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)- 101/07/JPR/2025

(Under Section 7 of the Insolvency and Bankruptcy Code, 2016, read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicatory Authority) Rules, 2016)

IN THE MATTER OF:
Krishkan Investment Private Limited

.... Financial Creditor/Petitioner

Versus

M/S Jumbo Finvest (India) Limited

...Corporate Debtor/ Respondent

MEMO OF PARTIES

Krishkan Investment Private Limited
R/o: 7/1A Grant Lane 2nd Floor Chambers, Room No 2 Kolkata-700012 Corporate Office at: 808, Sunteck Crest, Near Airport Road Metro, Andheri East, Mumbai.

...Financial Creditor / Petitioner

Versus

M/S Jumbo Finvest (India) Limited.
R/o: 102, Kanchan Apartment, Opp. L.B.S College, Tilak Nagar, Jaipur, Rajasthan - 302004

...Corporate Debtor/ Respondent

FOR THE PETITIONER : Shashvat Agrawal, Adv.
Devesh Mohan, Adv.
Vishvendra Sharma, Adv.

FOR THE RESPONDENT : Chetan Verma, Adv.

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Order Pronounced On: 22.07.2026

ORDER

Per: Ms. Reeta Kohli, Judicial Member

1. The present Petition has been filed under Section 7 of the Insolvency and Bankruptcy Code, 2016 ('IBC'/ 'Code') read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 by *Krishkan Investment Private Limited* ('Petitioner'/ 'Financial Creditor') through authorised representative *Mr. Arvind Vitekar* seeking initiation of Corporate Insolvency Resolution Process ('CIRP') in respect of *Jumbo Finvest (India) Limited*, now known as *Jumbo Samriddhi (India) Limited* ('Respondent'/ 'Corporate Debtor'), on account of default in payment of Rs. 31,94,00,000/- (Rupees Thirty-One Crores Ninety-Four Lakhs Only), including interest and penal charges up to 15.11.2025, together with future interest at the rate of 15.95% p.a. with effect from 16.11.2025.

2. The Financial Debt produced in Part IV of the Petition, are reproduced here as following:

PARTICULARS OF FINANCIAL DEBT		
1.	Total amount of debt granted date(s) of disbursement	**I. TOTAL AMOUNT OF DEBT GRANTED** *For the purpose of the present Petition, the Financial Creditor is concerned with the total principal financial debt of Rs. 13,51,00,000/- (Rupees Thirteen Crore Fifty-One Lakh only) granted by the*

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<table>
<tr><td></td><td></td><td>Financial Creditor to the Corporate Debtor.</td></tr>
<tr><td>2.</td><td>Amount claimed to be in default and the date on which the default occurred (attach the workings for computation of amount and days of default in tabular form)</td><td><u>AMOUNT CLAIMED TO BE IN DEFAULT:</u>
The Financial Creditor submits that as on 15.11.2025, the amount of default is Rs. 31,94,00,000/- (Rupees Thirty-One Crore Ninety-Four Lakh only) including interest along.
The following chart shows the bifurcation of principal and interest amount:
<table>
<tr><td>Particulars</td><td>Amount (Rs.)</td></tr>
<tr><td>Principal</td><td>13,51,00,000</td></tr>
<tr><td>Interest</td><td>18,32,00,000</td></tr>
<tr><td>Penal Charges</td><td>11,00,000</td></tr>
<tr><td>Amount claimed to be in default as on 15.11.2025</td><td>31,94,00,000/-</td></tr>
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3. The Petitioner (Financial Creditor) is a Private Limited Company, incorporated under Companies Act, 1956 on 05.06.1989, having CIN: U65991WB 1989PTC 184151 is classified as non-government company and registered with Registrar of Companies, Kolkata. The present Petition is filed by its authorised representative, namely *Mr. Arvind Vitekar*.

