

IN THE NATIONAL COMPANY LAW TRIBUNAL
JAIPUR BENCH

CORAM: MS. REETA KOHLI,
HON'BLE JUDICIAL MEMBER

MS. KAVITA BHATNAGAR
HON'BLE TECHNICAL MEMBER

CP No. (IB)- 59/7/JPR/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:

**SMALL INDUSTRIES DEVELOPMENT
BANK OF INDIA (SIDBI)**

...Financial Creditor

VERSUS

ISHH RAJ SILICON PRIVATE LIMITED

...Corporate Debtor

MEMO OF PARTIES

**SMALL INDUSTRIES DEVELOPMENT
BANK OF INDIA (SIDBI)**

SIDBI Tower, 15, Ashok Marg,
Lucknow- 226001 (Uttar Pradesh)

...Financial Creditor/Petitioner

VERSUS

ISHH RAJ SILICON PRIVATE LIMITED

204/B-29, Near Raja Kothi School,
Rashan Dukan, Gulab Bari, Ajmer-
305007 (Rajasthan)

...Corporate Debtor/Respondent

For the Financial Creditor
For the Corporate Debtor

: Pooja Saraswat, Adv.
: Nitesh Shrivastava, Adv.

Order Pronounced On: 12.12.2025

ORDER**Per: Ms. Reeta Kohli, Judicial Member**

1. The present Petition has been preferred by *Small Industries Development Bank of India* ('SIDBI') against the Corporate Debtor namely, *ISHH Raj Silicon Private Limited* for default of an amount 6.73 Crores. It is stated that an amount of Rs. 4.43 crores is pending towards the principal amount and 2.29 crores is the interest due amount. The date of default is stated to be 09.12.2022. The case of the Applicant/ SIDBI is that SIDBI had extended facilities to the CD. The details of the extended facilities are as under:

<i>Type of Financial Assistance</i>	<i>A/C No.</i>	<i>Date of Disbursement</i>
<i>Direct Credit Scheme Rs. 2,35,00,000/-</i>	<i>D0001MOI</i>	<i>26/09/2019 08/11/2019 27/12/2019</i>
<i>Working Capital Rs. 80,00,000/-</i>	<i>D0001MPJ</i>	<i>Disbursed from time to time</i>
<i>Direct Credit Scheme Rs. 15,00,000/-</i>	<i>D0001MPK</i>	<i>26/09/2019 08/11/2019 27/12/2019</i>
<i>Direct Credit Scheme Rs. 1,05,00,000/-</i>	<i>D0002UIW</i>	<i>05/02/2020 06/03/2020</i>
<i>Direct Credit Scheme Rs. 5,00,000/-</i>	<i>D0001MPK</i>	<i>05/02/2020 06/03/2020</i>
<i>TWARIT UNDER ECLGS 1.0 Rs. 57,00,000/-</i>	<i>D00031DK</i>	<i>29/07/2020</i>
<i>Direct Credit Scheme</i>	<i>D0003A2E</i>	<i>28/06/2021 10/07/2021 10/08/2021 10/09/2021 10/10/2021</i>
<i>TWARIT UNDER ECLGS 1.0 Rs. 28,80,000</i>	<i>D0003AR2</i>	<i>10/08/2021</i>

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2. It is stated the last date of disbursement of credit extended to the Corporate Debtor was on 10.10.2021 and the last date of payment received for this credit facility from the Corporate Debtor was 06.12.2024. It has further been submitted that Corporate Debtor vide email dated 28.03.2025, 10.03.2025 and 19.01.2025 has duly acknowledged the debts due to the Applicant. The details of the security held by way of mortgage and pledge are as under:

- 2.1. *First charge by way of mortgage in favor of SIDBI of all immovable properties of the borrower both present and future situated at Khasra No. 56, Village Dhanma, Tehsil Sarwar, District Ajmer Rajasthan-305412, admeasuring 4857 square meters owned by ISHH Raj Silicon Pvt Ltd.*
- 2.2. *First charge by way of mortgage in favour of SIDBI of all immovable properties of the- borrower both present and future situated at Khasra No. 57 Village Dhanma Tehsil Sarwar-Istrict Ajmer Rajasthan-Admeasuring 8095 Square meters owned by ISHH Raj Silicon Pvt Ltd.*
- 2.3. *First charge by way of hypothecation in favour of SIDBI of all the current assets of the borrower including stock raw material stock in process finished & semifinished goods consumable stores and book debts etc. Both present and future.*
- 2.4. *First charge by way of mortgage in favour of SIDBI of all immovable properties situated at 204/ 29, Near Raja Kothi Shool, Gulab Badi, District Ajmer, Rajasthan-305001, admeasuring 206.26 square yards owned by Shri Suresh Agarwal S/O Shri Shyam Lal Agarwal.*
- 2.5. *First charge by way of Hypothecation of all the present and future book debt and other actionable claims Arising out of genuine trade transactions.*
- 2.6. *First charge by way of hypothecation in favour of SIDBI of all the borrowers movables including the movables plant machinery, machinery spares tools & accessories, office equipment, computers, furniture, and fixtures both present and future.*
- 2.7. *Personal guarantee of Shri Nitesh Bansal, Smt. Honey Taya and Shri Suresh Chand Agarwal.*

