IN THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD
COURT – 2

ITEM No.304
C.P. (IB)/200(AHM)2023

Proceedings under Section 9 IBC

IN THE MATTER OF:

YATAYAT CORPORATION INDIA PRIVATELIMITED ....**Applicant**
VS
SHRENIK LIMITED ....**Respondent**

Order delivered on: 30/07/2026

Coram:
Mrs. Chitra Hankare, Hon'ble Member(J)
Dr. Velamur G Venkata Chalapathy, Hon'ble Member(T)

ORDER

This case is fixed for pronouncement of order

The order is pronounced in open court vide separate sheet.

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DR. V. G. VENKATA CHALAPATHY
MEMBER (TECHNICAL)

Sd/-

CHITRA HANKARE
MEMBER (JUDICIAL)

SJ/AD/AP

BEFORE THE ADJUDICATING AUTHORITY
THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD (COURT - II)

CP (IB) No. 200 of 2023

(Filed under Section 9 of the Insolvency & Bankruptcy Code, 2016 read with Rule 6 of the Insolvency & Bankruptcy (Application to Adjudicating Authority) Rules, 2016)

In the matter of:

M/s Yatayat Corporation India Pvt. Ltd
Yatayat Bhawan, 7/A Bharat Society,
Ved Mandir Road, Ahmedabad-380022

...Applicant/
Operational Creditor

V/s.

M/s Shrenik Limited
CIN No: L51396GJ2012PLC073061,
505-508, TEN/11, beside Mardia
Plaza, C.G. Road, Ahmedabad- 380009
And, 1009, 10th Floor, Shivalik Shilp,
Iskon Cross Road, Ahmedabad-380015

... Respondent/
Corporate Debtor

Order pronounced on 30.07.2026

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Coram:

MRS. CHITRA HANKARE
HON'BLE MEMBER (JUDICIAL)

DR. V. G. VENKATA CHALAPATHY
HON'BLE MEMBER (TECHNICAL)

Present:

For the Applicant : Mr. Mohit Gupta,Adv and Aditya Gupta,Adv
For the Respondent : Ms. Megha Jani, Sr. Adv. and Ms. Krishna Bhimani, Adv.

JUDGEMENT

1. This Petition has been filed under Section 9 of the Insolvency and Bankruptcy code, 2016 ("IBC") read with Rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 by M/s Yatayat Corporation India Pvt. Limited, (In Short "Operational Creditor") seeking initiation of Corporate Insolvency Resolution Process against M/s Shrenik Limited (In Short "Corporate Debtor").
2. It is averred that the Operational Creditor is a private limited company registered under the provisions of Companies Act, 2013 and was earlier a partnership firm in the name of Yatayat Corporation India and was later converted into a private limited company on 14.06.2022.

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The Operational Creditor is a transport and logistics Company. The Corporate Debtor was incorporated on 20.12.2012 with CIN No. L51396GJ2012PLC073061.

3. As per Part IV of the application, the total outstanding Debt is Rs.5,92,78,324/- as on 24.05.2023 out of which Rs.3,22,91,349/- is towards the principal amount and Rs.2,69,86,975/-is towards interest amount and the Date of Default is shown as 10.12.2019. It is further stated that interest is taken at three times the bank rate as per Section 15 of the MSME Act, 2006.

4. The Applicant states that his services were availed by the Corporate Debtor for the purpose of transportation of paper. It is further stated several invoices remained unpaid even though the services were successfully rendered by him. The Corporate Debtor is fully aware regarding the unpaid invoice and hence a balance confirmation was executed by him in favour of the Applicant, pursuant to the letter dated 15.06.2020 sent by the Chartered Account Kapoor & Co of the Operational Creditor.

5. The Applicant states that every year the Corporate Debtor had executed balance sale consideration in favour of him.

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The debt fell due on various dates from 12.01.2019 onwards, on the lapse of 45 days from the date when the respective invoice was raised and the amount was not paid by Corporate Debtor. The Operational Creditor had requested Corporate Debtor many number of times to pay the due amount but to no avail.

6. The Applicant states that the Corporate Debtor handed various cheques to him towards payment of outstanding dues. He had deposited one of the cheques being cheque dated 17.01.2020, bearing no. 104115 which had returned as payment stopped by drawer. The Corporate Debtor had no intention of making any payment to the Operational Creditor.

