

IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, COURT – 1, AHMEDABAD

ITEM No.302
C.P.(IB)/407(AHM)2025

Under Section 9 of IB Code, 2016

IN THE MATTER OF:

Alta Performance Materials India LLP
V/s
CMT Mechanised System Pvt. Ltd

.....Applicant

.....Respondent

Order delivered on: 25/06/2026

C O R A M:

MR. SHAMMI KHAN, HON'BLE MEMBER (J)
MR. SANJEEV SHARMA, HON'BLE MEMBER (T)

ORDER
(Hybrid Mode)

The case is fixed for pronouncement of order. The order is pronounced in the open court, vide separate sheet.

Sd/-

SANJEEV SHARMA
MEMBER (TECHNICAL)

Sd/-

SHAMMI KHAN
MEMBER (JUDICIAL)

**BEFORE THE ADJUDICATING AUTHORITY
NATIONAL COMPANY LAW TRIBUNAL,
DIVISION BENCH, COURT-I, AHMEDABAD**

CP (IB) No.407/9/AHM/2025

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

In the Matter of: CMT Mechanised System Private Limited

Alta Performance Materials India LLP

(Formerly known as INEOS Composites India LLP)

Identification Number: AAO-9743

Registered office at, NO. 2001-06,
20th Floor, Fairmount, Plot No. 4-6,
Off Palm Beach Road, Sector-17,
Sanpada, Thane, Navi Mumbai,
Maharashtra – 400705.

...Applicant/Operational Creditor

VERSUS

CMT Mechanised System Private Limited

(CIN: U29100GJ2009PTC059022)

Registered office at CIB-235/1,
GIDC Industrial Estate, POR- Ramangamdi,
Vadodara, Gujarat – 391243.

...Respondent/Corporate Debtor

Order Pronounced On: 25.06.2026

C O R A M:

SH. SHAMMI KHAN, HON'BLE MEMBER (JUDICIAL)

SH. SANJEEV SHARMA, HON'BLE MEMBER (TECHNICAL)

A P P E A R A N C E:

For the Applicant/OC : Mr. Kaushal Ameta &
Mr. Alok Doshi, Advocates.
For the Respondent/CD : Mr. R.N. Singh, Advocate.

ORDER
Per Bench

1. This Company Petition has been filed on 27.10.2025 by Alta Performance Materials India LLP (Formerly known as INEOS Composites India LLP) (hereinafter referred to as the "Operational Creditor") under Section 9 of the Insolvency and Bankruptcy Code, 2016 read with Rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 seeking initiation of Corporate Insolvency Resolution Process against CMT Mechanised System Pvt. Ltd. (hereinafter referred to as the "Corporate Debtor") for default in payment of operational debt.
2. On perusal of Part-I of Form-5, it is observed that the Operational Creditor is Alta Performance Materials India LLP (Formerly known as INEOS Composites India LLP) incorporated with Identification Number: AAO-9743 under the Limited Liability Partnership Act, 2008. The Petition has been filed through its authorised representative Mr. Chandrasekhar Anem, pursuant to the Power of Attorney dated 05.09.2025 annexed with the Petition as Annexure-C.
3. On perusal of Part-II of Form-5, it is observed that the Corporate Debtor is CMT Mechanised System Pvt. Ltd., a

company incorporated on 25.12.2009 under the Companies Act, 1956 and having its registered office within the territorial jurisdiction of this Adjudicating Authority with an authorized share capital Rs.10,00,000/- and paid-up share capital Rs.9,01,870/-, as per Master Data from Ministry of Corporate Affairs website which is annexed with the Petition as Annexure-A.

