



NATIONAL COMPANY LAW TRIBUNAL

CUTTACK BENCH

CP(IB) No. 5/CB/2025

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

IN THE MATTER OF:

M/s. KASHVI POWER AND STEEL PVT LTD.

Represented through its Authorized Signatory, Mr. Debabrata Behera,
Registered Office At- Plot No. 1234-P, Gobindprasad,
Bomikhal, Bhubaneswar-751010

..... APPLICANT

Vs.

M/s. MAA TARINI STEEL LLP

Represented through its Designated Partner, Jharana Behera,
Pandarsil Sukruli,
Mayurbhanj, Odisha

..... RESPONDENT

ORDER PRONOUNCED ON: 13.02.2026

CORAM: DEEP CHANDRA JOSHI, MEMBER JUDICIAL

BANWARI LAL MEENA, MEMBER TECHNICAL

FOR APPEARANCE:

FOR APPLICANT: MR. S.S. DAS, SR. ADV.

MR. SOMJEET DAS, ADV.

MR. TANMAY MISHRA, ADV.

MR. S.S. DAS, ADV.

FOR RESPONDENT: MR. RATNANKOR BANERJEE, SENIOR ADV.

MS. URMILA CHAKRABORTY, ADV.

MR. RAHUL AGARWAL, CS FOR CD

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ORDER

1. The present petition has been filed by one M/S. Kashvi Power And Steel Pvt Ltd. under Section 9 of the Insolvency & Bankruptcy Code, 2016 (“**IBC, 2016**”) r/w. regulation seeks of IBBI (Corporate Insolvency Resolution Process) Regulations 2019 against one M/S. Maa Tarini Steel LLP seeking initiation of Corporate Insolvency Resolution Process (“CIRP”) for a default of **Rs.26,40,16,000/-** including principal amount to the tune of Rs. 22,76,00,000/-, outstanding interest @12% interest per annum to the tune of Rs. 3,64,16,000/-.

SUMMARY OF PLEADINGS


2. The applicant in its application has made *inter alia* the following averments:

2.1. The Applicant is an Operational Creditor (“**OC**”), and the Respondent is the Corporate Debtor (“**CD**”), Maa Tarini Steel LLP, engaged in the business of supply of Iron Ore Fines. Pursuant to purchase orders dated 23.03.2023 and 30.03.2023, the Corporate Debtor agreed to supply Iron Ore Fines aggregating to a total quantity of 75,000 MT to the Applicant. The total value of the said material was Rs.29,79,50,000/- (Rupees Twenty-Nine Crore Seventy-Nine Lakh Fifty Thousand only).

2.2. In furtherance of the aforesaid purchase orders, the Applicant paid an advance amount of Rs.22,76,00,000/- (Rupees Twenty-Two Crore Seventy-Six Lakh only) to the CD on 27.03.2023, 28.03.2023 and 29.03.2023. Despite receipt of the substantial advance amount, the CD failed to supply the Iron Ore Fines in terms of the agreed contractual obligations.

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2.3. It is averred by the Applicant that it made repeated requests and follow-ups seeking the supply of the Iron Ore Fines; however, the CD neither supplied the material nor refunded the advance amount.


2.4. In view of the default committed by the CD, the OC issued a demand notice under Form-3 of the Insolvency and Bankruptcy Code, 2016 on 24.07.2024, claiming an amount of Rs.26,40,16,000/- (Rupees Twenty-Six Crore Forty Lakh Sixteen Thousand only), which includes interest calculated at the rate of 12% per annum with effect from 30.03.2023.

2.5. The Applicant submits that the non-supply of goods despite receipt of advance payment, coupled with failure to repay the outstanding amount and absence of any response to the statutory demand notice, establishes the existence of an operational debt and default on the part of the CD. Accordingly, the Applicant has sought a direction for payment of Rs.26,40,16,000/- along with interest, and other consequential reliefs as prayed for in the application.