7. The Applicant issued a demand notice dated 25.08.2021 under Section 8 of the IBC, calling upon the Corporate Debtor to pay the outstanding amount of Rs. 4,42,15,288/- within 10 days. The Corporate Debtor received the demand notice on 27.08.2021 and replied to the same by letter dated 06.09.2021. It is averred by the Applicant that in, its reply the Corporate Debtor admitted its liability of Rs. 3,22,65,383 /- and also raised a dispute that higher

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amount was charged in invoices. It is further stated the aforementioned dispute was raised first time after receipt of demand notice dated 25.08.2021.

8. The Applicant states that he had replied to the reply sent by the Corporate Debtor vide its letter dated 18.09.2021 and after receipt of the said letter the Corporate Debtor had promised to pay the dues but failed to do so. The Corporate Debtor acknowledged the debt due and payable to the Operational Creditor by its letter dated 25.03.2023. Since the Corporate Debtor failed to abide by the promise, the Applicant issued demand notice dated 19.06.2023 under Section 8 of the IBC calling upon the Corporate Debtor to pay the outstanding amount of Rs. 5,92,78,324/- within 10 days. The Corporate Debtor had replied to the aforementioned demand notice by way of undated letter and the same was received by the Applicant on 04.07.2023. It is further stated that the dispute raised in the reply is moonshine and contrary to the document on record. The applicant has filed Form D Record of Default deemed to be authenticated on 28.06.2026.

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9. The Applicant states that the Corporate Debtor had made payment of Rs. 9,66,535/- on 09.12.2019 which renewed the limitation period. The Corporate Debtor had also acknowledged the debt by way of balance confirmation on 15.06.2020 and by its reply to demand notice dated 06.09.2021. The period from 15.03.2020 to 28.02.2022 stands excluded for the purposes of limitation period in view of the order dated 10.01.2022 passed by the Hon'ble Supreme Court in Miscellaneous Application No. 21/2022. The Corporate Debtor had again acknowledged the debt by its letter dated 25.03.2023.

10. The Respondent has filed its reply and stated that the Operational Creditor had failed to produce copy of record from NeSL in Form –D under Regulation 21 of the Insolvency and Bankruptcy Board of India (Information Utilities) Regulations, 2017. The Petition is defective as it does not mention a specific date of default. The date of default in Form-C filed with NeSL is mentioned as 12.01.2019, whereas the date of default in Form 5 is mentioned as "12.01.2019 onwards" and as "Date of default

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is 10.12.2019". There are various discrepancies in specifying the same.

11. The Respondent states that the petition is not maintainable in view of non-compliance with Regulation 2B of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 as the Operational Creditor had failed to furnish copies of relevant extracts of Form GSTR-1 and Form GSTR-3B.

12. The Respondent states that the present petition is in respect of a debt which is barred by limitation. The date of the last invoice mentioned is 25.11.2019 and petition having been filed more than three years from such date is barred under Section 238A of the IBC read with Article 137 of the Limitation Act, 1963. The period from 15.03.2020 to 28.02.2022 does not stand excluded for the purposes of limitation period. The petition has been filed on 16.07.2023 well after the expiry of the aforesaid period. The benefit of the decision of the Hon'ble Supreme Court of India is not available to the Operational Creditor. The order does not envisage a situation where the limitation period expired after 28.02.2022 and its benefit is not available to the

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Operational Creditor. The Operational Creditor has stated various dates of default in the petition only to bring the petition within limitation.

13. The Respondent states that there has been no acknowledgment of debt on 15.06.2020, 06.09.2021, or 25.03.2023. As far as the alleged acknowledgment dated 15.06.2020 is concerned, the balance confirmation is an undated communication and cannot be held to be an acknowledgment in writing extending period of limitation. In, respect of the alleged acknowledgment dated 06.09.2021, the Operational Creditor is not justified in terming it as an acknowledgment in writing which extends period of limitation because while mentioning Rs. 3,22,65,383/- it is stated in the communication dated 06.09.2021 that during the period of April 2019 to November 2019, payment of Rs. 3,24,09,898/- has been made. Such an averment does not qualify as an acknowledgment in writing which results in extension of period of limitation. It is further stated that Operational Creditor chose not to file any proceedings under IBC after receipt of the communication dated 06.09.2021. The

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present petition is filed after issuing a baseless, undated demand notice (Demand Notice issued by Operational Creditor on 19.06.2023). In, respect of alleged acknowledgment dated 25.03.2023, it is on the face of it after expiry of period of limitation. No acknowledgment after expiry of period of limitation is valid and such an acknowledgment does not result in extension of period of limitation. The claim with respect to payment of Rs. 9,66,535/- is just an assertion without any supporting documents to show that it was so made that it will renew period of limitation.