4. On Perusal of Part-III of Form-5, it is observed that the Operational Creditor has not proposed any name for the appointment of IRP and sought the appointment of IRP by this Tribunal as per the empanelment list of IBBI made available at the time of the admission of this Petition.
5. On perusal of Part-IV of Form-5, it is observed that the Operational Creditor has claimed operational debt of Rs.2,62,19,888.73ps. arising out of supply of goods to the Corporate Debtor pursuant to Purchase Orders dated 17.05.2024, 16.07.2024, 13.08.2024 and 20.08.2024. The date of default is stated to be 25.08.2024.
6. Upon perusal of Part-IV and Part-V of Form-5, it is observed that the Operational Creditor has, inter alia, stated the following facts: -
 - 6.1 The Operational Creditor has stated that it is engaged in manufacture and sale of unsaturated polyester resins, vinyl ester resins, gelcoats and low-profile additives and that the Corporate Debtor approached it

for supply of such products for its manufacturing activities.

- 6.2 The Corporate Debtor issued Purchase Order Nos. CMT/GP/24-25/30 dated 17.05.2024, PO/2024/06/01362 dated 16.07.2024, CMT/IN/23-24/36 dated 13.08.2024 and CMT/GP/24-25/906 dated 20.08.2024. Copies thereof are annexed as Annexure D1 to Annexure D4.
- 6.3 The Operational Creditor supplied the goods and raised invoices and debit memos which remained outstanding for Rs.2,62,19,888.73. Copies of the invoices are annexed as Annexure E1 to Annexure E14 and the statement of account is annexed as Annexure L.
- 6.4 The Operational Creditor has stated that the goods were delivered, received and accepted by the Corporate Debtor without any objection regarding quality, quantity, price or delivery and that the transactions were carried out through a running account arrangement.
- 6.5 The Operational Creditor has relied upon a Balance Confirmation Letter dated 19.06.2025 wherein the Corporate Debtor acknowledged liability of Rs.2,61,99,224/- with a reconciliation difference of Rs.20,664/-. Copy thereof is annexed as Annexure F.
- 6.6 The Operational Creditor has stated that a Demand Notice dated 14.07.2025 under Section 8 of the

Insolvency and Bankruptcy Code, 2016 for Rs.2,62,19,888.73 was issued and served through speed post and email. Copies thereof are annexed as Annexure G, Annexure H, Annexure I and Annexure J.

- 6.7 The Operational Creditor has also relied upon ROC records, certificate of change of name and Power of Attorney annexed as Annexure A, Annexure B and Annexure C respectively, along with particulars of claim annexed as Annexure K.
- 6.8 The Operational Creditor has further relied upon the record of financial information in Form-C annexed as Annexure M and an affidavit under Section 9(3)(b) of the Insolvency and Bankruptcy Code, 2016 in support of the operational debt.
- 6.9 In view of the above narrated facts, the Operational Creditor has sought admission of the present Company Petition under Section 9 of the Insolvency and Bankruptcy Code, 2016, initiation of Corporate Insolvency Resolution Process against the Corporate Debtor, declaration of moratorium and appointment of an Interim Resolution Professional in accordance with law.
- 6.10 The Operational Creditor filed an Additional Affidavit on 18.11.2025 vide Inward No. D-7539 placing on record copies of GSTR-1 and GSTR-3B for the relevant period pursuant to the order dated 30.10.2025.

7. That upon issuance and due service of notice, the Respondent/Corporate Debtor entered appearance and filed its Reply to the Company Petition on 12.12.2025 vide Inward No. D-8485 denying the averments made in the Company Petition. The contentions of the Respondent/Corporate Debtor are as under: -

7.1 The Corporate Debtor has stated that it denies the allegations regarding non-viability, loss of substratum and inability to pay the debt and has contended that it is a financially viable company carrying on regular business operations.

7.2 The Corporate Debtor has stated that it has been purchasing goods from INEOS Composites India LLP for several years and has regularly made payments. It has relied upon ledger account statements annexed as Annexure R1, Annexure R2 and Annexure R3.

7.3 The Corporate Debtor has stated that during the financial years 2022-23, 2023-24 and 2024-25, it made payments of Rs.1,07,78,681/-, Rs.2,54,25,936.42ps. and Rs.5,13,38,072.97ps. respectively, which according to it establishes its financial capacity.