3. The CD filed the reply to the main petition on 28.04.2025 whereby it submits that the dispute arises from two purchase orders dated 23.03.2023 and 30.03.2023 for supply of 75,000 MT of iron ore fines. As per the CD, the contractual terms required 100% advance payment, submission of mining documents by the OC, and arrangement of transportation by the Petitioner, with disputes subject to Keonjhar jurisdiction. The Respondent states that proforma invoices were raised reflecting these conditions and that delivery was contingent upon obtaining mining permission, with mining and related expenses to be borne by the Petitioner. The CD alleges that the OC failed to submit the requisite mining documents and statutory consents necessary for lawful dispatch and also failed to make full advance payment, having paid Rs. 22.76 crore against a proforma invoice value

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of Rs. 30.09 crore, leaving a shortfall of Rs. 7.33 crore. It is stated that these lapses prevented dispatch and constituted breach by the Petitioner. The Respondent further alleges that the Petitioner did not lift the materials due to a downturn in market prices and demand for iron ore fines and instead issued a demand notice under Section 8 of the IBC. The Respondent claims readiness and willingness to perform subject to compliance by the Petitioner, refers to the process of filing a suit for specific performance, and asserts that there exist pre-existing disputes, thereby seeking dismissal of the petition.


4. The relevant submissions of the Applicant in its Rejoinder to reply is summarised as follows:

4.1. The OC has filed a rejoinder affidavit on 20.05.2025 denying the averments made in the Reply Affidavit of the CD. It is stated that the purchase orders did not stipulate any condition of 100% advance payment and that, as per the terms of the purchase orders, the responsibility to apply for and obtain mining permission rested upon the CD. The OC contends that only after such permission was obtained were relevant mining documents to be submitted at the CD's office. It is further asserted that the CD's stand that the supply was subject to the OC applying for permission is contrary to the purchase order terms. It is averred that the CD did not seek any mining documents from the OC and that the latter acted bona fide. The rejoinder states that due to non-supply, the OC suffered.

4.2. Further, the OC through I. A 251/CB/2025 sought an amendment on 24.08.2025 under Section 60(5) of the IBC, seeking amendment of Forms 1 and 2 submitted along with the Section 9 application. It is noted that the OC has, on 22.08.2025, filed amended Forms 1 and 2, which are taken on record and

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shall form part of the Section 9 application. It was noted by the Tribunal that, due to an error, the term “Financial Creditor” was mentioned instead of “Operational Creditor” in the original forms. The amended Form 1 was taken on record. The correction was clerical in nature and did not affect the merits of the case. Accordingly, I.A. (IB) No. 251/CB/2025 was disposed of.

5. The CD has filed a supplementary affidavit on 28.08.2025 stating that it instituted a civil suit for specific performance (C.S. No. 171/2025) before the Civil Judge (Senior Division), Keonjhar, on 24.07.2025 in relation to two purchase orders dated 23.03.2023 and 30.03.2023. It is also stated that an interlocutory application for injunction (I.A. No. 67/2025) was filed on 25.07.2025 seeking restraint against the OC. In the said suit, the CD has pleaded that the transactions concerned the supply of 75,000 MT of iron ore fines under agreed ex-plant rates. According to its case, the purchase orders provided for advance payment, submission of mining documents by the buyer, and transportation by the buyer, with jurisdiction at Keonjhar. It is further pleaded that proforma invoices stipulated that delivery was subject to mining permission and that mining-related expenses were to be borne by the buyer. The CD has contended that the OC failed to submit the requisite mining documents and did not take the steps required under mining regulations, which allegedly prevented the dispatch of materials. It is stated that out of the total proforma invoice value of Rs. 30,09,29,500/-, a sum of Rs. 22,76,00,000/- was paid, leaving a balance according to the CD. In the suit, the CD has sought specific performance of the purchase orders, directions to lift the material, and a decree of injunction, asserting that the cause of action is continuing.

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6. The Applicants have filed a reply affidavit to the supplementary affidavit on 18.09.2025 through their Director, contending that the civil suit (C.S. No. 171 of 2025) filed by the CD was instituted after the Section 9 petition and its reply, and hence, according to the Respondents, does not constitute a pre-existing dispute.