14. In respect of list produced in respect of invoices from March 2019 to November 2019, the Respondent states that they had paid Rs.3,24,09,898/- between April 2019 to November , 2019. The Operational Creditor failed to demonstrate how even after payment of Rs. 3,24,09,898/- any amount was pending in respect of invoices which are of the same period.

15. The Respondent states that they have been availing transportation services of the Operational Creditor since June 2017 and has been making timely payments. It was noticed that Operational Creditor was charging

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transportation rates at higher than prevailing market rates. The Respondent on multiple occasions had requested for issuance of credit notes or amendment of invoices but owing to personal and business relations credit notes and amended invoices were not issued by the Operational Creditor on the basis that it can be mutually resolved at a later stage. Meanwhile, new invoices were issued at the same exorbitant rates and the issues remains unresolved. Due, to which the Respondent ceased doing business with the Operational Creditor but Operational Creditor continued to demand payment ignoring and overlooking the disputes and discrepancies.

16. The Respondent states that the Operational Creditor had computed the interest at three times the bank rate with monthly compounding under the MSME Act. The interest rate of 18 % specified in the invoices is applicable and interest rate and computation under the MSME Act is not applicable to the present proceeding. The Operational Creditor had calculated interest under MSME Act to artificially increase the claim. The Respondent denies that a balance confirmation was executed vide letter dated

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15.06.2020 or thereafter and the alleged balance confirmation is undated and hence cannot be held to be an acknowledgment in writing extending period of limitation. The alleged acknowledgment vide letter dated 25.03.2023 is after expiry of period of limitation. The Respondent did not acknowledged its liability on 25.03.2023 so as to extend the period of limitation.

17. The Applicant has filed its rejoinder and stated that NeSL had issued Form D declaring that debt is "deemed to be authenticated" and the same was produced by affidavit dated 13.09.2023. The petition cannot be rejected solely on the ground of its non-production. Qua, failure to furnish copies of relevant extracts of Form GSTR-1 and Form GSTR-3B, the Applicant states that he is in the business of providing transportation services and the companies which are engaged in the business of supply of goods and services are exempted from obtaining GST Registration and under reverse charge mechanism, it is the recipient who has to pay the GST.

18. The Applicant states that the computation chart and ledger account clearly establishes that the due principle amount is

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Rs. 3,22,91,349/- and additionally the Corporate Debtor has on various occasions, subsequently admitted its liability. The Operational Creditor is a MSME unit and is entitled to charge interest at three times the bank rate according to Section 16 of MSME Act, 2006. The registered office of the Corporate Debtor was originally located at 505-508, TEN/11, beside Mardia Plaza, C.G. Road, Ahmedabad-380009. The Financial Creditor subsequently took physical possession of the said premises and hence as a result the registered office was later shifted to the address mentioned in the reply.

19. The Respondent had filed the additional affidavit pursuant to the order dated 12.12.2025 passed by this Tribunal and had produced the balance sheet for the year 2024-2025.

20. The Applicant had filed affidavit for production of documents and produced the Form-D.

21. The Applicant relies on following judgments :-

    a) *Special Leave Petition (Civil) No. 2272 of 2024 between Ajay Protech Pvt. Ltd. Vs General Manager & Anr. passed by Hon'ble Supreme Court of India.*

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b) *Company Appeal (AT) (Ins) No. 366 of 2020 between Rajendrakumar Kundanmal Jain Vs Vijal.A.Jain & Anr. passed by Hon'ble NCLAT.*

c) *Suo Moto Writ Petition (C) No. 3 of 2020 (IN RE: COGNIZANCE FOR EXTENSION OF LIMITATION) passed by Hon'ble Supreme Court of Inda.*

22. The Respondent has relied on following Judgments:-

a) *Delhi Development Authority Vs Tejpal and Others (2024) 7 SCC 433.*

b) *Valliamma Champaka Pillai Vs Sivathanu Pillai, (1979) 4 SCC 429.*

c) *Civil Appeal No. 13158 of 2025 and 13159 of 2025 between Shankar Khandelwal Vs. Omkara Asset Reconstruction Pvt. Ltd. passed by Hon'ble Supreme Court of India.*

23. We have heard the learned Counsels for both the parties and perused the documents on record along with written submissions of the parties.

