



S.No.02

**IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH – II
VC AND PHYSICAL (HYBRID) MODE
ATTENDANCE CUM ORDER SHEET OF THE HEARING HELD ON
06.10.2026 AT 10:30 A.M.**

**RCP No.06/2026 in CP (IB) No.160/9/HDB/2020
U/s 9 of IBC**

**IN THE MATTER OF:
GP Harmon Recycling LLC**

...Petitioner/s

**Vs
Tirmala Venkateshwara Paper and Board Pvt Ltd**

...Respondent/s

**C O R A M:-
SHRI. RAJEEV BHARDWAJ, HON'BLE MEMBER (JUDICIAL)
SHRI. SANJAY PURI, HON'BLE MEMBER (TECHNICAL)**

O R D E R

Present: Mr. Mihir Balawai, Ld.Counsel for the petitioner

Orders pronounced, recorded vide separate sheets.

In the result, RCP No.06/2026 in CP (IB) No.160/9/HDB/2020, is admitted into CIRP.

MEMBER(T)

MEMBER(J)



IN THE NATIONAL COMPANY LAW TRIBUNAL

HYDERABAD BENCH – II

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

**IN THE MATTER OF M/S. TIRUMALA VENKATESHWARA PAPER
AND BOARD PVT. LTD.**

RCP No.06/09/HDB/2026

BETWEEN:

M/S. GP HARMON RECYCLING LLC

Regd. Office at One Jericho Plaza, Suite 204,
Jericho, NY 11753,
United States of America.

...Petitioner/Operational Creditor

AND

M/S. TIRUMALA VENKATESHWARA PAPER AND BOARD PVT. LTD.,

Regd. Office at Sy. No. 50/A, Andugulapeta Village,
Mandamarri Mandal, Mancheri, Al,
Adilabad, Telangana – 504231.

.... Respondent/Corporate Debtor

Date of Order: 06.10.2026

CORAM:

Sri Rajeev Bhardwaj, Hon'ble Member (Judicial)

Sri Sanjay Puri, Hon'ble Member (Technical)

COUNSELS PRESENT:

For the Applicant : Mr. Mihir Dalawai, Ld. Counsel
For the Respondent : Ex parte



1. The present application is filed by the Applicant, **M/s. GP Harmon Recycling LLC** (“Operational Creditor”), against the Respondent, **M/s. Tirumala Venkateshwara Paper and Board Pvt. Ltd.** (hereinafter referred to as the “Corporate Debtor”), under Section 9 of the IBC¹ seeking initiation of the CIRP² against the Corporate Debtor for non-payment of **USD 39,965.18** [equivalent to **INR 28,57,111**] as operational dues payable to the Operational Creditor as on 17.02.2020.

THE APPLICATION

2. The relationship between the Operational Creditor and the Corporate Debtor was established through three offshore contracts entered into between them for the sale and supply of goods, namely:
 - (a) Contract No. NCPL/16-17/276 dated 15.11.2016;
 - (b) Contract No. NCPL/17-18/013 dated 12.04.2017; and
 - (c) Contract No. NCPL/17-18/046 dated 27.04.2017.
3. Under the aforesaid contracts, the Operational Creditor agreed to sell and supply the contracted goods to the Corporate Debtor. In connection with the said transactions, the Operational Creditor acted through its agent in India, Nathani Continental Pvt. Ltd. (Nathani Continental LLP), for entering into and implementing the transactions with the Corporate Debtor. Pursuant to the aforesaid contracts, the Operational Creditor dispatched the goods from a port in the USA for shipment to JNPT ICD, Hyderabad, India.

¹ Insolvency and Bankruptcy Code, 2016.

² Corporate Insolvency Resolution Process.



4. For implementation of the said Contracts, the Corporate Debtor appointed State Bank of Hyderabad, now State Bank of India (SBI), as its banker, while the Operational Creditor had appointed Citibank as its banker.
5. Accordingly, the Operational Creditor dispatched the goods from a port in the USA to JNPT ICD, Hyderabad, India. At the same time, the Operational Creditor forwarded the original documents relating to the goods to SBI, with instructions to release the same to the Corporate Debtor only upon receipt of payment. However, SBI released the original documents, pursuant to which the Corporate Debtor took delivery of the goods from JNPT ICD Hyderabad, India, without making any payment to the Operational Creditor.
6. As the Corporate Debtor failed to make payment for the goods so supplied, the following invoices raised by the Operational Creditor in respect of the said goods remained outstanding:

Sl. No.	Date	Invoice No.	Invoice Amount (USD)
1	15.01.2017	451001102159	15,728.54
2	21.04.2017	451001151739	19,888.78
3	05.05.2017	451001157986	20,232.75
4	18.05.2017	451001163489	19,843.20
5	26.05.2017	451001166774	20,121.98
Total Invoice Amount (USD)			95,815.25



