

IN THE NATIONAL COMPANY LAW TRIBUNAL MUMBAI BENCH-VI

CP (IB) No.533/MB/2025

[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:

VIDUSHI TECHNICAL & COMMERCIAL SERVICES PRIVATE LIMITED

[CIN: U74110MH1989PTC054105]

M-41 MIDC Industrial Area

Hingna Road

Nagpur - 440016, Maharashtra.

...Financial Creditor/Applicant

V/s

KAMANI FOODS PRIVATE LIMITED

[CIN: U15122MH2015PTC265061]

B1106 Floor 11 Naman Midtown

Senapati, Bapat Mrg Elphinstone Rd

Prabhadevi, Delisle Road

Mumbai - 400013, Maharashtra.

...Corporate Debtor/Respondent

Pronounced on: 09.10.2025

CORAM:

HON'BLE SHRI NILESH SHARMA, MEMBER (JUDICIAL)

HON'BLE SHRI SAMEER KAKAR, MEMBER (TECHNICAL)

Appearances: Hybrid

Financial Creditor: Adv. Mr. Kunal Kanungo a/w Adv. Atishay Jain

Corporate Debtor: Adv. Ms. Urmisha Vargante

ORDER

[PER: BENCH]

1. BACKGROUND

- 1.1 This is an Application bearing C.P.(IB) No.533/MB/2025 filed on 24.02.2025 by Vidushi Technical and Commercial Services Pvt. Ltd, the Applicant (Financial Creditor) under Section 7 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as “the Code”) read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 (hereinafter referred to as “the AAA Rules”) by Mr. Prakash Govindlal Agrawal, Director and authorised signatory of the Applicant authorised *vide* Board Resolution dated 16.12.2024, for initiating Corporate Insolvency Resolution Process (hereinafter referred to as “CIRP”) in respect of Kamani Foods Pvt. Ltd., the Corporate Debtor (CD).
- 1.2 The Applicant is a body corporate incorporated under Companies Act, 1956 and the CD under Companies Act, 2013. The CD is engaged in the business of Edible Oil and Coconut Products.
- 1.3 The Applicant has relied on the following documents:
- i. Copy of master data of the Financial Creditor & CD.
 - ii. Copy of Board Resolution dated 16.12.2024 passed by the Financial Creditor in favour of its authorized representative.
 - iii. Copy of written communication of the Proposed IRP in Form 2 along with the Registration Certificate issued by the Insolvency and Bankruptcy Board of India and Authorisation for Assignment.
 - iv. Copy of the Loan given Letter dated 10.02.2021 and Board Resolution dated 21.11.2020 of the Financial Creditor.

- v. Summary of the outstanding Principal amount and uncharged Interest Outstanding as on 31.01.2025
- vi. Loan acceptance Letter from the CD dated 10.02.2021 and Board Resolution of CD dated 21.12.2020.
- vii. Loan renewal letter given by the CD dated 01.02.2022, 06.02.2023 and 05.02.2024.
- viii. Loan renewal acceptance letter given by the Applicant dated 07.02.2022 and 08.02.2023
- ix. Acknowledgement receipts given by the CD after disbursement of the loan dated, and 11.02.2021, 02.10.2021, 07.10.2021, 15.10.2021 13.11.2021 and 19.11.2021.
- x. Copy of Demand Notice dated 18.12.2024 issued by the Applicant to the CD along with the postal receipt and track record of the said Demand Notice.
- xi. Copy of the Financial Statements for the financial year ended as on 31.03.2023 given by the CD to the Financial Creditor at the time of renewal of loan with their letter dated 05.02.2024.
- xii. Copy of six Demand Promissory Notes dated 10.02.2021 for Rs. 1,25,00,000/- , 01.10.2021 for Rs. 25,00,000/-, 06.10.2021 for Rs. 25,00,000/-, 14.10.2021 for Rs. 25,00,000/-, 12.11.2021 for Rs. 15,00,000/- and 18.11.2021 for Rs. 20,00,000/-
- xiii. Copy of NeSL Record of Default- Form C

2. AVERMENTS OF THE APPLICANT

2.1 This Tribunal *vide* interim order dated 26.05.2025 directed the Applicant to amend Form-1 with regard to date of default. The Applicant amended the Form-1 and

changed the date of default from 10.02.2024 to 03.01.2025. The following are the facts as per the amended Form-1.

