

**NATIONAL COMPANY LAW TRIBUNAL,**  
**MUMBAI BENCH COURT VI**

Item No. P-2

C.P. (IB)/615(MB)2025

CORAM

**SHRI SAMEER KAKAR**  
**HON'BLE MEMBER (TECHNICAL)**

**SHRI NILESH SHARMA**  
**HON'BLE MEMBER (JUDICIAL)**

ORDER SHEET OF HEARING DATED **06.05.2026**

NAME OF THE PARTIES : **Lokesh Santoshji Agarwal**

**Vs**

**Arpana W Flour Mills Private Limited**

**Under Section 9 of the IBC, 2016.**

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**ORDER**

The case is fixed for pronouncement of the order. The order is pronounced in the open court, vide separate order. Detailed order is being uploaded on the NCLT portal today.

**Sd/-**  
**NILESH SHARMA**  
**MEMBER (JUDICIAL)**

//SS//

**Sd/-**  
**SAMEER KAKAR**  
**MEMBER (TECHNICAL)**

**IN THE NATIONAL COMPANY LAW TRIBUNAL MUMBAI BENCH-VI**

**CP (IB) No.615 /MB/2025**

*[Under Section 9 of the Insolvency and Bankruptcy Code, 2016 read with Rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016]*

IN THE MATTER OF:

**LOKESH SANTOSHJI AGARWAL**

[GST Reg. No.: 27AASPA7098N1ZU]

Kakaji Sadan, Near Gajanan Maharaj

Mandir, Shaniwar Peth, Warud

Amravati - 444906.

**...Operational Creditor/Applicant**

V/s

**ARPANA W FLOUR MILLS PRIVATE LIMITED**

[CIN: U74999MH2020PTC342460]

S. No. 56/B, Kharosa Nilanga Road,

Latur, Maharashtra -444906.

**...Corporate Debtor**

**Pronounced: 06.05.2026**

**CORAM:**

**HON'BLE SHRI NILESH SHARMA, MEMBER (JUDICIAL)**

**HON'BLE SHRI SAMEER KAKAR, MEMBER (TECHNICAL)**

**Appearances: Hybrid**

Financial Creditor: Adv. Mr. Agam Maloo

Corporate Debtor: None present

## ORDER

**[PER: BENCH]**

### 1. **BACKGROUND**

- 1.1 This is an Application bearing C.P. (IB) No.615/MB/2025 filed on 18.05.2025 by **Lokesh Santoshji Agarwal**, the Applicant (Operational Creditor) under Section 9 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as “the Code”) read with Rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 (hereinafter referred to as “the AAA Rules”) by Mr. Darshan Agarwal, authorised representative *vide* Power Of Attorney dated 03.06.2023 for initiating Corporate Insolvency Resolution Process (hereinafter referred to as “CIRP”) in respect of Arpana W Flour Mills Private Limited, the Corporate Debtor.
- 1.2 The Applicant is a proprietorship firm, involved in the business of wholesale supply of Grains.
- 1.3 The CD (**Arpana W Flour Mills Private Limited**), is a Private Limited Company incorporated under the provisions of the Companies Act, 2013 and having CIN U74999MH2020PTC342460, having its Registered Office at S.No. 56/B, Kharosa Nilanga Road,Latur, Maharashtra, India, 413520. The Corporate Debtor is in the business of flour mills.
- 1.4 Perusal of Part III reveals that the Applicant has named Mr. Shashant Sudhakar Yeola, Email ID: ***shashantsyeola@gmail.com*** having ***IP Registration No. IBBI/IPA-001/IP-P00310/2017-2018/10574*** as IRP. The proposed IRP has given his consent in Form No. 2 which is annexed as **Annexure A - 11**.

