

**NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, COURT – II
CHENNAI**

**ATTENDANCE CUM ORDER SHEET OF THE HEARING OF NATIONAL
COMPANY LAW TRIBUNAL, CHENNAI BENCH, HELD ON 24.02.2026 AT
10.30 A.M. THROUGH VIDEO CONFERENCING:**

**PRESENT: SHRI. JYOTI KUMAR TRIPATHI, HON'BLE MEMBER (JUDICIAL)
SHRI. RAVICHANDRAN RAMASAMY, HON'BLE MEMBER (TECHNICAL)**

APPLICATION NUMBER : --
PETITION NUMBER : CP(IBC)/88/2024
NAME OF THE PETITIONER : Gemscab Industries Ltd
NAME OF THE RESPONDENT(S) : Svaryu Energy Ltd
UNDER SECTION : Sec 9 Rule 6 of IBC, 2016

ORDER

Vide separate order pronounced in open court, Petition is Allowed.

**Sd/-
RAVICHANDRAN RAMASAMY
Member (Technical)**

**Sd/-
JYOTI KUMAR TRIPATHI
Member (Judicial)**

**IN THE NATIONAL COMPANY LAW TRIBUNAL,
DIVISION BENCH – II, CHENNAI
CP(IBC)/88(CHE)/2024**

*(Filed under Section 9 of the Insolvency and Bankruptcy Code, 2016, R/w, Rule 4 of the
Insolvency and Bankruptcy Rules, 2016)*

In the matter of Svaryu Energy Limited

GEMSCAB INDUSTRIES LIMITED,

Rep. By its Director Mr. Shashi Kant Gupta,

Having Office at: 519, Laxmi Plaza, Laxmi Industrial estate,

New Link Road, Andheri-west, Mumbai – 400 053.

... Petitioner/ Operational Creditor

V/s

SVARYU ENERGY LIMITED,

(Formerly known as Refex Energy Ltd)

Having Office at: 11th Floor, Bascon Futura IT Park, 10/2,

Venkat Narayana Road, T. Nagar, Chennai- TN – 600 017.

Having Branch office at: C/o. Famous Working Company,

FWC Reception, 1 Floor, Famous Studios, 20 Dr. E Moses Road,

Mahalaxmi, Mumbai – 400 011.

... Respondent/ Corporate Debtor

Order pronounced on 24.02.2026

CORAM:

SHRI. JYOTI KUMAR TRIPATHI, MEMBER (JUDICIAL)

SHRI. RAVICHANDRAN RAMASAMY, MEMBER (TECHNICAL)

Present:

For Applicant: Leelesh Sundaram.B, Advocate

For Respondent: Kaviyanathan, Advocate

ORDER

(Heard through Hybrid Mode)

Under consideration is a petition under Section 9 of IBC filed by

Gemscab Industries Limited, Petitioner/ Operational Creditor herein,

against **Svaryu Energy Limited** (Formerly known as Refex Energy Ltd), Respondent/ Corporate Debtor herein for initiating Corporate Insolvency Process (CIRP) against the Corporate Debtor.

2. SUBMISSIONS OF THE APPLICANT

2.1. Part I of the Application contains the particulars of the Applicant Gemscab Industries Limited. Part II of the Application sets out the details of the Corporate Debtor. It was incorporated on 16.04.2008 with its authorized share capital of Rs. 42,05,00,000/- and paid up share capital of Rs. 16,00,00,000/- and address at 11th Floor, Bascon Futura IT Park, 10/2, Venkat Narayana Road, T. Nagar, Chennai- TN – 600 017, within the jurisdiction of this Tribunal. In Part III of the application, the Operational Creditor has not proposed anyone as the IRP. Part IV of the application sets out the details of the debt being Rs.2,09,35,780/- (Rupees Two Crores Nine Lakhs Thirty Five Thousand Seven Hundred and Eighty Only) which includes interest as on 22.03.2023. This application has been filed on 26.03.2024.

2.2. The Applicant submits that it is a company incorporated under the provisions of the Companies Act and is engaged in the business of manufacturing and exporting technically superior electric cables for over

four decades, catering to various industries including power generation, transmission, distribution, automobile, housing, and commercial projects.

2.3. It is submitted that the Respondent/ Corporate Debtor approached the Applicant on 25.01.2023 for the purchase and supply of valves and allied products on a credit basis, pursuant to which a purchase order dated 25.01.2023 was issued by the Corporate Debtor.

2.4. It is submitted that after due enquiry and satisfaction of the Corporate Debtor with respect to the price and quality of the products, the Applicant supplied the ordered goods in accordance with the agreed terms.