7.4 The Corporate Debtor has stated that goods supplied by another company to the Railway had defects and, therefore, the Railway authorities withheld payment not only for those goods but also for the goods

supplied by using materials purchased from the Operational Creditor.

- 7.5 The Corporate Debtor has stated that the Railway authorities have informed that payment would be released after the railway coaches are put into operation and, therefore, there has been delay in release of funds to the Corporate Debtor.
- 7.6 The Corporate Debtor has stated that to show its intention to clear the dues, it has proposed an instalment schedule commencing from 12.12.2025 and ending on 12.11.2026 for payment of the outstanding amount.
- 7.7 The Corporate Debtor has stated that it has been carrying on business with the Operational Creditor for about seven years and has purchased goods worth about Rs.10,00,00,000/- and that the delay in payment does not amount to inability to pay its debts.
- 7.8 The Corporate Debtor has stated that there is no default on its part and that the delay has occurred due to non-release of payments by Railway authorities. The Corporate Debtor has sought dismissal of the Company Petition.
- 8.** Thereafter, the Operational Creditor filed Written Submissions along with judgment on 17.02.2026 through E-mode. The contentions of the Operational Creditor are as under: -

- 8.1 The Operational Creditor has stated that goods were supplied pursuant to purchase orders and invoices aggregating to Rs.2,62,19,888.73 were raised. The goods were delivered and accepted without any objection regarding quality, quantity, specification, pricing or delivery.
- 8.2 The Corporate Debtor issued a Balance Confirmation dated 19.06.2025 acknowledging an outstanding amount of Rs.2,61,99,224/- and that the reconciliation difference of Rs.20,664/- does not affect the acknowledgment of liability. The debt became due on 25.08.2024 and remains unpaid.
- 8.3 The Corporate Debtor, in its Reply, has admitted the outstanding liability and has proposed an instalment schedule up to 11.2026, which according to the Operational Creditor amounts to acknowledgment of debt and establishes the existence of default under Section 3(12) of the Insolvency and Bankruptcy Code, 2016.
- 8.4 The explanation relating to non-release of funds by Railway authorities and issues concerning another vendor does not constitute a pre-existing dispute under Sections 8 and 9 of the Insolvency and Bankruptcy Code, 2016.
- 8.5 The Operational Creditor has relied upon ***Mobilox Innovations Private Limited v. Kirusa Software Private Limited***, (2018) 1 SCC 353, wherein the

Hon'ble Supreme Court held that only a pre-existing and genuine dispute supported by evidence can defeat admission under Section 9 of the Insolvency and Bankruptcy Code, 2016.

- 8.6 In view of the above narrated facts, the Operational Creditor has sought admission of the Company Petition under Section 9 of the Insolvency and Bankruptcy Code, 2016, declaration of moratorium under Section 14, appointment of an Interim Resolution Professional and such other orders as may be deemed fit in accordance with law.
9. We have heard the arguments of Ld. Counsel for the Applicant/Operational Creditor as well as Ld. Counsel for the Respondent/Corporate Debtor. We have considered the submissions made by the learned Counsel appearing for the parties and perused the material available on record.
10. The Operational Creditor has established supply of goods through purchase orders, invoices, statement of account and Balance Confirmation dated 19.06.2025 acknowledging outstanding liability of Rs.2,61,99,224/-. The Corporate Debtor has not disputed the business transactions between the parties.
11. The Demand Notice dated 14.07.2025 under Section 8 of the Insolvency and Bankruptcy Code, 2016 was duly issued and served upon the Corporate Debtor. No material

has been placed on record to show existence of any pre-existing dispute prior to issuance of the Demand Notice. The defence taken by the Corporate Debtor pertains to delay in receipt of funds from Railway authorities and does not relate to the quality, quantity or supply of goods.

