



**IN THE NATIONAL COMPANY LAW TRIBUNAL
ALLAHABAD BENCH, PRAYAGRAJ**

CP (IB) No.24/ALD/2025

(An application filed under Section 7 of the Insolvency and Bankruptcy Code, 2016 read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules 2016)

IN THE MATTER OF:

PUNJAB NATIONAL BANK

Registered Office: Plot No. 4, Sector 10,
Dwarka, New Delhi,

Having its Circle SASTRA Office at:

Punjab National Bank
KKM Complex, Katra Shamsheer Khan,
Near Mahendra show room,
Etawah, PIN 206001
Email: cs8223@pnb.co.in

.....Applicant/Financial Creditor

Versus

BHAGWATI RICE MILLS PRIVATE LIMITED

A company registered and duly incorporated under the
Companies Act, 1956 having its office at:

Mandi Motiganj, Sirsaganj Road,
District Mainpuri, Pin 205001
Email: 1. ujjwalsmartgoyal@gmail.com
2. bhagwatiricemillpvtltd@rediffmail.com

..... Corporate Debtor/Respondent

Order Pronounced on: 03.12.2025

CP (IB) No.24/ALD/2025

IN THE NATIONAL COMPANY LAW TRIBUNAL
ALLAHABAD BENCH, PRAYAGRAJ

Page 1 of 26

-Sd-

-Sd-



Coram:

Sh. Praveen Gupta : Member (Judicial)
Sh. Ashish Verma : Member (Technical)

Appearances:

Sh. Prakhar Shukla, Adv. : *For the Financial Creditor*
Sh. Amit Dhall, Adv. : *For the Corporate Debtor*

ORDER

1. This Application has been filed on 15.01.2025 by Punjab National Bank as the Applicant/Financial Creditor under Section 7 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred as “IBC/the Code”) read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules 2016 against M/s Bhagwati Rice Mills Private Ltd (hereinafter referred as “Respondent/Corporate Debtor/Borrower”) in Form 1 containing all the information as required in Part I, II, III, IV and V of the Form showing a total financial debt of Rs. 74,35,42,374/-, declaring date of default being 08.06.2023.
2. As submitted, the Corporate Debtor has committed default in the payment of a total outstanding debt amount of Rs. 74,35,42,374/- as on 30.11.2024, along with future interest and charges w.e.f. 01.12.2024, in respect of the credit facilities availed from the Financial Creditor. The Corporate Debtor had been

CP (IB) No.24/ALD/2025

IN THE NATIONAL COMPANY LAW TRIBUNAL
ALLAHABAD BENCH, PRAYAGRAJ

Page 2 of 26

-Sd-

-Sd-



availing various credit facilities since inception and had approached the Financial Creditor from time to time for enhancement of limits. The tabulated form of default is given below account-wise:

S. No.	Account No.	Facility	Default Amount	Date of disbursement
1	0348008700002109	Cash Credit	620734366	Limit was last renewed on 09.09.2022
2	034800EG00000010	WCTL	17016293	04.12.2021
3	034800IL00000260	WCTL	59354235	22.12.2020
	Total Default Amount		Rs. 74,35,42,374/- as on 30.11.2024	

3. Based on the requests of the Corporate Debtor, the Financial Creditor sanctioned and enhanced the total credit facilities to Rs. 66,00,00,000/-, which included Cash Credit Limits and Working Capital Term Loans (GECL). The Cash Credit facility initially sanctioned at Rs. 5,00,000/- was enhanced to Rs. 45,00,00,000/- vide sanction dated 11.09.2019, along with an Ad-hoc limit of Rs. 7,50,00,000/- vide sanction dated 22.11.2022. Additionally, Working Capital Term Loans of Rs. 9,00,00,000/- and Rs. 4,50,00,000/- were sanctioned vide sanction letters dated 24.12.2020 and 04.12.2021 respectively.
4. To secure the said credit facilities, the Corporate Debtor, together with its guarantors and mortgagors, executed various documents including Terms of Agreement, Deed of Hypothecation, and Agreements of Guarantee dated



16.09.2019 and 23.11.2022. Corporate guarantee was executed by M/s Jay Ambey Rice Mills Ltd., and personal guarantees were executed by Mr. Mohan Lal Goyal, Smt. Sourbhi Goyal, and subsequently by Smt. Kanta Devi Goyal. The facilities were further secured by creation of charge over primary and collateral securities.