2.2 As per Part-IV of the Application the total amount claimed to be in default by the Applicant is Rs. 2,43,36,714/- (Two Crore Forty-Three Lakhs Thirty-Six Thousand Seven Hundred and Fourteen Rupees) including principal amount of Rs. 2,27,75,000/- (Two Crore Twenty-Seven Lakhs Seventy-Five Thousand Rupees) along with interest at the rate of 12% p.a. from August 2024 to 24.02.2025 amounting to Rs. 15,61,714/- (Fifteen Lakhs Sixty-One Thousand Seven Hundred and Fourteen Rupees).

2.3 The date of default is stated as 03.01.2025 (as amended).

2.4 It is submitted that the Applicant had granted the Inter Corporate Loan of Rs. 2,50,00,000/- out of which Rs. 2,35,00,000/- was disbursed in six trenches. The Applicant provided this loan facility for one year from 01.02.2021. Copy of loan letter dated 10.02.2021 is annexed as **Exhibit-E** of the Application.

2.5 The details of the Debt/ Inter Corporate Loan Granted and disbursed are as below:

Date(s) of Disbursement	Amount of Debt in INR
10-02-2021	1,25,00,000
01-10-2021	25,00,000
06-10-2021	25,00,000
14-10-2021	25,00,000
12-11-2021	15,00,000
18-11-2021	20,00,000
TOTAL	2,35,00,000

2.6 The applicant states that out of the above loan, Rs. 7,25,000/- was returned by the CD. The repayment made by the CD is as follows:

Sr. No.	Date of repayment amount	Principle Amount
1.	15-07-2022	Rs. 1,25,000/-
2.	14-11-2022	Rs. 6,00,000/-
	TOTAL	Rs. 7,25,000/-

2.7 It is submitted that the balance amount of Rs. 2,27,75,000/- is still pending to be returned.

2.8 The Inter Corporate loan was renewed twice by the Applicant in the year 2022 and 2023. Further, the CD requested another renewal on 05.02.2024, but the period was not extended by the Applicant and the term loan got expired on 09.02.2024.

2.9 The term of the facility was completed on 09.02.2024, whereafter, the CD was required to pay the entire outstanding amount of the facility by 10.02.2024. However, upon completion of the term, the CD neither paid the outstanding amount, nor any renewal was granted by the Applicant. Therefore, the date of default can also be considered as 10.02.2024. However, subsequently the date of default was changed by the Applicant from 10.02.2024 to 03.01.2025 being the date of expiry of 10 days from 24.12.2024 i.e. the date of receipt of the demand notice dated 18.12.2024.

2.10 The Applicant has filed Additional Affidavit dated 02.07.2025, attaching Form D issued by NeSL, which is recorded *vide* interim order dated 03.07.2025. The status of authentication of default is stated in the Form D as "Deemed to be Authenticated" and date of default is stated as 10.02.2024.

3. CONTENTIONS OF CORPORATE DEBTOR

- 3.1 The CD filed Affidavit-in-Reply on 29.08.2025. The same was affirmed by Mr. Vinay Tarachand Chawla – Director and Authorised Representative of the CD, authorised *vide* Board Resolution dated 11.07.2025.
- 3.2 In reply, the CD states that no case is made out for initiation of the CIRP even after considering the contents of Form-1 and denies each and every allegation made by the Applicant against the CD in the present Application.
- 3.3 It is submitted that on bare perusal of the Application it is clear and cogent that the Application is simply to harass the CD to make payments to the Applicant. The CD is a bona fide and viable enterprise in the edible oil business, which has been facing temporary financial constraints primarily due to the adverse economic impact and slowdown in business post the COVID-19 pandemic and the prevailing downtrend in the edible oil market.
- 3.4 It is submitted that the Application is not maintainable under the Code as this special law has not been construed to act as a recovery forum. The Applicant is not genuinely seeking the revival or resolution of the CD but is instead attempting to force the company into insolvency to serve its financial interests.
- 3.5 It is submitted that the Applicant has imposed conditions on the CD with mala fide intentions. It is clear that the terms and conditions of the loan facility that the Applicant has envisaged the failure of the CD to meet such unreasonable terms despite being aware about the hardships faced by the CD. Their ultimate goal appears to be to initiate the CIRP process and force liquidation to seize the CD's assets.
- 3.6 The financial stress the CD currently faces is a direct and demonstrable consequence of systemic market and policy developments in the edible oil sector. These adverse circumstances are external to the CD's control and have had a material adverse impact on all market participants.