## 2. AVERMENTS OF THE APPLICANT

- 2.1 As per Part-IV of the Application the total amount claimed to be in default is Rs. 2,03,77,512/- (Two Crore Three Lakh Seventy-Seven Thousand Five Hundred and Twelve Rupees).
- 2.2 The date of default is mentioned as 21.06.2021.
- 2.3 It is submitted that, the Operational Creditor and the Corporate Debtor have been in a business relationship since FY 2017-2018. The CD placed orders telephonically, without formal purchase orders, against which the OC duly supplied goods and materials, including Wheat (agri-commodity products) and raised invoices for the said financial years.
- 2.4 It is stated that the Corporate Debtor was converted into a Private Limited Company on 23.07.2020, and the outstanding balances were accordingly transferred in the name of the CD by the OC on the said date. The total outstanding amount as on the date of such conversion stands at Rs. 2,32,35,918/- (Rupees Two Crores Thirty-Two Lakhs Thirty-Five Thousand Nine Hundred and Eighteen only).
- 2.5 Further, the Operational Creditor raised invoices in the name of the Corporate Debtor amounting to Rs. 16,59,524/- (Rupees Sixteen Lakhs Fifty-Nine Thousand Five Hundred and Twenty-Four only) during May 2021, post-conversion of the CD into a Private Limited Company. The Corporate Debtor was liable to pay an amount of Rs. 2,48,95,442/- as value of grains supplied. Out of this amount, payments aggregating Rs. 45,17,930/- have been received. The balance amount of Rs. 2,03,77,512/- remains outstanding. Copies of the invoices raised by the Operational Creditor for the supply of goods are annexed at **Annexure A-4**. The Last Invoice date was 06.05.2021 and as per the payment terms last date of payment after 45 days was

20.06.2021. And hence the date of default is considered as 21.06.2021 **i.e., 45+1 days.**

2.6 The Operational Creditor considered the payments received with the 'First-In-First-Out' (FIFO) principle, pursuant to Section 61 of the Indian Contract Act, 1872, which states as follows:

*"Where neither party makes any appropriation, the payment shall be applied in discharge of the debts in order of time, whether they are or are not barred by the law in force for the time being as to the limitation of suits. "*

2.7 Accordingly, the earliest outstanding invoices were settled first, before the subsequent invoices by the Operational Creditor.

2.8 It is submitted that, the Corporate Debtor maintained its books of accounts in the form of a ledger for the period 2020–2025. A copy of the said ledger, as maintained by the Operational Creditor, is annexed at **Annexure A-5**.

2.9 It is stated that the Operational Creditor served a legal notice to the Corporate Debtor with respect to the outstanding dues vide letter dated 21.04.2024. The Corporate Debtor replied to the said legal notice on 03.06.2024, and acknowledged the said outstanding dues. Copy of legal notice send by Operational Creditor to Corporate Debtor and reply by the Corporate Debtor are annexed at **Annexure A-6** and **Annexure A-7** respectively.

2.10 It is submitted that, due to failure on part of the Corporate Debtor to make payments towards the total outstanding debt after 1310 days from the date of default, and considering the cordial business relations, a Demand Notice in Form 3 under IBC, 2016 dated 21.01.2025 was sent by the Operational Creditor to the Corporate Debtor at its Registered office address by way of Speed Post (EM261403091IN) dated

29.01.2025. Copies of postal receipt and tracking record are annexed as **Annexure-A**.

- 2.11 The Corporate Debtor had undertaken that they would clear the outstanding at the earliest, however, once again the Corporate Debtor breached their undertaking.
- 2.12 It is stated that, Demand Notice was sent on 21.01.2025 demanding payment of outstanding amount of Rs. 2,03,77,512/- Copy of the demand notice is annexed at **Annexure A-8**.
- 2.13 It is submitted that there was no pre-existing dispute between the parties with regard to the outstanding debt.
- 2.14 As per Order dated 25.06.2025, the learned counsel for the Operational Creditor has requested to file additional documents including the tracking report in regard to service of the demand notice on record by way of an additional affidavit and for that purpose was granted of 7 days' time period.
- 2.15 In compliance with the order dated 25.06.2025, the Operational Creditor filed, by way of an Additional Affidavit dated 07.07.2025, a copy each of the Speed Post receipt and tracking report evidencing service of the Demand Notice upon the Corporate Debtor. The same was recorded in the interim order dated 18.07.2025.
- 2.16 As per order dated 18.07.2025, the Tribunal directed the registry to issue notice on the Corporate Debtor and handover the same to the Operational Creditor. The Operational Creditor was directed to serve a copy of the said notice along with the Application, additional affidavit and order on the Corporate Debtor through all modes i.e. Dasti, Registered post/ Speed post and by email. This Tribunal further directed to Applicant to file affidavit of service well before the next date of hearing and Corporate Debtor was directed to file its reply within a period of 7 days after receipt of the copy of the application.

