IN THE NATIONAL COMPANY LAW TRIBUNAL

KOLKATA BENCH, (COURT NO.-II)

KOLKATA.

C.P. (I.B.) No. 50/KB/2026

Date of Hearing: 12.08.2026

Date of Order: 22.09.2026

<u>In the Matter of:</u>

AKZO NOBEL INDIA LIMITED,
801-A, South City Business Park, 770, Anandapur, Eastern Metropolitan Bypass, Near Fortis Hospital, Kolkata – 700107, West Bengal.

APPLICANT/FINANCIAL CREDITOR

Versus

M/S SHREE GOPAL AUTO PRIVATE LIMITED,
NH-27, Danapur, Gopalganj Bihar – 841427.

RESPONDENT/CORPORATE DEBTOR

Coram: **Shri Labh Singh, Hon'ble Member(Judicial)**
Ms. Rekha K. Shah, Hon'ble Member(Technical)

Present:

For the Applicant. : 1. Ms. Zeba Khan, Ld. Advocate
2. Mr. S. Makkar, Ld. Advocate

O R D E R

Labh Singh, Member(Judicial)

1. The Applicant/Financial Creditor (hereinafter being referred to as the 'Applicant'), has filed the instant application under Section 7 of the Insolvency and Bankruptcy Code, 2016 (for short 'the Code') read with rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 (for short 'the Rules') with a prayer to trigger Corporate Insolvency Resolution Process (CIRP) in respect of Respondent Company/Corporate Debtor (hereinafter to be referred to as 'the Corporate Debtor').

2. It is appropriate to mention that the Applicant, M/s Akzo Nobel India Limited, having its registered office at 801-A, South City Business Park, 770, Anandapur, Eastern Metropolitan Bypass, Near Fortis Hospital, Kolkata – 700107, West Bengal, is engaged in providing public cloud services to its clients,.

3. Mr. A.S. Somashekar, duly authorized vide a Board Resolution dated 27.05.2021, on behalf of Applicant, has preferred the present application on behalf of the Applicant for

initiation of CIRP against the Corporate Debtor under the Code. A copy of the board resolution dated 27.05.2021 has been placed on record as **Annexure – 1.**

4. The Corporate Debtor, M/s Shree Gopal Auto Private Limited, against whom initiation of CIRP has been prayed for, was incorporated on 01.02.2011, having its registered office situated at NH-27, Danapur, Gopalganj, Bihar - 841428. Since the registered office of the Corporate Debtor is situated in the State of Bihar, and this Tribunal having territorial jurisdiction over the State of Bihar is the Adjudicating Authority in relation to the prayer for initiation of CIRP in respect of the Corporate Debtor under sub-section (1) of Section 60 of the Code.

5. Briefly stated the case of the Applicant is that the parties entered into a Bodyshop Agreement dated 02.02.2023 whereunder the Corporate Debtor covenanted to exclusively procure paint products manufactured and supplied by the Applicant. In consideration of the latter's said obligation, the former extended financial assistance to the Corporate Debtor.

6. It is submitted that the Corporate Debtor, under the Bodyshop Agreement, took a minimum purchase of Rs.

2,00,00,000/- (Rupees Two Crores) over a term of three years. The Applicant, upon such obligation, extended financial assistance by disbursing a sum of Rs. 86,40,000/- (Rupees Eighty-Six Lakhs and Forty Thousand), representing a net amount after deduction of TDS at the rate of 10% and addition of GST at 18%. Subsequently, another Bodyshop Agreement, effective from 23.01.2024, was entered between the parties whereby enhanced obligations were undertaken by the Corporate Debtor and a cumulative minimum purchase commitment of Rs. 3,00,00,000/- (Rupees Three Crores), for a period of four years. The copies of the agreements dated 02.02.2023 and 23.01.2024 are annexed as **Annexure – 6**.

7. It is submitted that a sum of Rs. 86,40,000 and Rs. 1,29,60,000 was disbursed by the Applicant on 27.02.2023 and 10.02.2024, respectively. The copies of the bank statements are annexed as **Annexure – 5**.

8. It is submitted that the agreements expressly provide that on breach of the purchase obligations, the Applicant was entitled to revoke the financial assistance and demand a refund with a 24% interest per annum.

9. It is submitted that the Corporate Debtor failed to adhere to the payment obligations and as of August 2025, there is a

cumulative shortfall of Rs. 1,36,01,607/- (Rupees One Crore Thirty-Six Lakhs One Thousand and Six Hundred and Seven), which triggered the repayment liability.

10. It is submitted that the Corporate had executed two Promissory Notes in favour of the Applicant dated 02.02.2023 and 23.01.2024, for amounts Rs. 80,00,000/- and Rs. 1,20,00,000/-, respectively. Further, two personal guarantees dated 02.02.2023 and 23.01.2024 were executed by Mr. Rajeev Kumar, the Managing Director of the Corporate Debtor. The copies of the promissory notes and personal guarantees are annexed as **Annexure – 7** and **Annexure – 8**.

Particulars	Amount
Principal Financial Contribution (as per the promissory notes)	2,00,00,000/-
Contractual Interest at 24% per annum (till 10.09.2025)	1,01,28,658/-
GST	54,23,158/-
Trade Overdue	4,59,301/-
Total	**3,60,11,117/-**

11. It is further submitted that the Applicant served a demand notice dated 09.06.2025 to the Corporate Debtor by which the applicant called the Corporate Debtor to settle the due of

Rs. 3,60,11,117/- (Rupees Three Crore Sixty Lakhs Eleven Thousand Eleven Hundred and Seventeen) within seven days from the date of receipt of the notice; however, the applicant failed to repay the dues as per notice. A copy of the notice dated 09.06.2025 is annexed as **Annexure – 9.**

12. Therefore, as per part IV of the application, it is claimed that as on 10.09.2025, a sum of Rs. 3,60,11,117/- is due and payable by the Corporate Debtor.