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3. It has been further stated by the Applicant that the default has been duly intimated to NeSL on 25.02.2025. In view of the fact that the Respondent/ Corporate Debtor has failed to pay the due amount, the Applicant has been left with no other option but to file the present Petition under Section 7 seeking the CIRP of the Corporate Debtor.

4. The relevant details as reflected in Part IV of the Petition are as follows:


Part IV

PARTICULARS OF FINANCIAL DEBT

1.	Total Amount of Debt Granted Date(s) of Disbursement	The total amount due and payable to the Financial Creditor herein is a sum of Rs. 6,73,23,443.88/- (Rupees Six Crores Seventy- Three Lakhs Twenty- Three Thousand Four Hundred Forty- Three and Eighty- Eight Paise Only) in terms of the aforesaid facilities vide loan agreements executed from time to time.
2.	Amount Claimed to be in Default and the date on which default occurred (Attach the workings for computation of amount and days of default in tabular form)	<p>Rs. 6,73,23,443.88/- (Rupees Six Crores Seventy- Three Lakhs Twenty- Three Thousand Four Hundred Forty- Three and Eighty- Eight Paise Only) Principal Outstanding</p> <p>Rs. 4,43,75,004/- (Rupees Four Crores Forty- Three Lakhs Seventy- Five Thousand Four only)</p> <p>Interest on disbursement, costs and charged calculated Rs. 2,29,48,440/- (Rupees Two Crores Twenty- Nine Lakhs Forty- Eight Thousand Four Hundred Forty only)</p> <p>Date of default: 09.12.2022</p>

Sd/-

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5. On the other hand, the counsel for the Corporate Debtor has submitted that the business of the Corporate Debtor is predominantly B2B and the business of the buyers of goods manufactured by the Corporate Debtor is export oriented. It is submitted that the Corporate Debtor receives quartz stones, processes it into grains and the buyers of such raw material manufacture final products such as quartz slabs for export to US, UAE etc. It is further submitted that due to the onset of COVID- 19 pandemic, widespread disruptions occurred in quartz supply chain and the additional imposition of antidumping duties during 2023 added to the further loss of the business of the Corporate Debtor.
6. It has further been submitted that with good faith the Corporate Debtor has been making repeated requests to SIDBI for one time Settlement which itself shows the Bonafide on the part of the Corporate Debtor to settle the amount of the Financial Creditor. On 29.01.2025, the Corporate Debtor requested the Financial Creditor to resolve the Non- Performing Asset (NPA) status of the Corporate Debtor and regularized the loan account. The SIDBI officers rejected the proposal stating that authorities required full and final settlement. The counsel submitted that in response to the demand notice dated 28.03.2025, the Corporate Debtor requested SIDBI for a meeting for further discussion. The meeting was scheduled and confirmed on 07.04.2025. On 21.04.2025, SIDBI issued yet another notice stating that the



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approximate 6.52 crores is pending and if the dues were not cleared at the earliest, they shall resume legal action.

7. On 24.06.2025, the Corporate Debtor again informed SIDBI of its genuine efforts to execute the sale agreement for the unit to clear the outstanding dues. Though the said deal did not fructify and the buyer ultimately backed out. The Corporate Debtor has further submitted that they are committed to clear the outstanding if the debts are restructured to preserve the business as a going concern.
8. After having heard both the counsels and having perused the documents placed on record. It is a clear case of admission on part of the Corporate Debtor that the debt is due and payable to the Financial Creditor. Learned counsel for the Financial Creditor has drawn our attention to various letters/ emails sent by the Corporate Debtor acknowledging the due amount. Even in the reply filed on record in the present CP, the Corporate Debtor has duly acknowledged the amount due and has requested for restructuring. It is further submitted that if SIDBI permits restructuring Corporate Debtor may be in a position to pay. The fact of the matter is that the amount in default is pending and due to Financial Creditor and further the Corporate Debtor has also acknowledged its liability and has expressed its inability to pay the entire fund.