2.5. It is submitted further that upon supply of the goods, it raised various tax invoices between 18.03.2023 and 22.03.2023, aggregating to a total invoice value of Rs. 2,34,12,054/-, details of which are as follows:

- a. Invoice No. B2203190 dated 18.03.2023 for Rs. 21,25,393/-
- b. Invoice No. B2203191 dated 18.03.2023 for Rs. 25,88,660/-
- c. Invoice No. P2201252 dated 18.03.2023 for Rs. 1,77,666/-
- d. Invoice No. P2201253 dated 18.03.2023 for Rs. 1,95,432/-
- e. Invoice No. B2203192 dated 20.03.2023 for Rs. 48,45,148/-
- f. Invoice No. B2203201 dated 20.03.2023 for Rs. 20,91,684/-

g. Invoice No. B2203208 dated 20.03.2023 for Rs. 49,08,050/-

h. Invoice No. B2203209 dated 20.03.2023 for Rs. 7,04,433/-

i. Invoice No. P2201256 dated 20.03.2023 for Rs. 13,32,491/-

j. Invoice No. B2203229 dated 22.03.2023 for Rs. 32,70,505/-

k. Invoice No. P2201260 dated 22.03.2023 for Rs. 11,72,592/-

2.6. It is submitted that the goods were supplied to the Corporate Debtor without any demur or objection and were duly accepted by the Corporate Debtor.

2.7. It is further submitted that despite repeated requests and reminders, the Corporate Debtor failed to make payment of the invoiced amounts and only made a part payment of Rs. 24,58,872/- on 17.06.2023.

2.8. It is also submitted that after adjusting the said payment, a sum of Rs. 2,09,35,780/- remained due and payable by the Corporate Debtor to the Applicant.

2.9. It is submitted that several reminders were issued and email communications exchanged, wherein the Corporate Debtor acknowledged its liability, copies of which are filed along with proof of acknowledgment of debt.

2.8. It is further submitted that since the Corporate Debtor failed to clear the outstanding dues, the Applicant caused a Demand Notice dated

27.09.2023 under Section 8 of the Insolvency and Bankruptcy Code, 2016, which was duly served on the Corporate Debtor.

2.9. It is submitted that the Corporate Debtor neither replied to the said demand notice nor made payment of the outstanding operational debt within the statutory period.

2.10. It is submitted that the date of default is 22.03.2023, being the date when the payment became due and payable under the invoices.

2.11. It is further submitted that the total operational debt in default as on the date of filing of the present petition is Rs. 2,09,35,780/- (Rupees Two Crores Nine Lakhs Thirty Five Thousand Seven Hundred and Eighty Only).

2.12. It is submitted that there is no pre-existing dispute between the parties with regard to the supply of goods, quality, quantity, or the invoices raised.

2.13. It is also submitted that no security interest has been created in respect of the operational debt and that there is no order of any court, tribunal, or arbitral authority adjudicating the said default.

2.14. It is submitted that all statutory requirements under Sections 8 and 9 of the Insolvency and Bankruptcy Code, 2016, have been duly complied

with and the present petition is filed with a valid Board Resolution authorizing initiation of the insolvency proceedings.

3. FINDINGS OF THE TRIBUNAL

3.1. We have heard and carefully considered the pleadings and documents placed on record.

3.2. It is seen from the records that the Corporate Debtor was duly served with notice of the present proceedings. Since there was no appearance on behalf of the Corporate Debtor despite service, substituted service was carried out by the Petitioner. Even thereafter, none appeared on behalf of the Corporate Debtor.

3.3. Accordingly, vide order dated 09.09.2024, this Tribunal recorded that the Respondent had failed to appear despite substituted service and was therefore set ex parte, and the pleadings were treated as complete.

3.4. In the absence of any appearance or reply from the Corporate Debtor, the averments made by the Operational Creditor in the Petition, supported by documents on record, remain unchallenged and un rebutted.

3.5. The Operational Creditor has placed on record the Purchase Order dated 25.01.2023, pursuant to which goods were supplied to the

Corporate Debtor. The supply of goods is supported by multiple tax invoices raised between 18.03.2023 and 22.03.2023, aggregating to a total invoice value of Rs. 2,34,12,054/-.

3.6. The material on record shows that the goods were duly supplied and accepted by the Corporate Debtor without any demur. The invoices raised have not been disputed by the Corporate Debtor at any point of time.

3.7. It is further evident that the Corporate Debtor made a part payment of Rs. 24,58,872/- on 17.06.2023, thereby acknowledging the operational debt. After adjustment of the said payment, an amount of Rs. 2,09,35,780/- remains due and payable.

3.8. The email correspondence and acknowledgment of debt filed along with the Petition further substantiate the existence of operational debt and default on the part of the Corporate Debtor.