5. Upon continued non-repayment, the account of the Corporate Debtor was classified as NPA on 08.06.2023. The Applicant has further placed on record the Records of Default (Form D) issued by NeSL for non-repayment of the loans under various financial facilities extended, which currently reflect the status as “Authenticated” as on 10.12.2024. These Forms D have been attached with the present Application as Annexure-8 (Pg no. 242-279).
6. Following the default, the Financial Creditor issued recall/legal notices dated 04.01.2024 to the Corporate Debtor and notice dated 16.01.2024 to the personal guarantors, calling upon them to clear the outstanding dues. Despite issuance of these notices, neither the Corporate Debtor nor the guarantors regularized the account by making repayment of outstanding debt amounts.
7. The Financial Creditor thereafter initiated recovery proceedings before the Debt Recovery Tribunal, Allahabad by filing OA No. 296/2024 on 25.02.2024, which is presently pending.



8. In view of the continued default and non-payment of outstanding dues, the Financial Creditor submits that the Corporate Debtor has failed to discharge its liability and seeks initiation of the Corporate Insolvency Resolution Process against the Corporate Debtor under Section 7 of the Insolvency and Bankruptcy Code, 2016.

REPLY ON BEHALF OF THE CORPORATE DEBTOR

9. The Respondent/Corporate Debtor filed a counter affidavit vide filing no. 2356 dated 28.11.2025 in response to the averments made by the Applicant and submits that:
- i. It is asserted that the Financial Creditor has inconsistently averred the date of default at different places: 08.06.2023, 09.06.2023 and 30.11.2023, and that the amounts on those dates do not match the statement of account or the loan recall notice relied upon. A notice under Section 13(2) is relied upon as showing yet another date of default. It is submitted that the true date of default has been concealed and not disclosed and that the date of NPA is not the date of default.
 - ii. It is submitted that the authority documents produced for filing of the present application, do not pertain to Punjab National Bank but only to the erstwhile Oriental Bank of Commerce, further, there is no resolution, board authorization or power of attorney showing that the person filing the petition is empowered to act on behalf of Punjab National Bank. No valid authorization exists in favour of the learned counsel who has



entered appearance. Hence, the petition is alleged to be instituted without authority and defective in law.

- iii. On the above grounds, the petition is said to suffer incurable defects, to lack a clear and proven date of default, and to have been instituted without authority. Further, it is submitted that the Application is said to be instituted by suppression of material facts and not with clean hands.
- iv. It is alleged that the Financial Creditor violated RBI guidelines in classifying the account as NPA, wrongful classification is said to have produced no cause of action in favour of the Financial Creditor and, therefore, the Application is liable to be rejected.
- v. The Corporate Debtor pleads that its account was an MSME account and that the Financial Creditor failed to follow RBI guidelines dated 11.03.2016 as a result, business orders (including an order of Rs. 10,00,00,000/-) could not be executed and the Corporate Debtor suffered losses which stand adjusted/liquidated against the alleged claim, leaving nothing due and payable.
- vi. It is alleged that the Financial Creditor has not disclosed the rates of interest debited from time to time and has debited excessive interest over and above the contractual rate totalling Rs.3,92,98,092/-, for which the Corporate Debtor is entitled to set-off/adjustment; this issue is stated to be already under adjudication before the Debt Recovery Tribunal (DRT).
- vii. The Application is further alleged to be legally not sustainable because vital information has been suppressed, the cause of action is wrongful, and the account was purportedly renewed by the Financial Creditor by its letter/sanction dated 04.12.2021 which permitted operations; the



Corporate Debtor asserts it deposited Rs.5,93,47,95,486/- with the Financial Creditor and that therefore, the account was not irregular.