- 12.** The Corporate Debtor has, in its Reply, admitted the outstanding liability and has proposed an instalment schedule extending up to 12.11.2026. The proposal for payment in instalments and the explanation relating to non-release of funds by third parties constitute acknowledgment of debt and do not extinguish the occurrence of default under the Insolvency and Bankruptcy Code, 2016.
- 13.** The Operational Creditor has relied upon ***Mobilox Innovations Private Limited v. Kirusa Software Private Limited***, (2018) 1 SCC 353, wherein the Hon'ble Supreme Court held that for admission of a petition under Section 9 of the Insolvency and Bankruptcy Code, 2016, the dispute must be pre-existing, genuine and not a mere assertion unsupported by evidence. The material placed on record does not disclose any such dispute.
- 14.** The documents placed on record establish the existence of operational debt within the meaning of Section 5(21) of the Insolvency and Bankruptcy Code, 2016 and default within the meaning of Section 3(12) thereof. The date of default is 25.08.2024 and the Petition filed on 10.10.2025 is within

the period of limitation prescribed under Article 137 of the Limitation Act, 1963. The Balance Confirmation dated 19.06.2025 also constitutes acknowledgment of liability.

- 15.** The Corporate Debtor has admitted its liability through the Balance Confirmation dated 19.06.2025 and through the instalment schedule proposed in the Reply. The inability to recover receivables from Railway authorities is an internal commercial issue and cannot be treated as a defence to defeat proceedings under Section 9 of the Insolvency and Bankruptcy Code, 2016.
- 16.** The explanation offered by the Corporate Debtor pertains to delay in realization of receivables from Railway authorities. Such commercial difficulty or cash flow constraint cannot constitute a defence under Section 9 of the Insolvency and Bankruptcy Code, 2016.
- 17.** In view of the facts and circumstances of the case, we are satisfied that the Operational Creditor has established the existence of operational debt, occurrence of default and compliance with the requirements of Sections 8 and 9 of the Insolvency and Bankruptcy Code, 2016. We are also satisfied that there is no pre-existing dispute between the parties.
- 18.** Therefore, Company Petition filed by Alta Performance Materials India LLP under Section 9 of the Insolvency and Bankruptcy Code, 2016 against CMT Mechanised System

Private Limited deserves to be admitted under Section 9(5) of the Insolvency and Bankruptcy Code, 2016.

19. Accordingly, in light of the above facts and circumstances, it is, **hereby ordered** as under: -

(i) The Respondent/Corporate Debtor - **CMT Mechanised System Private Limited** is **admitted** in Corporate Insolvency Resolution Process under section 9(5) of the Code.

(ii) As a consequence thereof, a moratorium under Section 14 of the Insolvency and Bankruptcy Code, 2016 is declared for prohibiting all of the following in terms of Section 14(1) of the Code.

- 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 the possession of the Corporate Debtor.*
- e. *The provisions of sub-Section (1) shall however, not apply to such transactions, agreements 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. The moratorium does not apply to transactions notified by the Central Government, as per Section 14(3)(a) of the IB Code, 2016.

- (iii) The order of moratorium under section 14 of the Code shall come to effect from the date of this order till the completion of the Corporate Insolvency Resolution Process or until this Adjudicating Authority approves the Resolution Plan under sub-section (1) of section 31 or passes an order for liquidation of the Corporate Debtor under Section 33 of the IBC 2016, as the case may be.
- (iv) However, in terms of Section 14(2) to 14(3) of the Code, the supply of essential goods or services to the Corporate Debtor as may be specified, if continuing, shall not be terminated or suspended, or interrupted during the moratorium period.
- (v) Since, the Operational Creditor has not proposed the name of any IRP. Therefore, from the IBBI Panel List, we appoint Mr. Mohit Chawla, having Reg. No. IBBI/IPA-001/IP-P00524/2017-2018/10949, (E-mail: camohitchawla@gmail.com), whose AFA is valid up-to 31.12.2026 under section 13 (1)(c) of the Code to act as Interim Resolution Professional (**IRP**). He shall conduct the Corporate Insolvency Process as per the Insolvency and Bankruptcy Code, 2016 r.w. Regulations made thereunder. He shall submit his

consent Form-2 along-with Form-B and Registration Certificate within three days.

