreme Court in Laxmi Pat Surana v. Union Bank of India, wherein it has been held that the trigger under Section 7 of the Code is the occurrence of default and not the date of classification of the account as NPA. Further reliance has been placed on the decision of the Hon'ble NCLAT in Lakshmi Narayan Sharma v. Punjab National Bank, holding that balance and security

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confirmation letters constitute acknowledgement of debt under Section 18 of the Limitation Act, thereby extending limitation.

54. In view of the acknowledgements of debt placed on record, we find that the present application has been filed within the period of limitation.

### **II. Second issue:- Threshold**

55. The Corporate Debtor/respondent has disputed the computation of the outstanding amount and contended that the claim of Rs.17,13,16,221.85 is overstated and unjustified.

56. The Applicant, in its rejoinder, has clarified that the amount of Rs.14,82,20,000/- referred to by the Corporate Debtor represents the principal amount disbursed, whereas the default amount includes accrued interest and charges as per the loan documents and applicable banking norms.

57. The Applicant has further submitted that, even after exclusion of the period covered under Section 10A of the Code, the outstanding default amount remains well above the statutory threshold prescribed under Section 4 of the Code. The recalculation excluding the Section 10A period has been annexed as Annexure R-2. In view of the material placed on record, we find that the amount in default exceeds the minimum threshold prescribed under Section 4 of the Code.

### **III. Third issue: - Objections regarding Authorisation:**

58. The Corporate Debtor/Respondent has objected to the maintainability of the application on the ground that the Power of Attorney relied upon was executed by Oriental Bank of Commerce, which ceased to exist upon its amalgamation.

59. The Applicant has placed reliance on the Ministry of Finance Notification dated 04.03.2020 issued under Section 9 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, whereby Oriental Bank of Commerce stood amalgamated into Punjab National Bank w.e.f. 01.04.2020.

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The objection regarding authorisation is without merit in view of the statutory amalgamation by which all assets, liabilities, contracts and powers of attorney vested in Punjab National Bank by operation of law. We, therefore, find no merit in the objection regarding lack of authorisation.

60. With respect to the objection under Section 10A of the Code, the Applicant has relied upon the order of the Hon'ble NCLAT dated 05.03.2025 in Harish Makin v. Riddi Siddhi & Anr., wherein it was clarified that defaults during the Section 10A period are to be excluded, and if after such exclusion the remaining default crosses the threshold under Section 4, the application is maintainable. In the present case, the recalculation placed on record demonstrates that the default remains above the statutory threshold even after exclusion.

61. The Corporate Debtor has also alleged that the present application is a misuse of the IBC mechanism as a recovery tool, placing reliance on Mobilox Innovations Pvt. Ltd. (Supra). We note that the said judgment pertains to applications under Section 9 of the Code and the concept of pre-existing dispute. The present application has been filed under Section 7, where the scope of examination is confined to the existence of financial debt and default.

62. The objections regarding non-filing of Information Utility records and certified statements under the Bankers' Books Evidence Act have also been denied by the Applicant, who has specifically pleaded that the petition contains statements of account, NeSL records and certificate under the Bankers' Books Evidence Act. At this stage, we are satisfied that sufficient material has been placed on record to substantiate the occurrence of default.

63. Therefore, the present application is found to be complete and in compliance with the requirements of Section 7 of the Insolvency and Bankruptcy Code, 2016. The existence of financial debt and the occurrence of default on the part of the Corporate Debtor stand established from the material placed on record.

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The consent of the proposed Interim Resolution Professional has been duly filed and there are no disciplinary proceedings pending against him, as per the record. Hence, we passed the following directions:

i. **CP(IB) No. 53 of 2024** filed under Section 7 of the Insolvency and Bankruptcy Code, 2016 (“the Code”) is **admitted**, and **Corporate Insolvency Resolution Process (“CIRP”)** is hereby initiated against **M/s Ishape Appliances Private Limited** (“Corporate Debtor”).

ii. In exercise of powers conferred under Section 13(1)(c) of the Code, **Shri Prabhat Jain**, Insolvency Professional bearing Registration No. **IBBI/IPA-001IPP-02233/2020-2021/13480**, is appointed as the **Interim Resolution Professional (“IRP”)**.

### **Details of IRP:**

- **Name:** Shri Prabhat Jain
- **IBBI Registration No.:** IBBI/IPA-001IPP-02233/2020-2021/13480
- **E-mail:** ip.caprabhatjain@gmail.com
- **Address:** LIG-212, E-7, Arera Colony,  
Near Union Bank of India,  
Bhopal – 462016, Madhya Pradesh

iii. In terms of Section 14 of the Code, a **Moratorium** shall come into effect from the date of this order and shall remain in force until completion of the CIRP or until approval of a Resolution Plan under Section 31(1) of the Code or passing of an order of liquidation under Section 33 of the Code, as the case may be.

iv. During the moratorium period, the following shall be prohibited:

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- a. 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 **SARFAESI Act, 2002**;
- d. Recovery of any property by an owner or lessor where such property is occupied by or in possession of the Corporate Debtor.
- v. The IRP shall make a **public announcement** of the initiation of CIRP immediately in accordance with Sections 13 and 15 of the Code and shall invite submission of claims from all stakeholders.
- vi. The IRP shall, after collation of all claims and determination of the financial position of the Corporate Debtor, constitute the **Committee of Creditors (“CoC”)** in accordance with Section 21 of the Code and shall file a report certifying constitution of the CoC before this Tribunal within **thirty days** from the date of his appointment. The first meeting of the CoC shall be convened within **seven days** of filing such report.
- vii. The IRP shall perform all functions and exercise all powers as contemplated under Sections **17, 18, 20 and 21** of the Code.
- viii. It is further directed that all personnel of the Corporate Debtor, including its promoters, directors, officers, employees and any other persons associated with the management of the Corporate Debtor, shall extend full cooperation to the IRP as mandated under Section 19 of the Code. In the

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event of any non-cooperation, the IRP shall be at liberty to approach this Adjudicating Authority for appropriate directions.

ix. The IRP shall take all necessary steps to **protect and preserve the value of the assets of the Corporate Debtor** and shall manage its operations as a **going concern**, in terms of Section 20 of the Code.

x. The Applicant–Financial Creditor is directed to deposit a sum of **₹2,00,000/- (Rupees Two Lakhs only)** with the Interim Resolution Professional towards initial CIRP expenses, in accordance with Regulation 6 of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, within **one week** from the date of receipt of this order.

xi. The Registry is directed to communicate a copy of this order to the Financial Creditor, the Corporate Debtor and the Interim Resolution Professional, and also to forward the same to the **Registrar of Companies** and the **Insolvency and Bankruptcy Board of India**, after completion of necessary formalities, within **three working days**. The order shall also be uploaded on the website of the Tribunal immediately after pronouncement.

xii. The **Corporate Insolvency Resolution Process shall commence from the date of this order**.

xii. The Registrar of Companies shall update the Master Data of the Corporate Debtor and submit a compliance report to the Registry of this Tribunal.

Accordingly, **CP(IB) No. 53 of 2024 stands allowed**.

Sd/-

**Sanjeev Sharma**  
**MEMBER (TECHNICAL)**

Sd/-

**Mohan P. Tiwari**  
**MEMBER (JUDICIAL)**