- viii.** It is submitted that the Financial Creditor by issuing Section 13(2) demand notices mentioning compliance with RBI guidelines and entire process adopted by the bank using legal machinery has abused the process of law. Such conduct is alleged to have affected the Corporate Debtor's business and caused operational and reputational losses.
- ix.** It is submitted that the Financial Creditor obtained blank documents from the Corporate Debtor which were thereafter filled in and materially altered, which the Financial Creditor never informed to the Corporate Debtor with regard to the rate of interest hence, such documents are contended to be void ab initio and the underlying loan documents are characterized as contracts of adhesion, unfair, contrary to public policy and therefore unenforceable.
- x.** The Application is said to be not maintainable as a correct and complete statement of account of all accounts of the principal borrower has not been filed, several statements of account are alleged to be uncertified, one-entry accounts and not admissible under the Bankers' Books of Evidence Act.
- xi.** The NESL record of default and the NESL "authenticated" date of default (alleged 10.12.2024) are challenged as incorrect, false and fabricated as no authentication was given or approved by the Corporate Debtor and the statement of account underlying the NESL record is disputed. These aspects are stated to be pending adjudication before the DRT.



- xii.** The Reply pleads that various documents relied upon by the Financial Creditor are unenforceable, bad in law, under-stamped, without consideration and thus not documents in law; reliance on such documents is said to render the Application liable to be dismissed with special or exemplary costs.
- xiii.** The Application is alleged to be barred by limitation, the Financial Creditor's supporting documents are said to be without revenue stamp and incapable of supporting the claim.
- xiv.** As submitted, the Financial Creditor is accused of having arbitrarily and illegally resorted to measures under the SARFAESI Act and of having repeatedly stopped operations of the account without intimation or reconciliation, repeated requests for reconciliation and refund of excess recoveries were, according to the Corporate Debtor, ignored.
- xv.** The Corporate Debtor alleges extensive consequential losses arising from the Financial Creditor's actions and omissions (including business loss, reputation loss, loss of orders and profits, payment obligations to other creditors, fire losses and non-recovery under insurance policies for which the bank is blamed as joint-holder).
- xvi.** The Corporate Debtor quantifies claimed set-offs/adjustments and damages: (a) at least Rs.44,92,98,092/- (claimed as set-off/adjustment against the Financial Creditor's claim and also said to be pleaded before the DRT); (b) additional losses claimed conservatively at Rs.30,00,00,000/- for lost business opportunities; (c) damages for loss of image, reputation and hardship claimed as Rs. 300 Lakhs; (d) aggravated damages claimed at Rs. 20 Crores; and (e) exemplary/vindictory damages (to be fixed at twice the direct monetary



loss) and to be payable to consumer welfare fund or the like. The Corporate Debtor further pleads a set-off figure of Rs.47,92,98,092/- (denying the Financial Creditor's prayer and denying any outstanding).

- xvii.** The Corporate Debtor reiterates that, without admitting any of the Financial Creditor's allegations, it is entitled to set-off both in fact and in equity to the extent of amounts claimed by the Financial Creditor and that the Financial Creditor is liable to refund excessive and penal interest and other charges charged over the years, and to reduce interest on a simple reducing balance basis from inception.
- xviii.** It is asserted that the Financial Creditor acted in gross malafide, arbitrarily, with omissions and commissions and without due care; such conduct allegedly turned incipient sickness into regular sickness and destroyed the Corporate Debtor's business despite the Corporate Debtor's efforts to mitigate damages and revive operations.
- xix.** The Corporate Debtor states it made repeated efforts to obtain enhancement of facilities and reconciliation, was given assurances by bank officials which were not honoured, and that this induced business expansion and consequent losses when limits were not enhanced hence, as submitted, the Financial Creditor is alleged to be fully liable for such losses.
- xx.** The Reply pleads apprehension that, if the Corporate Debtor seeks to open non-credit banking facilities with other banks to restart operations, the Financial Creditor may curtail, freeze or appropriate balances in such accounts.