7. It is submitted that, after strenuous follow-up and more than twenty-four months from the date of the invoices, SBI, on 11.02.2019, remitted a payment of USD 15,728.54 against the invoice mentioned at Sl. No. 1 in the above table.
8. However, the Operational Creditor remained unpaid in respect of the balance four invoices at Sl. Nos. 2 to 5, aggregating to USD 80,086.71, equivalent to Rs. 57,08,540 as on 12.02.2020. Accordingly, the Operational Creditor issued a legal notice dated 13.08.2019 to the Corporate Debtor, calling upon it to make payment of the said outstanding amount within 30 calendar days from the date of the notice. In response thereto, the Corporate Debtor, through its Advocate's letter dated 09.09.2019, expressly admitted its liability in respect of the aforesaid four outstanding invoices and sought time until 31.03.2020 to make payment.
9. The Operational Creditor had waited patiently for more than two years for receiving the payments and, therefore, by its Advocates' letter dated 20.09.2019, called upon the Corporate Debtor to make the balance payment on or before 30.09.2019. The Corporate Debtor failed and/or neglected to make any payment. Thereafter, the Operational Creditor issued a Demand Notice dated 11.10.2019 under Section 8 of the IBC ("Demand Notice"). The Corporate Debtor failed to respond to the Demand Notice within the stipulated period of 10 days.
10. Additionally, the Advocate for the Corporate Debtor contacted the representative of the Operational Creditor, initiating a talk for an amicable resolution. However, when the Advocates for the Operational Creditor followed up, there was no response, and the attempt to resolve the matter amicably also failed.



11. It is the case of the Applicant that vide an e-mail dated 22.01.2020, the Advocates for the Operational Creditor received a letter dated 10.01.2020 from the Advocates for the Corporate Debtor offering to make full payment of USD 80,086.71 in four instalments before 30.03.2020 while denying the contents of the Demand Notice. In response to the said letter, the Operational Creditor, vide its Advocates' letter dated 24.01.2020, accepted the offer, subject to the conditions recorded therein. However, the Corporate Debtor failed to make payment of even the first instalment, which fell due on 30.01.2020, and another attempt to amicably settle the matter consequently failed.
12. Thereafter, through its Advocates' e-mail dated 07.02.2020, the Corporate Debtor promised to pay the balance four outstanding invoices by 09.02.2020; however, once again failed. In the meantime, the Operational Creditor informed the Advocates for the Corporate Debtor by e-mail dated 07.02.2020 that, on failure to receive the amounts by 09.02.2020, it would proceed to file an insolvency petition against the Corporate Debtor. On 15.02.2020, the Corporate Debtor remitted payment aggregating to USD 40,121.53 against the invoices mentioned at Sl. Nos. 2 and 3. However, the Operational Creditor continued to remain unpaid in respect of the invoices at Sl. Nos. 4 and 5, aggregating to USD 39,965.18, equivalent to Rs. 28,57,111 ("Operational Debt").
13. The debt became due and payable on the date(s) on which the Corporate Debtor took delivery from SBI of the original documents relating to the goods sold by the Operational Creditor, without making payment. Due to lack of co-operation from the Corporate Debtor and its bankers (SBI), the exact date(s) of such delivery are not known to the Operational Creditor. The Operational Creditor had, however, transferred the original documents to SBI on 31.05.2017



and 06.06.2017 in respect of the outstanding invoices at Sl. Nos. 4 and 5. Accordingly, the debt is stated to have fallen due on 31.05.2017 in respect of Invoice No. 451001163489 dated 18.05.2017 and on 06.06.2017 in respect of Invoice No. 451001166774 dated 26.05.2017.

14. The principal amount outstanding is USD 39,965.18 (equivalent to Rs. 28,57,111) as of 17.02.2020. Notwithstanding the above, the demand has been made within the prescribed period of limitation. The Operational Creditor reserves its right to claim interest on the outstanding amount of USD 39,965.18 as well as on any amounts that may be paid belatedly during the resolution or liquidation process.

The Respondent was proceeded against ex parte vide order dated 02.09.2026.

FINDINGS & DECISION

15. On consideration of the pleadings and the material placed on record, it is observed that the Operational Creditor, GP Harmon Recycling LLC, had supplied goods to the Corporate Debtor, Tirumala Venkateshwara Paper and Board Pvt. Ltd., pursuant to three offshore contracts, namely Contract No. NCPL/16-17/276 dated 15.11.2016, Contract No. NCPL/17-18/013 dated 12.04.2017, and Contract No. NCPL/17-18/046 dated 27.04.2017.
16. Pursuant to the said contracts, the Operational Creditor raised five invoices aggregating to USD 95,815.25. Against the said invoices, the Corporate Debtor made two payments, namely, USD 15,728.54 on 11.02.2019 and USD 40,121.53 on 15.02.2020. After adjusting the aforesaid payments against the invoiced amount, USD 39,965.18, equivalent to Rs. 28,57,111, remained outstanding.