- 3.7 The CD submits that the Tribunal has powers to refer the parties to an experienced mediator for the purposes of effective settlement. The CD's acknowledgments to the Applicant cannot be construed as a blanket admission of insolvency. The said acknowledgments were made in the context of temporary setback arising from the prevailing economic environment.
- 3.8 The CD is in process of taking the remedial measures, including exploring restructuring options and negotiating alternate financing arrangements, to overcome its financial difficulties. These efforts underscore the CD's intent and ability to sustain its business operations and resolve its financial challenges. The CD has already repaid an amount of Rs. 7,25,000/- to the Applicant. The CD reiterates that there is no intent to evade its contractual or financial obligations.
- 3.9 The CD is willing to repay the amount due and payable to the Applicant and placed on record a repayment schedule and undertakes to comply with the same, subject to the consideration and approval of the Tribunal. A copy of a repayment schedule is marked as Exhibit B of the reply.
- 3.10 The CD submits that the initiation of CIRP proceedings at this juncture will severely disrupt the CD's ongoing revival efforts, risk erosion of enterprise value, displacement of ongoing negotiations and disruptions of commercial relationships that are crucial for revival.

4. **REJOINDER**

- 4.1 The Applicant has submitted that he does not want to file a rejoinder in the matter and this Tribunal *vide* interim order dated 13.08.2025 closed the right to file rejoinder.

5. ANALYSIS AND FINDINGS

- 5.1 We have heard both the Ld. Counsels and have perused the records as placed before us. Our findings in the matter are as under: -
- 5.2 On perusal of the letter dated 10.02.2021 and the Board Resolution of the Applicant dated 21.11.2020, we see that the Applicant had approved Inter Corporate Loan of Rs. 2.5 Crores at the rate of interest of 12% p.a. to the CD. The loan was disbursed in six tranches the first being on 10.02.2021 for an amount of Rs. 1.25 crore, subsequently on 01.10.2021 for Rs. 25 lakhs, on 06.10.2021 for Rs. 25 lakhs, on 14.10.2021 for Rs. 25 lakhs, on 12.11.2021 for Rs. 15 lakhs and on 18.11.2021 for Rs. 20 lakhs. Therefore, the total amount disbursed is Rs. 2.35 Crores to the CD. The same can be confirmed from the board resolution of the CD dated 21.12.2020, acceptance letter dated 10.02.2021 addressed by the CD to the Applicant, acknowledgement letters of the CD dated 11.02.2021, 02.10.2021, 07.10.2021, 15.10.2021, 13.11.2021 and 19.11.2021 and the ledger account of the CD in the books of the Applicant for the year 01.04.2020 to 31.01.2025. In view of the above-mentioned documents, we are of the considered view that the loan was disbursed to the CD.
- 5.3 Further, as per the terms of the letter dated 10.02.2021, the tenure of the loan was for one year from the date of receipt of money into CD's bank account. The term as per the letter is as follows:

"2. TENURE OF LOAN

Tenure of the loan is one year from date of receipt of money into your bank account which can be renewed at mutual consent whenever required. The Loan shall be payable on demand."

- 5.4 The Inter Corporate loan was renewed two times by the Applicant on the request of the CD *vide* its letters dated 01.02.2022 and 06.02.2023. The Applicant accepted the loan renewal *vide* its letters dated 07.02.2022 and 08.02.2023. Further, the CD

requested to renew the loan *vide* its letter dated 05.02.2024 which was not accepted by the Applicant.

5.5 Furthermore, on perusal of Part-IV of the Application and the ledger account of the CD in the books of the Applicant, we notice that the CD had made repayment on 15.07.2022 and 14.11.2022 total amounting to Rs. 7.5 lakhs. Moreover, no subsequent payments were received from the CD.

5.6 The CD failed to pay the outstanding amount of Rs. 2,27,75,000/-. At this, the Applicant issued a demand notice dated 18.12.2024 demanding the payment of the above-mentioned amount in accordance with the letter dated 10.02.2021 which mentions the tenure of the loan i.e. one year.

5.7 The date of default stated by the Applicant is 03.01.2025 which is 10 days from the receipt of the demand notice dated 18.12.2024 which was delivered to the CD at its registered office on 24.12.2024. In the Application, the Applicant had stated the date of default as 10.02.2024 based on expiry of the term of loan. However, Clause 2 of the Letter dated 10.02.2021 as reproduced in para 5.3 above, states that the loan shall be payable on demand and therefore, subsequently on 03.07.2025 Form -1 was amended which stated the amended date of default as 03.01.2025, which is the date on the expiry of the ten days' time given to the CD from the date of receipt of the demand notice dated 18.12.2024 by the CD i.e. from the expiry of 10 days from 24.12.2024.