- 2.17 In compliance of order dated 18.07.2025, Operational Creditor filed an affidavit of service dated 09.09.2025, which revealed that the service through speed post was not made upon the Corporate Debtor and the copy of the notice as well as application was returned as unclaimed. And also, that copy of the application has been served upon Corporate Debtor on 18.05.2025 by way of an e-mail.
- 2.18 Vide order dated 10.09.2025, this Tribunal directed the Applicant to file a short synopsis of arguments within 3 days, along with the last audited balance sheet of the Corporate Debtor, as available on the MCA site, by way of an additional affidavit.
- 2.19 In compliance with the order dated 10.09.2025, the Applicant filed an affidavit on 24.09.2025. However, upon perusal, the said affidavit was found to be incorrect. The Learned Counsel for the Applicant accordingly requested that the said affidavit be struck off from the record, and sought 10 days' time to file a fresh affidavit in its place. The said request was allowed.
- 2.20 Order of this Tribunal dated 18.11.2025 records as under:
- “1. In terms of the order dated 27.12.2025, perusal of the DMS reveals that, the additional affidavit filed by the Applicant herein, is now defect free. Physical copy of the same has been submitted across the Bar today. The same is taken on record.*
- 2. Ld. Counsel for the Applicant, thereafter, requests that the matter be fixed for final arguments.”*
- 2.21 In compliance with the directions of the Tribunal, the Applicant (Operational Creditor) filed the Additional Affidavit, and the physical copy thereof was submitted to the Bench.

2.22 The order dated 26.02.2026 records that the Ld. Counsel for the Operational Creditor stated that the Authorization for Assignment (AFA) of the proposed Interim Resolution Professional had expired.

2.23 The Operational Creditor has relied upon the following documents:

1. Written communication by proposed interim resolution professional in Form-2 along with Form-B Authorisation for Assignment dated 12.12.2024.
2. Copy of the Power of Attorney authorizing Mr. Darshan Agarwal to file the present Company Petition.
3. Copy of the Corporate Debtor's master data.
4. Copy of the GST and MSME registration certificate.
5. Copies of invoices raised by the Operational Creditor towards supply of grains.
6. Copy of ledger maintained from 2021 to 2025.
7. Affidavit u/s 9(3)(b) No Dispute.
8. Copy of Legal Notice dated 21.04.2024.
9. Copy of reply to legal notice dated 03.06.2024.
10. Copy of the computation of default and certificate.
11. Copy of the NESL Certificate.
12. Copy of the Demand Notice dated 21.01.2025 along with tracking report dated 29.01.2025.

### **3. CONTENTIONS OF CORPORATE DEBTOR**

3.1 Order of this Tribunal dated 10.09.2025 records as under:

*"2. At this stage one Mr. Pradip Pedde appearing on behalf of the Corporate Debtor states that he is one of the Director of CD. He says that copy of the application has been served upon the CD on 18.05.2025 by way of an e-mail.*

*He states that the operations of the Corporate Debtor are lying suspended for the last 2 years and that he does not wish to file any reply in the matter.*

*3. He also states that the CD is making efforts to make the payment of the dues claimed by the Applicant.*

*4. As the Corporate Debtor is not willing to file any reply we close the right of the CD to file reply.”*

- 3.2 It is seen that Mr. Pradip Pedde, Director of the Corporate Debtor, appeared on behalf of the Corporate Debtor on 10.09.2025, and submitted that the Corporate Debtor is making efforts to settle the dues claimed by the Operational Creditor.
- 3.3 Thereafter the matter was listed on 18.07.2025, 12.08.2025, 25.09.2025, 27.10.2025, 18.11.2025, 15.12.2025 and 20.01.2026 when none appeared on behalf of the CD and no vakalatnama or reply was filed on the DMS.
- 3.4 Since the CD did not appear in spite of the above opportunities, this Tribunal set the CD as *ex-parte* on 20.01.2026.
- 3.5 Further, it is seen that the CD has not filed any application to recall the order dated 20.01.2026.