17. It is further observed from the record that the outstanding liability was not disputed by the Corporate Debtor. In fact, by its letter dated 09.09.2019, the Corporate Debtor admitted its liability towards the balance four invoices, aggregating to USD 80,086.71, and sought time for making payment up to 31.03.2020.
18. Prior thereto, the Operational Creditor had issued a legal notice dated 13.08.2019 calling upon the Corporate Debtor to pay the outstanding amount. Thereafter, the Operational Creditor issued a demand notice dated 11.10.2019 under Section 8 of the Code in respect of the unpaid operational debt. The Corporate Debtor responded to the said demand notice and, in its subsequent communications, admitted the outstanding liability and sought time for making payment. Thus, the statutory requirement relating to issuance of a demand notice under Section 8 of the Code stands satisfied.
19. Subsequently, by letter dated 10.01.2020, the Corporate Debtor offered to make payment of the said outstanding amount in four instalments. The Operational Creditor accepted the said proposal vide its letter dated 24.01.2020, subject to the conditions stated therein. However, despite accepting the said proposal, the Corporate Debtor failed to make even the first instalment, which fell due on 30.01.2020.
20. Thereafter, the Corporate Debtor, by e-mail dated 07.02.2020, again promised to make payment by 09.02.2020. However, the Corporate Debtor failed to discharge the liability even within the said period. The aforesaid communications constitute clear material evidencing the subsistence of the debt and the Corporate Debtor's acknowledgment of the outstanding liability.



21. As regards the existence of any pre-existing dispute, the material placed on record does not disclose any dispute raised by the Corporate Debtor concerning the goods supplied, the invoices or the liability before the issuance of the demand notice dated 11.10.2019. Although the Corporate Debtor denied the contents of the demand notice in its letter dated 10.01.2020, it simultaneously offered to make full payment of USD 80,086.71 in four instalments. The subsequent conduct of the Corporate Debtor, including its proposals for payment, does not disclose any dispute which existed before the demand notice so as to constitute a pre-existing dispute.
22. It is also observed that, after filing of the Company Petition, the Corporate Debtor proposed settlement by e-mails dated 15.11.2021 and 18.11.2021. The Operational Creditor accepted the revised settlement proposal. Despite such acceptance and the opportunities granted during the proceedings, the Corporate Debtor failed to make payment in terms of the settlement.
23. Thereafter, on 30.03.2022, the Corporate Debtor handed over a Demand Draft for Rs. 30,28,148.05, stated to represent the equivalent of USD 39,965 at the prevailing exchange rate. In view of the said Demand Draft, the Company Petition No. C.P. (IB) No. 160/9/HDB/2020 was dismissed by order dated 30.03.2022, with a direction that, in case of any difficulty concerning exchange of monies in terms of dollars, the Corporate Debtor shall co-operate with the Operational Creditor.
24. The record further reflects that the Demand Draft issued in Indian Rupees could not be encashed by the Operational Creditor in the USA and the Corporate Debtor did not co-operate in resolving the issue. The Operational Creditor consequently filed IA (IBC)/684/2024



seeking directions for compliance with the order dated 30.03.2022. The said application was disposed of on 01.04.2025, after multiple opportunities, with the observation that despite repeated directions, a significant part of the amount remained unpaid and with liberty to the Applicant to resort to an appropriate remedy.

25. The Cont.A (IBC)/12/2024 filed by the Operational Creditor alleging wilful disobedience of the order dated 30.03.2022 was subsequently dismissed on 25.08.2025.
26. Thereafter, the Operational Creditor filed a Restoration Application, being Rst.A (IBC)/06/2025, seeking restoration of the original Company Petition. By order dated 06.05.2026, the Restoration Application was allowed, C.P. (IB) No. 160/9/HDB/2020 was restored and renumbered as RCP No. 06/2026, and the matter was directed to be listed for further proceedings.
27. After restoration, we have afforded them opportunities to the Corporate Debtor to file its counter. Despite repeated opportunities, the Corporate Debtor failed to file the counter. Consequently, the opportunity to file the counter was forfeited, and the Corporate Debtor was set ex parte.
28. The subsequent proceedings also demonstrate that the outstanding liability was not discharged in full. The Demand Draft handed over on 30.03.2022 did not result in full realisation of the amount due. The fact that the Corporate Debtor tendered the Demand Draft indicates that the outstanding liability remained unpaid.
29. In view of the aforesaid material, it is established that the Operational Creditor had an operational debt due and payable by the Corporate Debtor and that the Corporate Debtor failed to discharge the same. The liability was acknowledged in the communications dated



09.09.2019 and 10.01.2020; payment proposals were made during the pendency of the Company Petition; and the amount tendered pursuant to the settlement did not fully satisfy the outstanding liability.