7. The Parties were permitted to file brief written notes to summarise their oral submissions. In its written submissions, the Petitioner has reiterated the following pleadings of the petition:

7.1. The Operational Creditor placed a purchase Order on 23.03.2023 with the Corporate Debtor for the supply of 57,000 Mt. of iron ore fines costing an amount of Rs. 17,70,00,000/- under certain terms and conditions. Referring to Clause 3 of the agreement, whereby CD was obliged to obtain mining permission by Road to Plot No. 2 and the OC was obliged to submit all relevant mining documents before obtaining mining permission.

7.2. Clause 5 of the agreement provides that the respondent will deliver the materials immediately within the validity period of the mining permission, and the Petitioner will ensure to place sufficient vehicles to lift Iron ore fines within the said period.


7.3. Clause 7 of the agreement provides that the payment will be made in advance.

7.4. The CD raised a proforma invoice on 23.03.2023 for a sum of Rs. 17,87,70,000/-. The proforma invoice mentions that the delivery would be possible after obtaining the mining permission, and all the testing will be done before loading into the truck at the plant.

7.5. Another purchase order for iron ore fines dated 30.03.2023 by the Applicant the Respondent for supply of 25,000 Mt. of iron ore fines, the cost of which amounts to Rs. 12,21,59,500/- with similar terms and conditions as of the purchase order dated 23.03.2023.

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The Corporate Debtor admitted receipt of Rs. 22,76,00,000/- in Paragraphs 4 (f) and (g) of their Reply.

7.6. The ledger Account and the bank Statement of the CD clearly show that by 29.03.2023 an amount of Rs. 22,76,00,000 had already been transferred by the Operational Creditor in favour of the Corporate Debtor.

7.7. On 24th July, 2024 demand notice under Section 8 IBC, 2016 was issued by the Operational Creditor to the Corporate Debtor wherein the aforesaid purchase Orders and the proforma invoices including the bank statement were enclosed. The notice under Section 8 IBC, 2016 was duly served by the respondent. However, despite service of the notice no response was received from the respondent.

8. The Respondent in its written submissions has stated that:

8.1. The petition is not maintainable and is liable to be dismissed because the Petitioner has committed breach of contract by failing to fulfil its contractual obligations under the two purchase orders issued by the Petitioner itself.

8.2. As per Clause 3 of the Pos, the Respondent had to obtain mining permission by Road to Plot No. 2 (c) for which Petitioner was to submit all relevant mining documents before mining permission.

8.3. OC has failed to submit all relevant mining documents, which was required for obtaining mining permission. In the proforma invoices raised by the CD, it is categorically mentioned that the goods will be delivered after obtaining the mining permission and that all miscellaneous expenses have to be borne by OC. Despite repeated request and reminders made by CD to submit all mining documents, OC has failed to submit the same, thus committing breach of the terms and conditions of the POs.

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8.4. The nature of the documents required by CD from OC to obtain mining permission are duly pleaded at paragraph 4(k) of CD's Reply.

8.5. As per the proforma invoices raised by the Respondent, OC was to pay a total sum of Rs. 30,09,29,500/- (Rs. 17,87,70,000/- + Rs. 12,21,59,500/-). However, as against the 100% advance payment, OC has paid a total sum of Rs. 22,76,00,000/- thereby leaving a deficit sum of Rs. 7,33,29,500/- to be paid by Petitioner. By not making payment of 100% advance, the Petitioner has again committed breach of contract.

8.6. The Respondent claims that they are willing to supply the goods. Further, the Respondent adds that the obligation under the contract to supply goods has not even arisen as advance payment has not been received in full and mining documents have not been received from the Petitioner. The Respondent's obligation to deliver the materials will arise when it obtains mining permission.


8.7. The Petitioner has not terminated the contract, and time is also not the essence of the contract. The Respondent claims that they are ready to perform their reciprocal obligations under the contract, provided that the Petitioner submits all the pre-requisite mining documents and makes payment of the balance outstanding. On the contrary, the Respondent has filed a suit for specific performance of the contracts being **CS No. 171 of 2025** against the Petitioner, which is pending before the Ld. Civil Judge (Senior Division), Keonjhar.