5.8 The CD has raised contention that the Applicant has filed the Application with mala fide intent for recovery of money from the CD wherein the Code is not construed to act as a recovery forum. The CD is a viable enterprise in the edible oil business, which has been facing temporary financial constraints primarily due to the adverse economic impact and slowdown in business post the COVID-19 pandemic and the

prevailing downtrend in the edible oil market. The CD has also submitted that it is taking steps to settle the outstanding dues with the Applicant. As we see that the CD has made an acknowledgment through its submissions and also by examining the documents placed before us we are of the view that the CD is fit to be admitted under CIRP as it has not been able to clear the outstanding due payable to the Applicant.

5.9 The contention of the CD that the Tribunal may refer the parties to a mediator to settle the matter amicably, we see that there is no consent or request from the Applicant to refer the matter to mediation nor the Code provides an option for mediation. Therefore, this contention of the CD holds no water.

5.10 The CD has submitted that the Applicant has imposed conditions on the CD with mala fide intentions and the terms and conditions of the loan facility that the Applicant has envisaged the failure of the CD to meet such unreasonable terms despite being aware about the hardships faced by the CD. We are of the view that, it is a settled principle that when the parties are relying on a duly executed contract between them, then the Courts cannot rewrite or create a new contract between the parties and have to simply rely on the terms and conditions of the agreement. Reliance is placed on the judgment of the Hon'ble Supreme Court in ***Venkataraman Krishnamurthy and Another v. Lodha Crown Buildmart Pvt. Ltd. (2024 INSC 132)*** where it held that,

“15. Once the parties committed themselves to a written contract, whereby they reduced the terms and conditions agreed upon by them to writing, the same would be binding upon them.”

“17. More recently, in Shree Ambica Medical Stores vs. Surat People's Coop. Bank Ltd., it was observed that, through its interpretative process, the Court cannot rewrite or create a new contract between the parties and has to simply apply the terms and conditions of the agreement as agreed between the parties.”

5.11 As such the contention of the CD regarding conditions or the unreasonable terms of the loan agreement is overruled.

- 5.12 The NeSL Form D has recorded the date of default as 10.02.2024 and the default amount as Rs.2,27,75,000/-. The Record of Default is in 'Deemed to be Authenticated' status.
- 5.13 The Applicant has proposed the name of Ms. Tehseen Fatima Khatri, a registered Insolvency Professional as the Interim Resolution Professional (IRP) to carry out the functions as mentioned under the Code. The Applicant has provided his AFA in Form B valid till 31.12.2025 and has also given his consent and declaration in Form 2, *inter alia*, stating that no disciplinary proceeding is pending against it.
- 5.14 We are of the considered view that the Applicant has placed on record necessary evidences and materials to demonstrate the existence of the financial debt. From the above discussions, it is evident that there exists debt and default on the part of the CD in the payment of an undisputed financial debt to the Applicant exceeding Rs.1,00,00,000/- (One Crore Rupees), being the threshold monetary limit under Section 4 of the Code prevailing on the date of filing of the present Application. Further, the Application is complete and there is no disciplinary proceeding pending against the proposed IRP. Thus, this Application under Section 7 of the Code preferred by the Applicant is found to be maintainable.
- 5.15 In view of the above, we find that requisite conditions necessary to trigger CIRP in respect of the CD are fulfilled and the matter deserves to be admitted under Section 7 of the Code.
- 5.16 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.533/MB/2025 filed under Section 7 of the Code by Vidushi Technical and Commercial Services Private

Limited, the Applicant, for initiating CIRP in respect of **Kamani Foods Private Limited**, the Corporate Debtor is hereby **admitted**.

We further declare moratorium under Section 14 of the Code with consequential directions 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 **Ms. Tehseen Fatima Khatri, a registered Insolvency Professional** having Registration Number **IBBI/IPA-002/IPN01140/2021-22/13793** and e-mail address tfkhatriassociates@gmail.com having valid Authorisation for Assignment up to 31.12.2025 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. 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 Financial Creditor 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 Financial Creditor 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 Financial Creditor, the Corporate Debtor and the IRP by way of Speed Post, e-mail and WhatsApp.
- XIII. **Compliance report of the order by Designated Registrar is to be submitted today.**

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

//VM//

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