xxi. It is reiterated that no amount is due, and insisting on the Corporate Debtor's entitlement to set-off/adjustment to the tune of Rs.44,92,98,092/- (and alternatively Rs.47,92,98,092/- as stated in the Reply) together with interest and costs, the Respondent seeks dismissal of the Section 7 Application in limine and on merits, with costs and further reliefs as claimed.

Written Submissions

- 10.** No Rejoinder has been filed by the Applicant. Ld. Counsels for the Applicant and Respondent argued the case based on the submissions made by them in their Application and Reply respectively.
- 11.** The Applicant filed written submissions vide filing no. 0902109000582025/3 dated 19.11.2025. The Applicant in its written submission reiterated the default committed by the Corporate Debtor in repayment of outstanding financial debt is Rs. 74,35,42,374/- as discussed in the Application and the same is still continuing. It is emphasized that NeSL record of default and statement of account also proves that such default has occurred since 08.06.2023 which is the date of default. Therefore, as submitted by the Applicant/Financial Creditor that once there is satisfaction with NCLT that default has occurred then there is hardly any substance left to refuse admission as per judgement of *M. Suresh Kumar Reddy v. Canara Bank, (2023) 8 SCC 387*.



12. Further, the Respondent also filed written submissions vide filing no. 0902109000582025/4 dated 01.12.2025 relying on the judgment of Hon'ble NCLAT in *Ram Dass Dutta vs. IDBI Bank Ltd. & another* (Company Appeal No.AT(INS) No.1285/22) wherein it was held that the date of default cannot be changed and NPA cannot be taken to be the date of default for the purpose of limitation.

FINDINGS AND ORDER

13. We have heard the Ld. Counsel for the Applicant and the Respondent and perused the records, exhibits/annexures, and after considering arguments advanced by respective Learned Advocates, the main issues which are before us to be decided in respect of the present Application u/s 7 are:
- i. Whether the application is filed within the period of limitation.
 - ii. Whether there is debt and default within the meaning of the IBC, 2016.

Whether the application is filed within the period of limitation.

14. We observe that the present application under Section 7 of the Code was instituted on 15.01.2025, declaring the date of default as 08.06.2023. The Corporate Debtor has not specifically challenged the limitation, instead submitting that the date of default has been inconsistently stated as three different dates of default, i.e. 08.06.2023, 09.06.2023 (stated in Section 13(2))



notice dated 13.06.2023) and 30.11.2023. It is also submitted that it has already been held that the date of NPA is not the date of default. Therefore, it is argued that the true date of default has been completely concealed and not disclosed.

15. Having examined the record, we find that these references, pertain to events occurring within the same continuous period of non-payment and do not alter the fact that the earliest alleged default date 08.06.2023 is well within limitation. It is also noteworthy that default is still continuing and no repayment of outstanding debt has been made so far.
16. The fact that different documents refer to certain proximate dates referring the amount outstanding, does not, on the present record, demonstrate that the cause of action is time-barred or that the Application was presented after expiry of limitation. The NeSL Forms D for different loan facilities each being more than Rs. 1 crore authenticated on 10.12.2024 also, mention the date of default as 08.06.2023, and the statements of account showing continuous arrears corroborate that the debt crystallized on or before the date of default mentioned in Form I i.e. 08.06.2023.
17. We note that the Corporate Debtor's argument that the date of NPA cannot be equated to the date of default is legally correct, however, in the present case, the Financial Creditor has specifically stated the date of default separately from



the date of NPA classification and has produced statements of account showing continuous overdue amounts prior to and after that date. No document has been placed by the Corporate Debtor to show that its account was regular or that the amounts claimed to be overdue were in fact paid before 08.06.2023 or after 08.06.2023.