8.8. The CD has relied upon the following judgments: -

- In ***Bhawani Prasad Mishra v. Armaco Infralinks Pvt. Ltd. & Anr., (Para 32 & 33)*** the tribunal held that for admission of a Section 9 application, the Adjudicating Authority must determine whether a real and bona fide dispute existed prior to issuance of the demand notice under Section 8. It

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emphasized that the dispute must be supported by contemporaneous material and not be illusory or an afterthought raised merely to avoid insolvency proceedings. The IBC is not a substitute for debt recovery, and where a plausible contention requiring further investigation is shown, the petition must be rejected at the threshold.


- In ***Style Fashion v. Aditya Birla Fashion and Retail Limited, (Para 15 & 16)*** the Tribunal reiterated that the scope of examination under Section 9 is limited to a prima facie assessment of whether a pre-existing dispute exists. It clarified that disputes concerning contractual performance, quality of goods, or breach of terms if raised prior to the demand notice are sufficient to bar admission. The Adjudicating Authority is not required to adjudicate the merits but only to see whether the dispute is genuine.

- In ***Adishank Chemicals Pvt. Ltd. V. Baerlocher India Additives Pvt. Ltd., (Para 26)*** it was held that allegations relating to defective goods or non-conformity with contractual specifications, when evidenced by prior correspondence, constitute a valid dispute under Section 8(2). The Tribunal stressed that the defence must not be a mere assertion or moonshine; however, if it is plausible and supported by material requiring investigation, the insolvency application cannot be admitted.

- In ***Puneet Kumar v. Computer Junction Pvt. Ltd. & Anr., (Para 17 & 19)*** the Tribunal observed that insolvency proceedings cannot be used as a pressure tactic to enforce disputed claims. Where material facts disclose ongoing disputes or prior correspondence contesting liability, the Section 9 petition is not maintainable. Suppression of such disputes

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disentitles the applicant from relief, and the IBC cannot be invoked as a mechanism to resolve contractual disagreements.

8.9. It is also stated in the written notes that Rule 10 of the Orissa Minerals (Prevention of Theft, Smuggling & Illegal Mining and Regulation of Possession, Storage, Trading and Transportation) Rules, 2007 is misplaced in view of the terms and conditions stipulated in the POs issued by the OC itself wherein OC committed to provide relevant mining documents to CD to obtain mining permission.

8.10. Furthermore, OC has not made any demand for supply of iron or fines. OC has never issued any single letter to CD asking for supply of iron ore fines. The only demand notice issued by OC was under Section 8 of IBC for refund of the money advanced by OC.


8.11. The date of default is shown 30th March, 2023 whereas the date of the second PO and second invoice were also 30.03.2023. The OC has calculated its interest despite there being no interest clause in the contract and that the interest was calculated from 30.03.2023. Date of PO and invoice can never be the date of alleged default.

8.12. It is also stated that not filing reply to Section 8 demand notice has not fatal. To buttress its submission, the respondent has relied upon the following judgments:

- In ***Neeraj Jain v. Cloudwalker Streaming Technologies., (2020) 10 Comp Cas-OL 266 (Para 50)***, the NCLAT underscored that an operational creditor must strictly comply with the statutory and documentary requirements under Sections 8 and 9 of the IBC, including filing a valid demand notice with supporting invoices and other relevant documents, and that failure to do so, coupled with inability to demonstrate an undisputed debt and default, warrants rejection of the

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Section 9 petition. The Tribunal also held that mere failure of the corporate debtor to reply to the demand notice does not extinguish a pre-existing dispute or bar it from raising such a dispute later, affirming that proper proof of debt and default is essential before initiating CIRP.