4. The Corporate Debtor is a Non-Banking Financial Institution incorporated under the provisions of the Companies Act,1956 on 13.07.1998, and registered through certificate of Registration via dated 10.04.2003 with the Reserve Bank of India as a Non-Banking Financial Institution having authorised Share Capital of Rs. 50,00,00,000/- (Rupees Fifty Crore only) and Paid-up Capital of Rs.

41,12,60,550/- (Rupees Forty-One Crores Twelve Lakhs Sixty Thousand Five Hundred Fifty Rupees Only), having registered address at *102, Kanchan Apartment, Opp. L.B.S College, Tilak Nagar, Jaipur, Rajasthan – 302004.*

5. The Petition has been filed on the basis of the following set of facts:

5.1 The Corporate Debtor approached the Financial Creditor's predecessor-in-interest, Indian Overseas Bank ("Erstwhile Lender"/ "IOB"), for grant of a Cash Credit ("CC") Limit for its business operations. The said limit was sanctioned by IOB in favour of the Corporate Debtor vide Sanction Letter dated 17.07.2003 for an amount of Rs. 3,00,00,000/- (Rupees Three Crore Only).

5.2 It is contended that the said CC Limit was enhanced, reduced and renewed by IOB from time to time, at the request of the Corporate Debtor. Details of said enhancement, reduction and renewal of CC Limit as mentioned in Part IV reproduced here under: -

S.No.	Enhancements, Reductions & Renewals	Particulars
1.	First Enhancement	The CC Limit was enhanced from Rs. 3,00,00,000/- to Rs. 3,50,00,000/- vide Sanction Letter dated 23.09.2004.
2.	Second Enhancement	An ad hoc limit of Rs. 10,00,000/- for a period of 60 days was sanctioned vide Sanction Letters dated 09.05.2005 and 10.05.2005.

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3.	Third Enhancement	The CC Limit was enhanced from Rs. 3,60,00,000/- to Rs. 4,80,00,000/- vide Sanction Letter dated 05.11.2005.
4.	Fourth Enhancement	The CC Limit was enhanced from Rs. 4,80,00,000/- to Rs. 6,00,00,000/- vide Sanction Letter dated 01.03.2007.
5.	Fifth Enhancement	The CC Limit was enhanced from Rs. 6,00,00,000/- to Rs. 7,00,00,000/- vide Sanction Letter dated 30.11.2008
6.	Sixth Enhancement:	The CC Limit was enhanced from Rs. 7,00,00,000/- to Rs. 10,00,00,000/- vide Sanction Letter dated 30.12.2009.
7.	Seventh Enhancement	The CC Limit was enhanced from Rs. 10,00,00,000/- to Rs. 13,00,00,000/- vide Sanction Letter dated 06.10.2010.
8.	Eighth Enhancement	The CC Limit was enhanced from Rs. 13,00,00,000/- to Rs. 15,00,00,000/- vide Sanction Letter dated 28.03.2012.
9.	Ninth Enhancement:	The CC Limit was enhanced from Rs. 15,00,00,000/- to Rs. 17,00,00,000/- vide Sanction Letter dated 20.06.2013.
10.	Tenth Enhancement	The CC Limit was enhanced from Rs. 17,00,00,000/- to Rs. 35,00,00,000/- vide Sanction Letter dated 07.02.2014.
11.	Eleventh Enhancement	The CC Limit was enhanced from Rs. 35,00,00,000/- to Rs. 40,00,00,000/-, along with a fresh

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		Term Loan of Rs. 10,00,00,000/-, vide Sanction Letter dated 26.03.2015.
12.	First Reduction:	Pursuant to the Corporate Debtor's request dated 16.03.2016, the CC Limit was reduced from Rs. 40,00,00,000/- to Rs. 36,00,00,000/- and the Term Loan was reduced from Rs. 10,00,00,000/- to Rs. 5,50,00,000/-, vide Sanction Letter dated 07.12.2016.
13.	Renewal of Period - I	The CC Limit of Rs. 36,00,00,000/- was renewed for a further period of one year, and the Term Loan of Rs. 70,00,000/- was reviewed, vide Sanction Letter dated 23.03.2018.
14.	Renewal of Period - II	The CC Limit of Rs. 36,00,00,000/- was renewed for a further period of one year vide Sanction Letter dated 23.10.2019.
15.	Renewal of Period - III	The CC Limit of Rs. 36,00,00,000/- was renewed for a further period of one year vide Sanction Letter dated 22.09.2021.