#### **4. ANALYSIS AND FINDINGS**

- 4.1 We have heard the Ld. Counsel for the Applicant and have perused the records as placed before us. Our findings in the matter are as under: -
- 4.2 The present application was affirmed on 09.05.2025.
- 4.3 The Applicant has claimed an amount of Rs. 2,03,77,512/- as operational debt due from the Corporate Debtor, in respect of the supply of goods and materials, including Wheat (agri-commodity products). The total value of supplies made by the

Operational Creditor amounts to Rs. 2,48,95,442/-, out of which the Corporate Debtor has made part payments aggregating Rs. 45,17,930/-

4.4 We observe that, a demand notice dated 21.01.2025 was served upon the Corporate Debtor, which was not replied. Operational Creditor has attached the demand notice at page number 93 to 99 of the application.

4.5 As per the application the date of default is mentioned as 21.06.2021.

<b>PARTICULARS</b>	<b>DATE</b>	<b>LIMITATION</b> (as per section 18 of the Limitation act 1963)
Date of Default	21.06.2021	20.06.2024
Legal Notice	21.04.2024	-----
Reply to Legal Notice by the Corporate - Debtor	03.06.2024 (acknowledge the debt)	02.06.2027
Filing of Application	18.05.2025	-----

4.6 The last invoice date was 06.05.2021, and as per the payment terms, the last date for payment after 45 days was 20.06.2021. In accordance with Section 3(12) of the Insolvency and Bankruptcy Code, the date of default was deemed to be 21.06.2021, being the day immediately following the due date. The Operational Creditor issued a legal notice on 21.04.2024, within the original limitation period of three years from the date of default. Thereafter, the Corporate Debtor, through its Counsel, Mr. Avinash B. Malpe, acknowledged the debt and replied to the said notice on 03.06.2024. Such acknowledgment extended the limitation period for a further period of three years from the date of acknowledgment i.e., until 02.06.2027. Accordingly, the Operational Creditor was filed present application under Section 9 of the Insolvency and Bankruptcy Code on 18.05.2025, which was within the extended

period of limitation and therefore maintainable under Section 9 of the Insolvency and Bankruptcy Code.

4.7 Section 18(1) of the Limitation Act 1963, is reproduced herein below:

*“18. **Effect of acknowledgment in writing.**—(1) Where, before the expiration of the prescribed period for a suit or application in respect of any property or right, an acknowledgment of liability in respect of such property or right has been made in writing signed by the party against whom such property or right is claimed, or by any person through whom he derives his title or liability, a fresh period of limitation shall be computed from the time when the acknowledgment was so signed.”*

4.8 This tribunal has also relied on Hon’ble Supreme Court’s judgement in the matter of **Dena Bank v. C. Shivkumar Reddy, (2021) 10 SCC 330**, where it was held that

*“113. As per Section 18 of Limitation Act, an acknowledgement of present subsisting liability, made in writing in respect of any right claimed by the opposite party and signed by the party against whom the right is claimed, has the effect of commencing a fresh period of limitation from the date on which the acknowledgement is signed. Such acknowledgement need not be accompanied by a promise to pay expressly or even by implication. However, the acknowledgement must be made before the relevant period of limitation has expired. “*

4.9 Applicant has attached the NESL record of default being Form D at page number 108 of the application which is in “Deemed to be Authenticated” status giving date of default as 21.06.2021.

- 4.10 As it is seen from para 3.1 of this order, the Director of the CD was present on 10.09.2025. Thereafter, none was present on behalf of the CD and hence, the CD was set ex-parte vide order dated 27.10.2025.
- 4.11 The Applicant has attached the 9(3)(b) Affidavit stating that there is no dispute raised by the CD with regard to the unpaid operational debt.
- 4.12 In view of the above findings, it is clear that the Applicant has placed on record the necessary evidences and materials to demonstrate the existence of the operational debt exceeding the minimum threshold of Rs.1 Crore prescribed under Section 4 of the Code due and payable by the CD as well as the default in payment thereof by the CD. The Applicant has served the Demand Notice upon the CD, and that the CD has failed to establish the existence of any pre-existing dispute. The Application is complete as all the relevant documents have been attached by the Applicant along with the Application.
- 4.13 We find that all pre-requisites of Section 9 of the Code are fulfilled and, accordingly, we are satisfied that the instant Application is fit for admission under Section 9 of the Code. The Applicant has attached all the documents as required and therefore the Application is complete and demands admission.
- 4.14 Ld. Counsel of operational creditor requests this Tribunal to appoint an IRP from the panel maintained by the IBBI/NCLT. Which is recorded in order dated 26.02.2026. Hence, this Tribunal has appointed **Mr. Ashok Mittal** as an IRP to carry out the functions as mentioned under the Code.
- 4.15 We make it clear that at this stage we have not crystalized the amount as claimed in this Application, the same is left to be collated by the IRP.