- In ***Greymatter Entertainment v. Pro Sportify (P) Ltd. (2024) 249 Comp Cas 771 (Para 13)***, the NCLAT clarified that even if the corporate debtor does not respond to a demand notice under Section 8, it is not precluded from raising a pre-existing dispute in its reply to a Section 9 petition and that procedural omissions like not filing a rejoinder by the operational creditor cannot be treated as admission of the claim; thus, the absence of a reply or rejoinder does not automatically estop the corporate debtor from placing material before the Adjudicating Authority to show a bona fide dispute that would bar admission of the insolvency application.

- In ***Spik Enviro Management (P) Ltd. v. Vision Earthcare (P) Ltd. 2025 SCC OnLine NCLAT 317 (Para 19)***, the NCLAT reiterated that an application under Section 9 of the IBC must satisfy the statutory threshold requirement in Section and held that where only a part of the claimed amount is undisputed and the remainder is subject to disputes needing adjudication, the application is not maintainable. The Tribunal also confirmed that failure to respond to a demand notice under Section 8 does not bar the corporate debtor from contesting the Section 9 petition, and that the IBC cannot be used as a debt-recovery mechanism.

9. The Petitioner made the following rebuttals in its written submissions to the contentions made by the Respondent:



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9.1. The Respondent claimed that 100% payment was to be made in advance but the purchase orders were silent about 100% payment.

9.2. The Respondent never requested or had sent a reminder to the Petitioner for submitting mining documents, as well as never specified what were the documents required for obtaining mining license.

9.3. The Respondent claimed that the seller would apply to concerned mining department to incorporate the name of the buyer in their Form "D" and at the same point of time further stated that the Petitioner never took step to lift the material and it was the petitioner to apply for requisite mining permission. The seller will send Form "I" to purchase for applying for a counter permission.


9.4. Furthermore, the Counsel for the Petitioner has referred the provisions of *Rule 10* of Odisha Minerals (Prevention of Theft, Smuggling and Illegal Mining and Regulation of Permission, Storage, Trading and Transportation) Rules, 2007. Rule 10 (3) of Rules, 2007 envisages that on receipt of an application from a person who wishes to transport, the Competent Authority may grant a permit within a period of seven days, and the said permit shall not exceed one month. It was submitted that no steps were taken by the Respondent under Rule 10(3) of the Rules, 2007, for a permit within a period of seven days from 23.03.2023.

ANALYSIS AND FINDINGS:

10. We have heard the Ld. Counsels of both parties and, have perused the documents brought on record. It is an admitted fact that Operational Creditor/Petitioner had placed a purchase order on 23.03.2023 with the corporate debtor/respondent for supply of 57,000 MT of iron ore fines, costing an amount of Rs, 17,70,00,000/- and another purchase order was placed on 30.03.2023 for supply 25,000

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MT of iron ore fines, the cost of which was amounting to Rs. 12,50,95,000/- with similar terms and conditions of the purchase order dated 23.03.2023 receipt of Rs. 22,76,00,000/- (Twenty-Two Crore Seventy-Six Lakh) was admitted by the corporate debtor in its reply affidavit.

11. The main contention raised by the Ld. Counsel for the respondent is that the terms and conditions of the purchase order envisaged that, for obtaining mining permission, the operational creditor had to submit all relevant mining documents to the corporate debtor. However, despite reminders, no mining documents were submitted by the operational creditor.

12. Second contention raised by the Ld. Counsel for the respondent is that according to the terms and conditions of the purchase order 100% amount in advance was to be paid by the operational creditor, while the operational creditor paid a total sum of Rs. 22,76,00,000/- (Twenty-Two Crore Seventy-Six Lakh), thereby leaving a deficit sum of Rs. 7,33,29,500/-, which remained unpaid by the OC.