13. Section 7(3)(b) mandates the financial creditor to furnish the name of an Interim Resolution Professional. In compliance thereof the applicant has proposed the name of Mr. Anish Agarwal, for appointment as Interim Resolution Professional having registration number IBBI/IPA-001/IP-P-01497/2018-2019/12256, resident of Bangalore, with email id. – ip.cispl@gmail.com. Mr. Anish Agarwal has agreed to accept the appointment as the interim resolution professional and has signed a communication in Form 2, annexed as **Annexure – 4**, in terms of Rule 9(1) of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016. There is a declaration made by him that no disciplinary proceedings are pending against him in Insolvency and Bankruptcy Board of India or elsewhere. In

addition, further necessary disclosures have been made by Mr. Anish Agarwal as per the requirement of the IBBI Regulations. Accordingly, it is seen that the requirement of Section 7(3)(b) of the Code has been satisfied.

14. The Applicant has further filed a Supplementary Affidavit vide which the Applicant wants to put on the record the change of name of the same from M/s Akzo Nobel India Limited to JSW Dulux Limited. The Certificate of Incorporation pursuant to change of name dated 11.03.2026 is annexed as **Annexure – A.**

15. The Applicant has placed the following documents on record to prove its claim:

   i. Copy of the Bodyshop Agreements, dated 02.02.2023 and 23.01.2024, **Annexure – 6.**

   ii. Copy of bank statements of the Applicant, **Annexure – 5.**

   iii. Record of Information by NeSL, Form – C.

16. In pursuance of notice issued by this Tribunal, the Corporate Debtor failed to appear before this Tribunal. Therefore, this Tribunal, vide a order dated 22.04.2026, decided to proceed *ex parte* against the Corporate Debtor.

17. We have gone through the case file carefully and perused the pleadings and documents placed on record by the Applicant and heard the arguments put forth by learned Counsel for the applicant, and we shall now proceed to consider the present petition on its merits, specifically within the ambit of points involved in the instant application.

18. From the perusal of the Bodyshop Agreements, **Annexure – 6**, it is quite clear that the Applicant had provided financial assistance to the Corporate Debtor for the minimum purchase obligations of paint. In the same agreement, it has been stated that in the event the Corporate Debtor fails to fulfil the obligations, the Applicant shall have the right to enforce the security documents, the promissory notes, **Annexure -7**, and that the *'financial contribution amount shall be deemed as a debt'* and *'shall become immediately payable'* with an interest at the *'rate of 24% per annum'*. It is further noted in the promissory notes that the Corporate Debtor had *'agreed to pay on demand'* with an interest of 24% per annum.

19. In the facts of the present case, it is seen that the Applicant clearly comes within the definition of a Financial Creditor. The material placed on record further confirms

that Applicant had provided financial assistance to the Corporate Debtor as per the terms of the Bodyshop Agreement and the Corporate Debtor has failed to adhere to its repayment obligation.

20. On a bare perusal of Form - I filed under Section 7 of the Code read with Rule 4 of the Rules shows that the form is complete and there is no infirmity in the same. It is also seen that there is no disciplinary proceeding pending against the proposed Interim Resolution Professional.

21. Needless to say, that an application under Section 7 of the Code is acceptable so long as the debt is proved to be due and there has been occurrence or existence of default. What is material is that the default is for at least Rs. 1 Crore. In view of the Section 4 of the Code, the moment default is of Rupees 1 crore or more, the application to trigger Corporate Insolvency Resolution Process under the Code is maintainable. In this regard, the Corporate Debtor has failed to show that there is no debt or default in existence so as to avoid the provisions of the Code.

22. In the case of limitation, the date of default recorded 15.09.2025 and the present application has been filed on

22.01.2026. Thus, this application is well within the period of limitation.

23. We are satisfied that the present application is complete in all respect and the Applicant is entitled to claim its outstanding financial debt from the Corporate Debtor and that there has been default in payment of the financial debt.

24. As a sequel to the above discussion and in terms of Section 7(5)(a) of the Code, the present application is **admitted** with the following orders:

   i. Mr. Anish Agarwal, having registration number IBBI/IPA-001/IP-P-01497/2018-2019/12256 having email – id. - ip.cispl@gmail.com is appointed as an Interim Resolution Professional for the Corporate Debtor.

   ii. In pursuance of Section 13(2) of the Code, we direct that public announcement shall be made by the Interim Resolution Professional immediately (3 days as prescribed by Explanation to Regulation 6(1) of the IBBI Regulations, 2016) with regard to admission of this application under Section 7 of the Code.

iii. We direct the applicant Financial Creditor to deposit a sum of Rs. 3 Lakhs with the Interim Resolution Professional namely Mr. Anish Agarwal to meet out the expenses to perform the functions/duties assigned to him in accordance with Regulation 6 of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016. The needful shall be done within three days from the date of receipt of this order by the Financial Creditor. The said amount however be subject to adjustment towards Resolution Process cost as per applicable rules.

iv. The moratorium is declared 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, 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 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.

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'. 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 appropriate application to this Tribunal with a prayer for passing an appropriate order. 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.

vii. The Registry is directed to communicate a copy of the order to the Applicant, the Corporate Debtor, the Interim Resolution Professional and the Registrar of Companies, West Bengal at the earliest possible but not later than three days from today.

Rekha Kantilal Shah
Member(Technical)

Labh Singh
Member(Judicial)

Order signed on the 22nd day of September, 2026.

T.Roy(LRA)