18. Even if we accept the argument of Corporate Debtor that the date of default cannot be date of NPA, the default at the most would have occurred 90 days before the date of NPA which is 08.06.2023 (as per RBI, a loan becomes NPA when interest and/or instalments of principal have remained overdue for more than 90 days), which comes to 09.03.2023. If the first date of default is taken as 09.03.2023 after taking into consideration the argument of the Corporate Debtor that date of NPA cannot be date of default, even then the instant application is found to have been filed within three years of limitation period as the Application is filed on 15.01.2025.
19. We have also considered the Respondent's reliance on ***Ram Dass Dutta v. IDBI Bank Ltd.***, wherein the NCLAT held that the date of NPA cannot be treated as the date of default for computing limitation. In the present case, however, the Financial Creditor has not relied on the NPA date as the default date; rather, the petition expressly discloses 08.06.2023 as the date of default, which stands supported by the recall notice, NeSL Record of Default and the



statement of account. The said judgment, therefore, does not advance the Respondent's case, as limitation is computed from the pleaded and proved date of default, not from the date of NPA classification. Even if default is taken to have occurred 90 days before the alleged date of NPA, the application is still found to have been filed within limitation period as already held by us in para no. 19.

20. We further observe that the Corporate Debtor's objections premised on alleged non-certification or imperfect stamping of certain supporting documents go to evidentiary weight and admissibility rather than to the computation of limitation, those matters do not operate to deny the Financial Creditor's right to present its claim within the statutory period. The pendency of OA No. 296/2024 before the DRT also does not freeze limitation nor render this proceeding premature, as remedies under IBC are independent and concurrent.
21. Having regard to the material on record, we find that the Corporate Debtor has been unable to show any basis on which the claim could be said to have become time-barred. The Financial Creditor's assertion of default as of 08.06.2023 is supported by contemporaneous documents and corroborated by the NeSL authentication. Accordingly, we hold that the Application is filed within limitation.



Whether there is debt and default within the meaning of the I&B Code, 2016?

22. We note that the Financial Creditor has placed on record sanction letters enhancing the credit facilities to Rs. 66,00,00,000/-, as well as executed security documents including the Terms of Agreement, Deed of Hypothecation, and Guarantees dated 16.09.2019 and 23.11.2022. The Corporate Debtor does not deny availing the facilities nor executing these documents. The statements of account filed with Form-1, which show outstanding amounts aggregating to Rs. 74,35,42,374/- as on 30.11.2024, together with recall notice dated 04.01.2024, establish prima facie that the amounts demanded remained unpaid.
23. The Corporate Debtor raises several objections regarding lack of authority of the officer filing the petition, alleged reliance on documents of the erstwhile Oriental Bank of Commerce (OBC), and absence of valid authorization in favour of learned counsel. We observe, however, that loan documents and recall notices are all in the name of Punjab National Bank (PNB), which is the successor entity after the statutory merger, consequently, all authorizations, powers and appointments of officers of OBC stand vested in PNB by operation of law. Further, the Corporate Debtor has not produced any contrary evidence to show that the signatory lacked authority or that the petition was irregularly



instituted. Therefore, mere allegations, without documentary material, are insufficient to negate locus.