3.9. The date of default is stated as 22.03.2023, which is supported by the invoices and remains undisputed in the absence of any reply from the Corporate Debtor.

3.10. The Operational Creditor has duly issued a Demand Notice dated 27.09.2023 under Section 8 of the Code. Despite service of the said

demand notice, the Corporate Debtor neither replied to the same nor made payment of the outstanding operational debt within the statutory period.

3.11. From the material available on record, this Tribunal is satisfied that:

- there exists an operational debt exceeding the threshold prescribed under the Code;
- the said debt has fallen due and payable;
- the Corporate Debtor has committed default; and
- there is no pre-existing dispute between the parties.

3.12. This Tribunal also finds that the Petition is complete in all respects and complies with the requirements of Section 9 of the Insolvency and Bankruptcy Code, 2016. No disciplinary proceedings are stated to be pending against the proposed Insolvency Professional.

3.13. In view of the aforesaid facts and circumstances, and in the absence of any rebuttal from the Corporate Debtor, this Tribunal has no hesitation in holding that the Operational Creditor has established the existence of operational debt and default as contemplated under the Code.

3.14. In the present case, the Operational Creditor has not named the Insolvency Resolution Professional in Part – III of the Application. Hence,

this Tribunal appoints **Mahesh Lakshmanadass**, having Reg No: **IBBI/ IPA-001/IP-P01734/2019-2020/12654**, (email id: **maheshtup@gmail.com**) who is having **AFA till 31.12.2026** as the “Interim Resolution Professional” (IRP) in respect of the Corporate Debtor. The IRP appointed shall take in this regard such other and further steps as are required under the Code, more specifically in terms of Section 15,17,18 of the Code and file the report within 20 days before this Bench. The powers of the Board of Directors of the Corporate Debtor shall stand superseded as a consequence of the initiation of the CIRP in relation to the Corporate Debtor in terms of the provisions of IBC, 2016.

3.15. As a consequence of the Application being admitted in terms of Section 9 (5) of the Code, the moratorium as envisaged under the provisions of Section 14(1) and as extracted hereunder shall follow in relation to the Corporate Debtor:

- “a. The institution of suits or continuation of pending suits or proceedings against the respondent 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 respondent 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 respondent 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 respondent.

Explanation.-For the purposes of this sub-section, it is hereby clarified that notwithstanding anything contained in any other law for the time being in force, a licence, permit, registration, quota, concession, clearance 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 or a similar grant or right during moratorium period;”

3.16. However, during the pendency of the moratorium period in terms of Section 14(2) (2A) and 14(3) as extracted hereunder:

“(2) The supply of essential goods or services to the Corporate Debtor as may be specified shall not be terminated or suspended or interrupted during moratorium period.

(2A) Where the interim resolution professional or resolution professional, as the case may be, considers the supply of 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 or in such circumstances as may be specified.

(3) The provisions of sub-section (1) shall not apply to

(a) such transactions, agreements or other arrangement as may be notified by the Central Government in consultation with any financial sector regulator or any other authority;

(b) a surety in a contract of guarantee to a corporate debtor.”

3.17. The duration of the period of moratorium shall be as provided in Section 14(4) of the Code and for ready reference reproduced as follows:

“(4) The order of moratorium shall have effect from the date of such order till the completion of the Corporate Insolvency Resolution Process: Provided that where at any time during the Corporate Insolvency Resolution Process period, if the Adjudicating Authority approves the Resolution Plan under sub-Section (1) of Section 31 or passes an order for liquidation of Corporate Debtor under Section 33, the moratorium shall cease to have effect from the date of such approval or Liquidation Order, as the case may be.”

3.18. The Operational Creditor is directed to pay a sum of Rs.2,00,000/- (Rupees Two lakh only) to the Interim Resolution Professional upon the Interim Resolution Professional filing the necessary declaration form as required under the provisions of the Code to meet out the expenses to perform the functions assigned to her in accordance to Regulation 6 of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.

3.19. Based on the above terms, the Application stands admitted in terms of Section 9(5) of IBC, 2016 and the moratorium shall come in to effect as of this date. A copy of the Order shall be communicated to the Operational Creditor as well as to the Corporate Debtor above named by the Registry. In addition, a copy of the Order shall also be forwarded to IBBI for its records. Further, the Interim Resolution Professional above

named be also furnished with copy of this Order forthwith by the Registry, who will also communicate the initiation of the CIRP in relation to the Corporate Debtor to the Registrar of Companies concerned.

3.19. Accordingly, **CP(IBC)/88/(CHE)/2024** is **allowed**.

-Sd-

RAVICHANDRAN RAMASAMY
MEMBER (TECHNICAL)

-Sd-

JYOTI KUMAR TRIPATHI
MEMBER (JUDICIAL)