5.3 Thereafter, the Respondent failed to make payments for facility and the account of the Corporate Debtor was classified as Non-Performing Asset ("NPA") on 31.03.2022 by IOB ("Erstwhile Lender"). Subsequently, the Erstwhile Lender issued a Demand Notice dated 12.09.2022 calling upon the Corporate Debtor to discharge the outstanding dues of Rs. 34,75,87,919.89 (Rupees Thirty-Four Crores Seventy-Five Lakhs Eighty-

Seven Thousand Nine Hundred and Nineteen and Eighty-Nine Paisa Only) along with further interests, costs and other charges.

5.4 The Petitioner has relied upon the corporate debtor's annual report dated 31.03.2024 to calculate and acknowledge the default amount, which is mentioned in Annexure X.

5.5 Meanwhile, *Krishkan Investment Private Limited* (i.e., Financial Creditor), by way of an Assignment Agreement dated 25.08.2025 ('Assignment Agreement'), acquired the financial debt owed by the Corporate Debtor to Erstwhile Lender.

5.6 In view of the continuing default committed by the Corporate Debtor in repayment of the outstanding amount, the Financial Creditor has preferred the present Petition for initiation of CIRP against the Corporate Debtor, claiming a total default of Rs. 31,94,00,000/- (Rupees Thirty-One Crores Ninety-Four Lakhs only) as on 15.11.2025, together with future interest at the rate of 15.95% p.a. with effect from 16.11.2025.

6. The case of the Respondent is as follows:

6.1 The Respondent contended that the disclosure of debt in its annual report dated 31.03.2024 (as in annexure X) has been misconstrued by the Financial Creditor as an acknowledgment of liability. The respondent contended that such disclosures were made as part of regulatory filings made in the ordinary course, and should not, by themselves, constitute an

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acknowledgment of debt within the meaning of Section 3(12) of the Code. It was further contended that treating such disclosures as an admission of liability for the purposes of the present proceedings would be contrary to the intent of the Code.

6.2 The Respondent also mentioned that its revenue and cash flows were severely impacted from 2020 to 2023 due to the Covid-19 pandemic and its own borrowers defaulting on loans, resulted in an inability to pay the Financial Creditor.

6.3 Thereafter in 2025, an RBI investigation revealed a 13.04% Net NPA, the Corporate Debtor faced asset-growth and public-funding restrictions in 2020, ultimately leading to the cancellation of its Certificate of Registration (CoR) as Non-Banking Financial Institution on 14.10.2025 after failing to bring the NPA below 10%.

6.4 Despite all the efforts, the responded failed to recover its business from losses and declared NPA on 31.03.2022 and proposed alternative payment plans and made a partial payment of Rs. 6,85,00,000/- (Rupees Six Crores Eighty-Five Lakhs Only). Further, the Corporate Debtor remained unable to fully clear its outstanding dues to the Financial Creditor due to ongoing financial constraints and slow loan recoveries from its time as an NBFC.

6.5 In order to recover the business, the Respondent requested additional time, to recover debts and expected its financial position to improve enough to

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begin discharging its repayment obligations to the Financial Creditor in a phased manner within 12 to 18 months, if granted that time.

6.6 The Respondent prayed to dismiss the Section 7 IBC petition as not maintainable, further seeking a reference for arbitration as per Clause 14 of the Loan Agreement, and grant any other reliefs deemed fit in the interest of justice.