24. We find that the Corporate Debtor's principal defence is not denial of liability but a claim that the debt stands extinguished or substantially reduced by alleged set-offs, damages and business losses. The said claims are still not quantified and remain to be unsubstantiated, and therefore are unliquidated, require extensive evidence, and are already stated to be the subject of adjudication before the DRT. Therefore, at this stage of considering of application, such unsubstantiated claim cannot be considered. At the admission stage under Section 7, we are concerned only with whether a financial debt exists and whether default has occurred; counterclaims or set-off claims do not defeat admission unless they demonstrate complete discharge of debt by undisputed material evidence, which is not the case here.
25. We observe that the Corporate Debtor also alleges that the loan documents were blank when signed and subsequently filled in, characterizing them as contracts of adhesion. Such allegations require strict proof and cannot be accepted merely on assertion. The Corporate Debtor does not deny receiving the funds or utilizing the credit facilities over several years, therefore, the contention that the documents are void ab initio cannot be given any credence at this stage.



26. We further note the challenge to the NeSL Record of Default made by the Corporate Debtor as fabricated, however, no material has been placed to show that the authentication entry is forged or that the Corporate Debtor raised any timely objection with NeSL. On the contrary, the NeSL record is supported by the bank's account statements and the recall notice, and the Corporate Debtor has admitted the existence of the account and the disbursal of credit facility.
27. Having considered the plea that non-adherence to RBI guidelines and MSME Circulars renders the classification of the account as NPA illegal, we find that even if such procedural irregularities are assumed, they do not negate the underlying debt or the fact of non-payment. At the stage of a Section 7 petition the Adjudicating Authority is only required to be satisfied about the existence of financial debt and the occurrence of default. Therefore, a challenge to NPA classification does not ipso facto constitute a defence to a Section 7 proceeding.
28. The Corporate Debtor also asserts that it deposited Rs. 5,93,47,95,486/- with the Financial Creditor, however, no statement of account or reconciliation has been produced to show that this payment was made before or after filing of Section 7 Application and that such payment has resulted into the loan account maintained with the Financial Creditor becoming regular or that the outstanding amount stood extinguished. On the contrary, the statements filed



by the Financial Creditor continue to reflect significant unpaid amounts much more than the threshold limit of Rs. 1 crore.

29. We observe that several defences raised by the Corporate Debtor such as alleged fire losses, alleged obstruction of business operations, alleged freezing of accounts, alleged negligence of bank officials etc. are in the nature of damages claims and cannot be considered by this forum. These issues cannot be adjudicated in a summary process at the admission stage and do not disprove the existence of financial debt or non-payment.
30. On the totality of the facts and circumstances and after examining the entire record, we find that the Financial Creditor has established the existence of a financial debt, its disbursement, the Corporate Debtor's obligation to repay, and the non-payment despite recalling of the loan vide notice dated 04.01.2024. The objections raised by the Corporate Debtor, though numerous, do not deny the existence of debt or the fact of default. Applying the settled principle in *M. Suresh Kumar Reddy v. Canara Bank (2023) 8 SCC 387*, once the Tribunal is satisfied that an outstanding debt exists and a default has occurred, admission cannot ordinarily be denied.
31. Thus, in view of the aforesaid analysis, the Applicant / Financial Creditor has proved that there is a 'debt' and 'default' on the part of the Corporate Debtor



and outstanding debt is more than the threshold limit of Rs. 1 crore. Hence, as per Section 7(5) of IBC, 2016, the present application is found to be fulfilling all the conditions for admissions of the Application and initiation of Corporate Insolvency Resolution Process (CIRP) against the Corporate Debtor i.e. M/s Bhagwati Rice Mills Pvt. Ltd.

- 32.** In view of our above findings, we are satisfied that the Applicant/Financial Creditor has proved the debt and the default, which is more than the threshold limit of Rs.1 crore applicable at present. The registered office of the Corporate Debtor is located in Mainpuri District, and hence this Tribunal has jurisdiction to decide the matter. The application is also filed within limitation period and complete in all respect and a resolution professional is also proposed as per section 7(3)(b). Accordingly, the present application under Section 7, has been found fit to be admitted as per Section 7(5) of the I & B Code, 2016.
- 33.** Accordingly, this Tribunal allow this application and order to initiate the corporate insolvency resolution process against the corporate debtor.
- 34.** We note that the Financial Creditor has proposed the name of an Insolvency Professional to be appointed as Insolvency Resolution Professional ('hereinafter referred as IRP') in Part-III of the Application. The name of Ms. Babita Jain is proposed to be appointed as IRP having Registration Number:



IBBI/IPA-002/IP-N00321/2017-2018/10926, Email ID: jainbabita06@gmail.com. The IRP has duly given the consent in Form No. 2 dated 25.12.2024 annexed as Annexure- 2 with the Application. The Law Research Associate of this Tribunal, Ms. Akshita Singh, has checked the credentials of Ms. Babita Jain, and found that there are no disciplinary proceedings pending against the proposed Insolvency Professional and also there is nothing adverse against them. Upon verification from the website of IBBI, it is found that Insolvency Professional holds valid authorization till 31.12.2026. After considering these details, we appoint Ms. Babita Jain having registration No. IBBI/IPA-002/IP-N00321/2017-2018/10926, as Interim Resolution Professional (IRP).

35. Accordingly, this application is admitted u/s 7 of the Code, 2016, under the following terms and conditions.

- i.** The application filed by the Financial Creditor under Section 7 of the Insolvency & Bankruptcy Code, 2016 for initiating the Corporate Insolvency Resolution Process against the Corporate Debtor i.e., M/s Bhagwati Rice Mills Pvt. Ltd. is hereby admitted.
- ii.** We hereby declare a moratorium and public announcement in accordance with Sections 13 and 15 of the I & B Code, 2016.



- iii. This Adjudicating Authority hereby appoints Ms. Babita Jain to act as the IRP under Section 13(1)(c) of the Code as decided by us in para 20 above.
- iv. The IRP shall cause a public announcement for the initiation of the Corporate Insolvency Resolution Process against the Corporate Debtor and call for the submission of claims under Section 15. The public announcement referred to in clause (b) of sub-section (1) of Section 15 of the Insolvency & Bankruptcy Code, 2016 shall be made immediately.
- v. Moratorium under Section 14 of the Insolvency & Bankruptcy Code, 2016 has commenced from the date of this order prohibiting the following:
 - 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 (54 of 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.
- vi. Apart from above prohibitions in respect of the corporate debtor, it is further directed that the supply of essential goods or services to the corporate debtor as may be specified, shall not be terminated or suspended or interrupted during the moratorium period.
- vii. The provisions of Section 14(3) shall, however, not apply to such transactions as may be notified by the Central Government in consultation with any financial sector regulator and to a surety in a contract of guarantee to a corporate debtor.
- viii. The order of moratorium shall have effect from the date of this order till completion of the corporate insolvency resolution process or until this Bench approves the resolution plan under sub-section (1) of Section 31 or passes an order for liquidation of the corporate debtor under Section 33 as the case may be.
- ix. The IRP is directed to take steps as mandated under section 13 and 15 of the IBC for making public announcement about the commencement of CIRP against the Corporate Debtor and moratorium against it u/s 14, and also take necessary actions as per sections 17, 18, 20 and 21 of IBC, 2016.
- x. The IRP shall after collation of all the claims received against the Corporate Debtor and the determination of the financial position of the Corporate Debtor and to constitute a Committee of Creditors (hereinafter referred as “COC”) and shall file a report certifying the



constitution of the COC to this Tribunal on or before the expiry of thirty days from the date of his appointment, and shall convene the first meeting of the COC within seven days of filing the report of the constitution of the COC.