13. On the perusal of the record, it is nowhere mentioned that 100% payment will be paid by the operational creditor as an advance payment. The operational creditor has paid Rs.22,76,00,000/- (Twenty-Two Crore Seventy-Six Lakh) in advance. Despite the advance payment, the CD has not made any effort to obtain mining permission, nor was the operational creditor asked to submit the documents that were required to obtain mining permission. A sane person will hardly believe that, on advance payment of Rs. 22,76,00,000/- (Twenty-Two Crore Seventy-Six Lakh), any buyer will not furnish the desired documents. Ld. Counsel for the operational creditor has referred the provision of Rule 10(3) of Odisha Minerals (Prevention of Theft, Smuggling and Illegal Mining and Regulation of Permission, storage Trading and Transportation) Rules, 2007 which envisages that on receipt of

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application from a person, who wishes to transport the competent authority may grant a permit within a period of seven days and the said permit shall not exceed one month.


14. In view of the provisions of above said rules of 2007, the respondent was obliged to obtain a permit of transportation within seven days. The first purchase order was placed by the petitioner on 23.03.2023 for supply of 57,000 MT of iron ore fines and a sum of Rs. 22,76,00,000/- (Twenty-Two Crore Seventy-Six Lakh) was paid by the operational creditor to the corporate debtor on 27.03.2023 to 28.03.2023 and 29.03.2023.

15. Ld. Counsel for the respondent has also submitted that the respondent was always ready and willing to perform his part of the contract but the same could not be performed as the operational creditor has not furnished the relevant documents to obtain permit during the stipulated time, it is also submitted by the Ld. Counsel for the corporate debtor that time was not essence of the contract. CD's obligation under the contract to supply goods has not even arisen as advance payment has not been received in full and mining documents were not received from the OC.

16. CD's obligation to deliver the material will arise when it obtains mining permission. It is also stated that a suit for specific performance has also been preferred by the CD against the operational creditor in the Court of Ld. Civil Judge (Senior Division), Keonjhar. It is the principle of law that one cannot "approbate and reprobate" at the same time, there is no document on the record which shows that 100% advance amount was to be paid by the operational creditor, no efforts were made by the corporate debtor to obtain mining permission. Despite the fact that 22,76,00,000/- (Twenty-Two Crore Seventy-Six Lakh) was paid in advance to the corporate debtor for the value, which was shown Rs. 29,79,50,000/- in the invoices. There is no case of pre-existence of dispute as the respondent CD has not responded to the notice under

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Section 8 delivered to CD and there is no correspondence by which, it could be demonstrated that the CD had made any communication with the operational creditor for providing documents in order to obtain the mining permission.

17. Coupled with the fact that there exists an inherent contradiction in the pleadings taken by the CD. On the one hand, CD has submitted that goods/material is ready for delivery to OC. But it is OC who is not picking up the delivery of material. Simultaneously, on the other hand the CD has pleaded that the time is not the essence of contract and the CD is still ready to deliver the material. Subject to that the OC submits the relevant mining documents as per Rule 10 (3) of Orissa Mining and Mineral Rules. Secondly, that CD pleads that his obligations to supply goods arise only on receipt of 100% advance which is not a pre-condition. Instead of making any efforts for procuring the relevant mining documents & supply of material thereafter to OC has made an attempt to raise a pre-existing dispute which is not existing as such and CD has not even considered it necessary to reply notice u/s 8(1) despite having received substantial amount of Rs. 22.76 crores for supply of goods which are not supplied.

18. 'Debt' and 'default' within the meaning of the IBC Code have been duly proved by the operational creditor. Any legal proceeding initiated subsequent to filing of the present application has no bearing, and cannot be construed to be a pre-existing dispute as in law. It was the respondent, who was obliged to perform his part of the contract as substantial amount was received by the respondent and no effort were made by the respondent within seven days of the purchase order to obtain mining permission as per Rule 10(3) of Orissa Minerals from the OC was returned to OC. In view of the above said discussion the Section 9 application filed by the petitioner deserves to be admitted

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19. A **moratorium** is declared under Section 14 of the Insolvency and Bankruptcy Code, 2016, prohibiting the following actions in terms of Section 14(1) of the Code:

19.1. 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;

19.2. Transferring, encumbering, alienating or disposing of by the Corporate Debtor any of its assets or any legal right or beneficial interest therein;

19.3. 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;


19.4. The recovery of any property by an owner or lessor where such property is occupied by or in the possession of the corporate Debtor.