7. In the compliance with the Adjudicating Authority's Order dated 04.05.2026, the Petitioner filed an additional affidavit on dated 21.05.2026 and cured the authorization defect.

Analysis and findings –

8. We have heard the learned counsels for the parties and have perused the averments made in the Petition and the Reply. The observations of the Adjudicating Authority are followed as under: -

i. The present Petition has been filed by the Financial Creditor, under Section 7 of the Insolvency and Bankruptcy Code, 2016, seeking initiation of CIRP against *Jumbo Finvest (India) Limited*, now known as *Jumbo Samriddhi (India) Limited* ("the Corporate Debtor"), on account of default in payment of a sum of Rs. 31,94,00,000/- (Rupees Thirty-One Crore Ninety-Four Lakh only).

ii. It is the case of the Financial Creditor that the debt in question arose out of a Cash Credit Limit of Rs. 3,00,00,000/- originally sanctioned in favour of the Corporate Debtor by *Indian Overseas Bank* ("the Erstwhile Lender") vide Sanction Letter dated 17.07.2003, which limit was thereafter enhanced on eleven successive occasions culminating in a Cash Credit Limit of Rs. 40,00,00,000/- together with a Term Loan of Rs. 10,00,00,000/-, subsequently reduced to Rs. 36,00,00,000/- and Rs. 5,50,00,000/-, and further renewed on three occasions, namely vide Sanction Letters dated 23.03.2018, 23.10.2019 and 22.09.2021.

iii. It is averred that upon default committed by the Corporate Debtor, the said account came to be classified as a NPA on 31.03.2022, pursuant to which the Erstwhile Lender issued a Demand Notice dated 12.09.2022 calling upon the Corporate Debtor to discharge outstanding dues of Rs. 34,75,87,919.89/- (Rupees Thirty-Four Crore Seventy-Five Lakh Eighty-Seven Thousand Nine Hundred and Nineteen and Eighty-Nine Paise Only).

iv. The Petitioner claims to have acquired the said financial debt from the Erstwhile Lender by way of an Assignment Agreement dated 25.08:2025. Alleging continued default on the part of the Respondent, the Petitioner has preferred the present Petition under Section 7 of the Code claiming the default of Rs. 31,94,00,000/- as on 15.11.2025. The Respondent has not demonstrated any legal infirmity in the said assignment, nor has it challenged the Petitioner's status as assignee on any substantial ground.

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v. In view of the Assignment Letter, the Petitioner has stepped into the shoes of the original lender and is entitled to maintain the present proceedings as a Financial Creditor within the meaning of Section 5(7) of the Code. The Corporate Debtor's defence does not raise any valid objection to the Petitioner's locus standi.

vi. In the Reply, the Respondent has objected that the disclosure of debt in its annual report dated 31.03.2024 has been misconstrued by the Financial Creditor as an acknowledgment of liability but respondent contended that such disclosures were made as part of regulatory filings made in the ordinary course, and should not, by themselves, constitute an acknowledgment of debt within the meaning of Section 3(12) of the Code.

vii. Additionally, the Respondent has relied upon the adverse impact of the Covid-19 pandemic, restrictions imposed by the Reserve Bank of India, and the financial difficulties faced in its business as a Non-Banking Financial Company to explain the commercial hardships that led to its inability to honour repayment obligations.

viii. This Adjudicating Authority is conscious of the fact that the pandemic and regulatory restrictions may have caused commercial strain to several entities, including the Respondent. However, such circumstances, while explaining hardship, do not, by themselves negate the existence of a financial debt or the occurrence of default. Section 7 of the Insolvency and

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Bankruptcy Code, 2016, mandates consideration only of two aspects: (i) existence of financial debt, and (ii) occurrence of default. Commercial hardships or external factors leading to default are not recognized as valid defences under the Code. Accordingly, the plea of pandemic-related hardship and regulatory restrictions, though sympathetic in nature, cannot absolve the Corporate Debtor of its repayment obligations. The default stands established.