24. Observations:-

a) To first address the question on limitation, the applicant states that the unpaid invoices were of the period from

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28.11.2018 to 25.11.2019, the CD issued 14 cheques during the period from 16.01.2020 to 31.01.2020,out of which one had bounced. The Applicant is also within his right to claim the suo moto period from 15.03.2020 to 28.02.2022. The first demand notice was issued on 25.08.2021 in Form No.3 as per IBBI Rules 2016, which was replied by the respondent on 6.09.2021. The respondent denied the amount due and admitted that only Rs.3,22,65,683 was pending. It is also stated that during the Period April 2019 to Nov 2019, they have made a payment of Rs.3,24,09,898 and also stated that higher amount has been raised in the invoices.

b) The applicant replied to the letter of respondent on 25.08.2021 that in the same letter respondent has mentioned an amount of Rs.3,22,65,683 as pending and also there are balance confirmations as on 15.06.2020 and respondent has not taken in to account the dues to the applicant as MSME as per Sec 15 & 16 of the MSME Act 2006. The CD has acknowledged the debt on various dates including on 25 March 2023 wherein the outstanding dues are mentioned as Rs.3,22,91,349 is

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due but due to adverse effect of COVID 19 they are not able to clear the payments.

c) Even though during the hearing, both the parties agreed for going through a settlement process, it has not taken place. Further raising a dispute that the applicant being the transporter has charged higher than the market rates and seeking credit notes can only be a mutual accommodation between the parties as the evidence provided as invoices do not depict any such provision nor there is any purchase order and rate issued by the respondent.

d) It is observed that there is a debt outstanding which is defaulted and the applicant is a MSME and the interest provision as applicable has been claimed.

25. In view of the above, we pass the following :-

ORDER

I. CP (IB) 200 of 2023 is allowed.

II. The CIRP is ordered to be initiated against the Corporate Debtor – Shrenik Limited.

III. The order of moratorium under section 14 of the Code shall come to effect from the date of this order till the completion

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IV. However, in terms of Section 14(2) to 14(3) of the Code, the supply of essential goods or services to the corporate debtor as may be specified, if continuing, shall not be terminated or suspended, or interrupted during the moratorium period.

V. We hereby appoint from the panel suggested by IBBI, Mr. Rahul Shah, Registered IP having IBBI registration no. IBBI/IPA-001/IP-P-02170/2020-2021/13367, Email-carahulnshah@gmail.com, under section 13 (1)(c) of the Code to act as Interim Resolution Professional (IRP). He shall conduct the Corporate Insolvency Process as per the Insolvency and Bankruptcy Code, 2016 r.w. Regulations made thereunder.

VI. The IRP so appointed shall make a public announcement of the initiation of Corporate Insolvency Resolution Process and call for submissions of claims under section 15, as required by Section 13(1)(b) of the Code.

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VII. The IRP shall perform all his functions as contemplated, inter-alia, by sections 17, 18, 20 and 21 of the Code. It is further made clear that all personnel connected with the corporate debtor, its promoters, or any other person associated with the management of the corporate debtor are under legal obligation as per section 19 of the Code to extend every assistance and cooperation to the IRP. Where any personnel of the corporate debtor, its promoters, or any other person required to assist or co-operate with IRP, do not assist or cooperate, the IRP is at liberty to make appropriate application to this Adjudicating Authority with a prayer for passing an appropriate order.

VIII. The IRP is expected to take full charge of the corporate debtor's assets, and documents without any delay whatsoever. He is also free to take police assistance in this regard, and this Court hereby directs the Police Authorities to render all assistance as may be required by the IRP in this regard.

IX. The IRP shall be under a duty to protect and preserve the value of the property of the 'corporate debtor company' and manage the operations of the corporate debtor company as

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X. The IRP or the RP, as the case may be shall submit to this Adjudicating Authority periodical report with regard to the progress of the CIRP in respect of the Corporate Debtor.

XI. We direct the Operational Creditor to pay IRP a sum of Rs.2,00,000/- (Rupees Two Lakh Only) in advance within a period of 7 days from the date of this order to meet the cost of CIRP arising out of issuing public notice and inviting claims till the CoC decides about his fees/expenses.

XII. The Registry is directed to communicate this order to the Operational Creditor, corporate debtor, and to the Interim Resolution Professional, the concerned Registrar of Companies and the Insolvency and Bankruptcy Board of India after completion of necessary formalities, within seven working days and upload the same on the website immediately after pronouncement of the order. The Registrar of Companies shall update its website by updating the Master Data of the Corporate Debtor in MCA portal specific mention regarding admission of this Application and shall forward the compliance report to the Registrar, NCLT.

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XIII. The commencement of the Corporate Insolvency Resolution Process shall be effective from the date of this order.

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DR.V. G. VENKATA CHALAPATHY
MEMBER (TECHNICAL)

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CHITRA HANKARE
MEMBER (JUDICIAL)

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