30. Accordingly, the existence of operational debt within the meaning of Section 5(21) of the Code and the occurrence of default within the meaning of Section 3(12) of the Code stand established. The requirements under Section 9 of the Code are also satisfied, as the Operational Creditor issued the statutory demand notice under Section 8 of the Code, no pre-existing dispute in respect of the operational debt is disclosed from the material placed on record, and the outstanding liability remained unpaid.

31. In view of the aforesaid, the Operational Creditor has established the existence of an operational debt and default on the part of the Corporate Debtor, and the application under Section 9 of the Code is maintainable.

ORDER

- A. The Application bearing No. RCP No. 06/09/HDB/2026, filed by M/s. GP Harmon Recycling LLC, the Operational Creditor, under Section 9 of the Insolvency and Bankruptcy Code, 2016, is admitted, and this Adjudicating Authority orders the commencement of the Corporate Insolvency Resolution Process against M/s. Tirumala Venkateshwara Paper and Board Pvt. Ltd., the Corporate Debtor, in accordance with the provisions of the Code, 2016.
- B. The Operational Creditor has not proposed the name of any Insolvency Professional for appointment as Interim Resolution Professional (IRP). Accordingly, this Adjudicating Authority appoints **Mr. Mahadev Tirunagari**, Registration No. **IBBI/IPA-**



002/IP-N00320/2017-2018/10925, having his address at Flat No. 406 & 407, 4th Floor, MGR Estates, Dwarakapudi Colony, Punjagutta, Hyderabad, Telangana – 500082, E-mail ID: **mahadev.pcs@gmail.com**, as the Interim Resolution Professional (IRP). His Authorization for Assignment (AFA) is valid up to 31.12.2026, vide AFA Certificate No. AA2/10925/02/311226/204203. The IRP is directed to file a copy of the valid AFA within three days from the date of this order.

- C. The IRP is directed to take charge of the Respondent/Corporate Debtor's Management immediately. He is also directed to cause public announcement as prescribed under section 15 of the IB Code, 2016 within three days from the date the copy of this order is received, and call for submissions of claim in the manner as prescribed.
- D. We direct the Operational Creditor/Petitioner to pay a sum of Rs.5,00,000/- towards the advance fee of IRP and expenses towards CIRP, which shall be ratified later on by CoC.
- E. The moratorium is hereby declared, which shall have effect from the date of this order till the completion of CIRP. For the purposes referred to in Section 14 of the IB Code, 2016. It is hereby ordered to prohibit all of the following, namely:-
- i. 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 or law, tribunal, arbitration panel or other authority;
 - ii. Transferring, encumbering, alienating or disposing of by the Corporate Debtor any of its assets or any legal rights or beneficial interest therein;
 - iii. 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 Operational Assets and Enforcement of Security Interest Act, 2002 (54 of 2002);
- iv. The recovery of any property by an owner or lessor where such property is occupied by or in the possession of the corporate debtor.
 - v. Notwithstanding anything contained in any other law for the time being in force, a license, permit, registration, quota, concession, clearances 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, permit, registration, quota, concessions, clearances or a similar grant or right during the moratorium period.
- F. The supply of essential goods or services of the Corporate Debtor shall not be terminated or suspended or interrupted during the moratorium period. Further, if the IRP considers supply of any 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. Furthermore, the provisions of Sub-section (1) of Section 14 shall not apply to such transactions, agreements. or other arrangement as may be notified by the Central Government in consultation with any operational sector regulator or any other



authority.

- G. The IRP shall comply with the provisions of Sections 13(2), 15, 17 & 18 of the Code. The Directors, Promoters or any other person associated with the management of Corporate Debtor are directed to extend all assistance and co-operation to the IRP as stipulated under Section 19 and for discharging his functions under Section 20 of the I&B Code, 2016.
- H. The Petitioner/Operational Creditor as well as the Registry is directed to send a copy of this Order to the IRP so that he can take charge of the Corporate Debtor's assets etc. and make compliance with this Order as per the provisions of the I&B Code, 2016.
- I. The Registry is directed to communicate this Order to the Operational Creditor and the Corporate Debtor.
- J. The Registry shall also communicate this Order to the ROC, Hyderabad, for updating the status of the Corporate Debtor on the MCA website.

Accordingly, this Petition is **admitted**.

Sd/-

SANJAY PURI

MEMBER (TECHNICAL)

Sd/-

RAJEEV BHARDWAJ

MEMBER (JUDICIAL)