19.5. The moratorium shall remain in force from the date of this order till the completion of the Corporate Insolvency Resolution Process or until this Adjudicating Authority approves a resolution plan under section 31(1) of the code or passes an order for liquidation of the Corporate Debtor under Section 33 of the Code, whichever is earlier.

20. The Operational Creditor had not proposed the name of the Interim Resolution Professional in the main Petition. Subsequently, during the course of proceedings, the Operational Creditor proposed the name of an IRP through its written submissions and thereafter filed a separate application annexing the consent in Form-2, seeking appointment of **Mr. Suresh Chandra Pattanayak (Regn. No. IBBI/IPA-002/IP-N00759/2018-19/12384)** as the Interim Resolution

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Professional, in terms of Section 16(4) of the Insolvency and Bankruptcy Code, 2016.

21. The Interim Resolution Professional shall be appointed separately in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016 and the rules and regulations made thereunder, subject to confirmation of possession of a valid Authorisation for Assignment in terms of Regulation 7A of the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016.

22. The Interim Resolution Professional so appointed shall make a public announcement of the initiation of the Corporate Insolvency Resolution Process and call for submission of claims in terms of Section 15 read with Section 13(1)(b) of the Code.

23. The supply of essential goods or services to the corporate debtor, if continuing, shall not be terminated, suspended, or interrupted during the moratorium period. The Corporate Debtor shall extend full assistance and cooperation to the Interim Resolution Professional in discharge of his duties as and when he takes charge of the assets and management of the corporate debtor".

24. The IRP shall perform all its functions as contemplated, inter alia, by sections 17,18,20 & 21 of the code. It is further made clear that all personnel connected with Corporate Debtor. its Promoter or any other person associated with the management of the Corporate Debtor are under a legal obligation under Section 19 of the Code to extend every assistance and co-operation to the Interim Resolution Professional where any personnel of the corporate Debtor, its Promoter, or any other person is required to assist or co-operate with IRP, t-rut does not assist or co-operate, the IRP is at liberty to make an appropriate application

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to this Adjudicating Authority with a prayer for passing an appropriate order.

25. The IRP shall be under a duty to protect and preserve the value of the property of the corporate Debtor and manage the operations of the Corporate Debtor as a going concern as a part of the obligation imposed by Section 20 of the Insolvency & Bankruptcy Code, 2016.

26. The Interim Resolution Professional / Resolution Professional shall submit periodic progress reports before this Adjudicating Authority in accordance with the provisions of the code and the regulations framed thereunder.

27. The Operational creditor shall deposit an initial amount of **Rs.2,00,000/- (Rupees Two Lakhs only)** within **3 days** (Three days) from the date of receipt of this order towards the expenses of the Corporate Insolvency Resolution Process. Proof of such deposit shall be filed before this Adjudicating Authority along with the first progress report. The Interim Resolution Professional shall be at liberty to seek further interim finance, as required, in accordance with law.

28. Further, the Registry is directed to communicate a copy of this order to the Financial creditor, the Corporate Debtor, the Interim Resolution professional and the concerned Registrar of Companies within seven working days and upload the same on the website of this Tribunal immediately after pronouncement.

29. The Interim Resolution Professional shall also serve a copy of this order upon statutory authorities including the Income Tax Department, GST authorities, State commercial Tax Department, Provident Fund authorities and such other authorities as may have claims against the corporate Debtor, &S well as employees or workmen associations, if any.

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30. The Corporate Insolvency Resolution Process shall commence from the date of this order.

31. The Resolution Professional shall submit reports and compliances before this Adjudicating Authority strictly in accordance with the timelines prescribed under the Insolvency and Bankruptcy Code, 2016 and the regulations made thereunder.

32. The application bearing **CP(IB) No. 5/CB/2025** stands **ALLOWED.**

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**BANWARI LAL MEENA
MEMBER(TECHNICAL)**

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**DEEP CHANDRA JOSHI
MEMBER(JUDICIAL)**