## **ORDER**

In view of the aforesaid findings, Application bearing C.P.(IB) No.615 /MB/2025 filed under Section 9 of the Code by Lokesh Santoshji Agarwal, the Applicant, for initiating CIRP in respect of **Arpana W Flour Mills Private Limited**, the Corporate Debtor, is hereby **admitted**.

We further declare moratorium under Section 14 of the Code with consequential direction as mentioned below: -

I. We prohibit-

- 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 Securitisation 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 possession of the Corporate Debtor.

- II. That the supply of essential goods or services to the Corporate Debtor, if continuing, shall not be terminated or suspended or interrupted during the moratorium period.

- III. That the order of moratorium shall have effect from the date of this order till the completion of the CIRP or until this Tribunal approves the resolution plan under Section 31(1) of the Code or passes an order for the liquidation of the Corporate Debtor under Section 33 thereof, as the case may be.
- IV. That the public announcement of the CIRP shall be made in immediately as specified under Section 13 of the Code read with Regulation 6 of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 and other Rules and Regulations made thereunder.
- V. That this Bench hereby appoints **Mr. Ashok Mittal**, a registered Insolvency Professional having Registration Number **IBBI/IPA-001/IP-P-02549/2021-2022/13889** and e-mail address [ashokmittal2020@gmail.com](mailto:ashokmittal2020@gmail.com) having valid Authorisation for Assignment up to **31.12.2026** as the IRP to carry out the functions under the Code.
- VI. That the fee payable to IRP/RP shall be in accordance with such Regulations/Circulars/ Directions as may be issued by the IBBI.
- VII. That during the CIRP Period, the management of the Corporate Debtor shall vest in the IRP or, as the case may be, the RP in terms of Section 17 or Section 25, as the case may be, of the Code. The officers and managers of the Corporate Debtor the Corporate Debtor is directed to provide effective assistance to the IRP as and when he takes charge of the assets and management of the Corporate Debtor. The officers and managers of the Corporate Debtor shall provide all documents in their possession and furnish every information in their knowledge to the IRP/RP within a period of one week from the date of receipt of this Order and shall not commit any offence punishable under Chapter VII of Part II of the Code. Coercive steps will follow

against them under the provisions of the Code read with Rule 11 of the NCLT Rules for any violation of law.

- VIII. That the IRP/IP shall submit to this Tribunal periodical reports with regard to the progress of the CIRP in respect of the Corporate Debtor.
- IX. In exercise of the powers under Rule 11 of the NCLT Rules, 2016, the Applicant is directed to deposit a sum of Rs.3,00,000/- (Rupees Three Lakh) with the IRP to meet the initial CIRP cost arising out of issuing public notice and inviting claims, etc. The amount so deposited shall be interim finance and paid back to the Applicant on priority upon the funds available with IRP/RP from the Committee of Creditors (CoC). The expenses incurred by IRP out of this fund are subject to approval by the CoC.
- X. A copy of this Order be sent to the Registrar of Companies, Maharashtra, Mumbai for updating the Master Data of the Corporate Debtor.
- XI. A copy of the Order shall also be forwarded to the IBBI for record and dissemination on their website.
- XII. The Registry is directed to immediately communicate this Order to the Applicant, the Corporate Debtor and the IRP by way of Speed Post, e-mail and WhatsApp.
- XIII. The IRP is directed to issue notice of admission upon all the statutory authorities of the Corporate Debtor without fail.
- XIV. Compliance report of the order by Designated Registrar is to be submitted today.**

**Sd/-**  
**NILESH SHARMA**  
**MEMBER (JUDICIAL)**

//S.D.//

**Sd/-**  
**SAMEER KAKAR**  
**MEMBER (TECHNICAL)**