ix. Further, the Respondent contended that prior to the filing of the petition, it approached the Financial Creditor for restructuring and settlement of the debt, and further claims to have made part-payments amounting to Rs. 6,85,00,000/-. It is urged that despite receipt of such payments, the Financial Creditor has pursued the present petition in an unfair manner.

x. The Adjudicating Authority noted that the Petitioner has not mentioned any such payment in its pleadings. On the other hand, the Respondent has mentioned the alleged payment only in its reply, without annexing any evidence in support of it. In the absence of documentary proof, the claim remains unverified.

xi. Even if, for the sake of argument, such payment is presumed to have been made, it does not extinguish the liability in respect of the admitted outstanding debt. The statutory framework under the Code recognizes only the existence of debt and default as relevant considerations for

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admission of an application under Section 7. Partial repayment or restructuring efforts do not negate the occurrence of default. Once default is established, the Financial Creditor is entitled to invoke Section 7 of the Code. Accordingly, this Tribunal finds that the Corporate Debtor's defence based on alleged part-payment and restructuring efforts is neither substantiated by evidence nor legally sustainable. The default in repayment continues to subsist.

xii. While the Tribunal is mindful of the unprecedented disruption caused by the pandemic, the statutory scheme under Section 7 of the Code does not carve out any exception excusing repayment obligations on account of external economic factors. The liability to discharge debt remains unaffected. The plea of hardship, though sympathetic, cannot absolve the Corporate Debtor of its legal obligations. Default stands established.

xiii. Before we delve into the merits of the case, it is incumbent to consider the objection raised by the Respondent that the disclosure of debt in its annual report dated 31.03.2024 was merely a regulatory filing and does not constitute acknowledgment of liability is devoid of merit.

xiv. At this juncture, we would like to refer to the definition of "debt", "default" "financial debt" and "financial creditor" and the same are quoted below: -

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***Section 3 (11) of IBC**: "Debt means a liability or obligation in respect of a claim which is due from any person and includes a financial debt and operational debt."*

***Section 3 (12) of IBC:** "Default means non-payment of debt when whole or any part or instalment of the amount of debt has become due and payable and is not 1 [Paid] by the debtor or the corporate debtor, as the case may be;"*

***Section 5 (8) of IBC**: "Financial debt means a debt along with interest, if any, which is disbursed against the consideration for the time value of money and includes—*

(a) money borrowed against the payment of interest;

(b) any amount raised by acceptance under any acceptance credit facility or its de-materialised equivalent;

(c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;

(d) the amount of any liability in respect of any lease or hire purchase contract which is deemed as a finance or capital lease under the Indian Accounting Standards or such other accounting standards as may be prescribed;

(e) receivables sold or discounted other than any receivables sold on nonrecourse basis;

(f) any amount raised under any other transaction, including any forward sale or purchase agreement, having the commercial effect of a borrowing;

2[Explanation. -For the purposes of this sub-clause, -

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(i) any amount raised from an allottee under a real estate project shall be deemed to be an amount having the commercial effect of a borrowing; and

(ii) the expressions, "allottee" and "real estate project" shall have the meanings respectively assigned to them in clauses (d) and (zn) of section 2 of the Real Estate (Regulation and Development) Act, 2016 (16 of 2016);]

(g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price and for calculating the value of any derivative transaction, only the market value of such transaction shall be taken into account;

(h) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, documentary letter of credit or any other instrument issued by a bank or financial institution;

(i) the amount of any liability in respect of any of the guarantee or indemnity for any of the items referred to in sub-clauses (a) to (h) of this clause;