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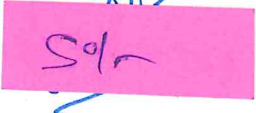

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9. In the facts and circumstances of the present case, we are left with no other option but to admit the Corporate Debtor to CIRP. Since the Petitioner has proposed the name of the IRP, therefore, we appoint *CA Kamal Kumar Jadwani* having Registration Number *IBBI/IPA-001/IP-P-02786/2022-2023/14259*, duly registered with ICAI Insolvency Professional Agency, to be appointed as the Interim Resolution Professional. The Petitioner has filed Consent in Form 2 under Insolvency and Bankruptcy Board of India (Petition to Adjudicating Authority) Rules, 2016, stating that no disciplinary proceedings are pending against the above-named IRP.

10. Consequences of initiation of CIRP shall be inter-alia as follows:

10.1. The Resolution Professional proposed by the Petitioner is *CA Kamal Kumar Jadwani*, who is an IP registered with ICAI Insolvency Professional Agency having Registration No *IBBI/IPA-001/IP-P-02786/2022-2023/14259*, he is hereby appointed as the Insolvency Resolution Professional (IRP) to take over the affairs of the Corporate Debtor and duties as required to be performed by him under the provisions of IBC, 2016, including the issue of the publication in widely circulated Newspaper as contemplated under the provisions of IBC, 2016 and calling for the claims from the creditors of Corporate Debtor and collation of the same shall be done.



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10.2. Further, as a sequel of admission, moratorium as envisaged under Section 14 of IBC, 2016 is invoked concerning the Corporate Debtor, which will be in vogue during the Corporate Insolvency Resolution Process of the Corporate Debtor. The IRP shall carry out CIRP strictly as per the timelines specified and as envisaged under the provisions of IBC, 2016 in relation to the Corporate Debtor.

10.3. The said IRP shall act strictly in compliance with the provisions of IBC, 2016 and defray his expenses to be incurred and fees on the account. The Petitioner is directed to act in accordance with Regulation 33(1) of the Insolvency and Bankruptcy (Insolvency Resolution Process for Corporate Persons) Regulations, 2016. The Petitioner shall deposit an amount of Rs. 1,00,000/- (Rupees One Lakh Only) towards the CIRP cost initially to the account of IRP within three days from the date of this order. The IRP shall spend the above amount towards expenses and not towards fee till his fee is decided by CoC. The IRP shall duly file a status report from time to time appraising this Adjudicating Authority about the progress of CIRP unfolded in relation to the Corporate Debtor.

10.4. In terms of Section 17 & 19 of IBC, 2016, all personnel of the Corporate Debtor including promoters and Board of Directors, whose powers shall stand suspended, shall extend all cooperation to the IRP

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during his tenure as such and the management of the affairs of the Corporate Debtor shall vest with the IRP.

10.5. Further, in term of Regulation 4(3) of the IBBI (Resolution Process For Corporate Persons), 2016 the creditors shall provide information in respect of assets and liabilities of the Corporate Debtor to the IRP and it is incumbent upon the IRP also to approach the Creditors to seek such information.

10.6. The Interim Resolution Professional (IRP) is also directed to inform and forward a copy of this Order to all the statutory authorities such as Enforcement Directorate, Employees Provident Fund Organisation (EPFO), Income tax department and concerned Electricity department about the initiation of CIRP against the Corporate Debtor within a period of three days.

10.7. In terms of Section 7 of IBC, 2016, the Registry is directed to communicate this Order to the Petitioner, the Corporate Debtor, and the Interim Resolution Professional (IRP) appointed by this Adjudicating Authority within 3 days of passing of the Order.

10.8. A Copy of this order shall also be communicated to IBBI for its record, and to any other body/entity to whom the Corporate Debtor is under legal/contractual obligation to inform/update.

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10.9. Further, the Registry is directed to list the matter after completion of 185th day of the CIRP for compliance purposes.

11. In the circumstances, *CP No. (IB)- 59/7/JPR/2025* is admitted.

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**REETA KOHLI
JUDICIAL MEMBER**

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**KAVITA BHATNAGAR
TECHNICAL MEMBER**