- (vi) The IRP so appointed shall make a public announcement (e.g., newspapers, websites) under Regulation 6(2) of IBBI Regulations, 2016, of the initiation of the Corporate Insolvency Resolution Process and call for submissions of claims under section 15 within three days of appointment as per Regulation 6 of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, as required by Section 13(1)(b) of the Code.
- (vii) The IRP shall perform all his functions as contemplated, *inter-alia*, by sections 17, 18, 20 and 21 of the Code. It is further made clear that all personnel connected with the Corporate Debtor, its promoters, or any other person associated with the management of the Corporate Debtor are under legal obligation as per section 19 of the Code to extend every assistance and cooperation to the IRP. Where any personnel of the Corporate Debtor, its promoters, or any other person required to assist or co-operate with IRP, do not assist or cooperate, the IRP is at liberty to make appropriate application to this Adjudicating Authority with a prayer for passing an appropriate order.
- (viii) The IRP is expected to take full charge of the Corporate Debtor's assets and documents without

any delay whatsoever within seven days of this order. The Interim Resolution Professional/ Resolution Professional may seek assistance of the local administration or police authorities, if required, for taking custody of the assets and records of the Corporate Debtor.

- (ix) The IRP will submit a status report to this Tribunal, regarding taking control of assets of the Corporate Debtor including buildings, plant and machinery, inventory of raw material, semi-finished and finished goods by comparing the same with the records of the Corporate Debtor including with fixed asset register, stock records, and any deficiency found must be confronted to the suspended management and status of the business being carried on by the Corporate Debtor, within 30 days of this order.
- (x) 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 Code.
- (xi) The IRP or the RP, as the case may be, shall submit to this Adjudicating Authority a periodical report with regard to the progress of the CIRP in respect of the Corporate Debtor.
- (xii) We direct the Operational Creditor to pay IRP a sum of **Rs.3,00,000/- (Rupees Three Lakh Only)** in

advance exclusive of applicable taxes, within 7 days from the date of this order to meet the initial costs of the CIRP, including issuing public notice and inviting claims, as per Regulation 33(1) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016. This amount shall be adjustable against the IRP's fees and expenses as approved by the Committee of Creditors (CoC) under Regulation 33(3), with any excess refundable to the Operational Creditor or shortfall recoverable from the Corporate Debtor's estate as CIRP costs.

- (xiii) The Registry is directed to communicate this order to the Operational Creditor, Corporate Debtor, and to the Interim Resolution Professional, the concerned Registrar of Companies and the Insolvency and Bankruptcy Board of India after completion of necessary formalities, within seven working days, and upload the same on the website immediately after pronouncement of the order. The Registrar of Companies shall update the Corporate Debtor's Master Data on the MCA portal to reflect its status as 'under Corporate Insolvency Resolution Process' within 7 working days of receiving this order and submit a compliance report to the Registrar, NCLT, within 14 working days.
- (xiv) The public announcement under Regulation 6(2) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, shall be published in at

least one English (national edition) and one vernacular newspaper with wide circulation in the state of the Corporate Debtor's registered office (Gujarat) and on the Corporate Debtor's website, if any, as per Form A of the said Regulations.

(xv) The commencement of the Corporate Insolvency Resolution Process shall be effective from the date of this order.

20. Accordingly, **CP (IB) No.407/9/AHM/2025** is hereby **admitted**. A certified copy of this order may be issued, if applied for, upon compliance with all requisite formalities.

Sd/-

SANJEEV SHARMA
MEMBER (TECHNICAL)

Sd/-

SHAMMI KHAN
MEMBER (JUDICIAL)