***Section 5 (7) of IBC**: "Financial creditor means any person to whom a financial debt is owed and includes a person to whom such debt has been legally assigned or transferred to;"*

xv. On plain reading of the definitions referred Supra, we find that the 'debt' means a liability or obligation in respect of a claim, which is due from any person and includes a financial debt and operational debt. And the 'financial debt is a debt along with interest, if any, which is disbursed

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against the consideration for the time value of money and includes the amount paid under either of the clauses from (a) to (i) of Section 5 (8) of the IBC, and the person who paid the money and to whom such debt has been legally assigned or transferred to is known as 'Financial Creditor'.

xvi. Further, the moot question of law that arises for our consideration is whether the disclosure of debt in its annual report dated 31.03.2024 was merely a regulatory filing and does not constitute acknowledgment of liability is devoid of merit.

xvii. To deal with the aforementioned question, we consider that it is a settled principle of law that entries in audited balance sheets and financial statements acknowledging debt amount to acknowledgment of liability within the meaning of Section 5 (8) of Code and Section 18 of the Limitation Act, 1963, which applies to proceedings under the Insolvency and Bankruptcy Code, 2016 by virtue of Section 238A of the Code. Such acknowledgment not only evidences the subsistence of debt but also extends the period of limitation. Accordingly, the disclosure of debt in the Respondent's annual report dated 31.03.2024 constitutes an admission of default, and the objection raised cannot be sustained.

xviii. The Respondent has also raised another objection of a technical nature, contending that the petition filed by the Financial Creditor under Section 7 of the Insolvency and Bankruptcy Code, 2016, is defective and not

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maintainable. It is submitted that the alleged default is subject to arbitration and, therefore, the parties ought to be referred to arbitration in terms of Clause 14 of the Loan Agreement.

xix. The further question of law that arises for our consideration is whether the presence of an arbitration clause between the parties shall operates as a bar to the Financial Creditor in maintaining an application under Section 7 of the Code.

xx. At this juncture, we would like to refer to the Sub-Section (5) of Section 7 and Explanation I Sub- Section 5 of Section 7 of the Code: the same are reproduced below:

> *"**Section 7- The Initiation of corporate insolvency resolution process by financial creditor**:*
> *(5) The Adjudicating Authority shall, within fourteen days of the receipt of the application under sub-section (2), by an order—*
> *(a) admit the application, if it is satisfied that a default has occurred and the application under sub-section (2) is complete, and there is no disciplinary proceeding pending against the proposed resolution professional;*
> ***Explanation I.**—For the purposes of this sub-section, it is hereby clarified that where the requirements under clause (a) have been complied with, no other ground shall be considered to reject an application filed under this section."*

xxi. On plain reading of the definitions referred Supra, we find that the pursuant to the amended provisions of Section 7 of the Insolvency and Bankruptcy Code, 2016, as introduced by the Insolvency and Bankruptcy Code (Amendment) Act, 2026, it is evident that for initiation of the

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Corporate Insolvency Resolution Process under Section 7, the Applicant is required only to establish the existence of a financial debt and the occurrence of default in respect thereof. The presence of an arbitration clause *per se* between the parties shall not operate as a bar to the Financial Creditor in maintaining an application under Section 7 of the Code.

xxii. To deal with the aforementioned question, we consider the decision of the Hon'ble Supreme Court in the matter of *M. Suresh Kumar Reddy v. Canara Bank, (2023)* 8 SCC 387 held that once Tribunal is satisfied that the default has occurred, there is hardly a discretion left with Tribunal to refuse admission of the application under Section 7 of the IBC, 2016. The relevant excerpt from the aforesaid precedent has been reiterated as under –

> *"11. Thus, once NCLT is satisfied that the default has occurred, there is hardly a discretion left with NCLT to refuse admission of the application under Section 7. "Default" is defined under sub-section (12) of Section 3 IBC which reads thus:*
>
> *3. Definitions. -In this Code, unless the context otherwise requires-*
>
> ***
>
> > *(12) "default" means non-payment of debt when whole or any part or instalment of the amount of debt has become due and payable and is not [paid] by the debtor or the corporate debtor, as the case may be;"*
>
> *Thus, even the non-payment of a part of debt when it becomes due and payable will amount to default on the part*

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of a corporate debtor. In such a case, an order of admission under Section 7 IBC must follow. If Adjudicating Authority finds that there is a debt, but it has not become due and payable, the application under Section 7 can be rejected. Otherwise, there is no ground available to reject the application."