- xi.** The COC in its first meeting shall appoint a Resolution Professional (hereinafter referred as “**RP**”) as per the provision of section 22(2) and file an application before this Tribunal for confirmation of the appointment of the RP.
- xii.** The Suspended Board of Directors of the corporate debtor is directed to give to IRP/RP complete access to the Books of Accounts of the corporate debtor maintained under section 128 of the Companies Act. In case, the books are maintained in the electronic mode, the Suspended Board of Directors are to share with the IRP/RP all the information regarding maintaining the Backup and regarding service provider kept under Rule 3(5) and Rule 3(6) of the Companies Accounts Rules, 2014 respectively as effective from 11.08.2022, especially the name of the service provider, the internet protocol of the service provider and its location, and also address of the location of the Books of Accounts maintained in the cloud. In case, accounting software for maintaining the books of accounts is used by the corporate debtor, then IRP/RP is to check that the audit trail in the same is not disabled as required under the notification dated 24.03.2021 of the Ministry of Corporate Affairs.
- xiii.** The Statutory Auditor is directed to share with the Resolution Professional the audit documentation and the audit trails, which they



are mandated to retain pursuant to SA-230 (Audit Documentation) prescribed by the Auditing and Assurance Standards Board ICAI.

- xiv.** The IRP/RP is directed to take custody and control of all the records of information relating to assets of the Corporate Debtor, its Books of Account in physical form or the computer systems storing the electronic records at the earliest in accordance with the provision of Regulation 3A of IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (hereinafter referred to as “CIRP Regulations, 2016”).
- xv.** The Operational Creditor shall also provide necessary assistance to IRP/RP in obtaining the necessary information about the Corporate Debtor as envisaged in Regulation 4(3) of the CIRP Regulations, 2016.
- xvi.** In case of any non-cooperation by the Suspended Board of Directors or the Statutory Auditors, IRP/RP may take the help of the police authorities to enforce this order. The concerned police authorities are directed to extend help to the IRP/RP in implementing this order for the retrieval of relevant information from the systems of the corporate debtor.
- xvii.** The IRP/RP may take the assistance of Digital Forensic Experts empanelled with this Bench/IBBI/MCA for this purpose.
- xviii.** The Suspended Board of Directors is also directed to hand over all user IDs and passwords relating to the corporate debtor, particularly for government portals, for various compliances.



- xix.** The IRP/RP is also directed to make a specific mention of non-compliance, if any, in this regard in his status report filed before this Adjudicating Authority immediately after a month of the initiation of the CIRP.
- xx.** The IRP/RP is directed to approach the Government Departments, Banks, Corporate Bodies and other entities with requests for information/documents available with those authorities'/institutions/ others pertaining to the Corporate Debtor which would be relevant in the CIR proceedings.
- xxi.** The IRP/RP is directed to approach all the concerned Government Departments and authorities as discernible from the books of account of the Corporate Debtor requesting them to file claims if any amount is outstanding against the Corporate Debtor.
- xxii.** The Government Departments, Banks, Corporate Bodies and other entities are directed to render the necessary information and cooperation to the IRP/RP to enable him to conduct the CIR Proceedings as per law.
- xxiii.** The IRP/RP shall collate the data obtained from (a) the claim(s) made before it and (b) information gathered from the records including those maintained by the Corporate Debtor.
- xxiv.** The IRP/RP is further directed to send regular progress reports to this Tribunal every month.
- xxv.** We direct the Operational Creditor to deposit a sum of Rs.2,00,000/- with the Interim Resolution Professional, to meet out the expenses to perform the functions assigned to him in accordance with Regulation



6 of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Person) Regulations, 2016. The amount, however, is subject to adjustment by the Committee of Creditors as accounted for by the Interim Resolution Professional on the conclusion of CIRP.

36. A certified copy of the order shall be communicated to both the Applicant Operational Creditor and the Respondent Corporate Debtor. The learned counsel for the Applicant Operational Creditor shall deliver a certified copy of this order to the IRP forthwith. The Registry is also directed to send a certified copy of this order to the IRP at his e-mail address forthwith.
37. List CP **(IB) 24/ALD/2025** on 05.01.2026 for filing of the progress report/further proceeding.

-Sd-
(Ashish Verma)
Member (Technical)

-Sd-
(Praveen Gupta)
Member (Judicial)

Date: 03.12.2025