9. In view of the aforesaid judicial precedents and the relevant provisions of the Insolvency and Bankruptcy Code, 2016, it is inferred that the Annual Report of the Corporate Debtor dated 31.03.2024 clearly records an acknowledgment of the outstanding debt owed to the Erstwhile Lender. The said acknowledgment is annexed as Annexure X to the present petition. Consequently, it established that a financial debt to the tune of Rs. 31,94,00,000/- (Rupees Thirty-One Crores Ninety-Four Lacs Only) existed and was due and payable to the Petitioner. The computation of the recoverable dues from the Corporate Debtor as on 15.11.2025 has been carried out, and the same corresponds with Schedule–I of the Petition, thereby substantiating the liability of the Corporate Debtor towards the Petitioner.

10. This Adjudicating Authority is confined to the material placed on record by the Parties. In light of the same, it can be clearly inferred from the Annual Report of the Corporate Debtor dated 31.03.2024 that the Corporate Debtor has acknowledged the outstanding debt of the Erstwhile Lender. The said acknowledgment is annexed herein as Annexure X. The borrower defaulted in repayment of the financial debt due towards the Petitioner. Furthermore, the

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presence of an arbitration clause between the parties shall not operate as a bar to the maintainability of the petition under Section 7 of the Code.

11. We are satisfied that the present Petition is complete in all respects and the Petitioner is entitled to claim its outstanding financial debt from the Respondent and that there has been default in payment to the Respondent.

12. In light of the above and in terms of the fact that existence of debt and its default by the Respondent has been established by the virtue of the material placed on record, this Adjudicating Authority admits this petition and initiates CIRP of the Corporate Debtor with immediate effect.

13. Sub-section (3) (b) of Section 7 mandates the Petitioner to furnish the name of an Interim Resolution Professional. In compliance thereof the applicant has proposed the name of *Mr. Shailesh Desai* for appointment as Interim Resolution Professional having registration number IBBI/IPA-001/IP-P00183/2017-18/10362. The proposed IP has a valid AFA. Therefore, this Adjudicating Authority, appoints *Mr. Shailesh Desai* having registration number 001/IP-P00183/2017-18/10362 (Email: ipl0362.desai@gmail.com), to act as Interim Resolution professional in the matter. He shall take such other and further steps as are required under the statute, more specifically in terms of Section 15, 17 and 18 of the Code.

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

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a) The IRP appointed by the Adjudicating Authority, is directed to take over the affairs of the Corporate Debtor and duties as required to be performed by him under the provisions of Code including issue of publication in widely circulated Newspapers as contemplated under the provisions of the Code and calling for claims from the creditors of the Corporate Debtor; and collation of the same shall be done.

b) 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.

c) 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.

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d) In terms of Section 17 & 19 of IBC, 2016, all personnel of the Corporate Debtor including promotors and Board of Directors, whose powers shall stand suspended, shall extend all cooperation to the IRP during his tenure as such and the management of the affairs of the Corporate Debtor shall vest with the IRP.

e) 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.

f) 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 Organization (EPFO), Income tax department and concerned Electricity department about the initiation of CIRP against the Corporate Debtor within a period of three days.

g) 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.

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h) 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.

15. In the circumstances, Company Petition bearing *CP No. (IB)- 101/07/JPR/2025* is admitted.

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REETA KOHLI
JUDICIAL MEMBER

Sd/-
KAVITA BHATNAGAR
TECHNICAL MEMBER