IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, COURT NO. I
KOLKATA

Company Petition (IB) No. 61/KB/2026

An Application under Section 7 of the Insolvency and Bankruptcy Code, 2016, read with Rule 4 of the Insolvency and Bankruptcy (Application to the Adjudicating Authority) Rules, 2016.

IN THE MATTER OF:
Athena Mercantile Private Limited

... Financial Creditor/ Applicant.

Versus

M/s. Anmol Niryat Private Limited

... Corporate Debtor/ Respondent.

Date of Pronouncement: 30.07.2026.

Coram:
SMT. BIDISHA BANERJEE, MEMBER (JUDICIAL)
MS. REKHA KANTILAL SHAH, MEMBER (TECHNICAL)

Appearance:

Ms. Zeba Khan, Adv.	]	For Financial Creditor
Mr. Somesh Ghosh, Adv.	]	
Ms. Namrrataa Basu, Adv.	]	For Corporate Debtor

ORDER

PER Rekha Kantilal Shah, Member (Technical):

1. The Court congregated through hybrid mode.

2. Heard the Learned Counsels for both the parties.

3. Factual matrix:

The instant company petition has been filed under Section 7 of the Insolvency and Bankruptcy Code, for brevity I&B Code, read with Rule 4 of the Insolvency and Bankruptcy (Application to the Adjudicating Authority) Rules, 2016, by **"Athena Mercantile Private Limited"**, hereinafter referred to as **"Financial Creditor"/ "Applicant"** against "**M/s. Anmol Niryat Private Limited"**, hereinafter referred to as "**Corporate Debtor"/ "Respondent"** seeking direction to initiate Corporate Insolvency Resolution Process (for brevity "CIRP") in respect of the Corporate Debtor due to a default in repayment of a financial debt amounting to Rs. 2,52,46,479/-.

4. Submissions of the Applicant:

4.1. It is submitted that the CD had approached the FC for availing business loan of Rs. 1,35,00,000/- and the FC had agreed for the same and a loan agreement was executed between the FC and the CD on 15th June, 2018 (Annexure A-6 at page 35-46 of the Application).

4.2. The FC had granted a business loan of Rs. 1,35,00,000/- to Corporate Debtor, which was repayable with interest at the rate of 10% p.a.

(Annexure A-7 at page 47-49 of the Application). The dates of disbursement are:

i. 10.07.2018 – Rs. 25,00,000/-

ii. 17.07.2018 – Rs. 20,00,000/-

iii. 18.07.2018 – Rs. 50,00,000/-

iv. 31.07.2018 – Rs. 25,00,000/-

v. 07.08.2018 – Rs. 15,00,000/-

4.3. It is further submitted that as per the loan agreement, interest for the year ended 31st March every year, was due on 7th May of the respective year.

4.4. It is further submitted that the FC has requested every year in the month of April to the CD for the confirmation of accounts for the previous financial year ended 31st March, and the CD has signed the same (Annexure A-12 at page 66-72 of the Application).

4.5. Further that the Financial Creditor had issued a letter dated 8th May, 2025 to the CD, demanding payment of the interest for the year ended 31st March, 2019 to 31st March, 2025 (Annexure A-8 at page 50 of the Application).

4.6. It is further submitted that the CD assured the FC that the total loans along with interest will be paid shortly as agreed by and between the parties.

4.7. Further that the FC had followed up with the CD by sending letters dated 1st August, 2025 and 5th November, 2025, for payment of the interest for the year ended 31st March, 2019 to 31st March, 2025 (Annexure A-9 at page 51-52 of the Application).

4.8. Further that on 10th December, 2025 and 19th December, 2025, the FC called upon the CD to pay the principal loan amount along with the interest for the year ended 31st March, 2019 to 31st March, 2025 along with penal interest at 0.25% p.m. (Annexure A-10 and A-11 at page 53-57 and page 58-65 of the Application).

4.9. The said letter dated 10th December, 2025, has not been responded by the CD and the letter dated 19th December, 2025, which was sent vide speed post, was returned with the postal remark "Returned to sender – unclaimed".

4.10. It is further submitted that the FC by a letter dated 8th January, 2026 addressed to the Registered office of the CD vide speed post called upon the CD to pay a total sum of Rs. 2,52,46,479/- towards the principal loan amount of Rs. 1,35,00,000/- along with interest @10% p.a. amounting to Rs. 90,35,753/- and penal interest at 0.25% p.m. amounting to Rs. 27,10,479/- immediately and the same was duly received by the CD on 10th January, 2026 (Annexure A-13 at page 73-77 of the Application).

4.11. It is further contended that despite receipt of the aforesaid letters, the CD did not pay the aforesaid sum or reply to the letters.

4.12. Further the FC by way of supplementary affidavit dated 01.06.2026 brought on record the MOA and AOA of the FC to show that the object clause 7 of the III (B) of the MOA has permitted the FC to give loan to the other body corporate (Annexure A at page 4-15 of the Supplementary Affidavit dated 01.06.2026).

5. Submissions of the Respondent:

5.1. Per contra, the Ld. Counsel for the Respondent would submit that the applicant is deliberately misusing the provisions of the I&B Code, 2016, as a substitute of debt recovery mechanism.

5.2. Further the Ld. Counsel for the Respondent argued that the application has been filed in derogation of the provisions and objectives of the I&B Code, 2016, and is hit by Section 65 of the I&B Code, 2016, and is liable to be dismissed.

5.3. It is further submitted that the Respondent had approached the Applicant seeking a business accommodation loan for the purpose of expansion of its business, to which the Applicant granted a loan of Rs. 1,35,00,000/- to the Respondent Company and the rate of interest was 10% p.a. at the time of taking the loan, payable annually.

5.4. It is further submitted that the Respondent Company has been facing loss due to its internal problem, and was not healthy enough to pay the interest, and for that the Director of the Respondent Company immediately contacted the Applicant and requested some time to pay the interest at the rate of 12% p.a. instead of 10% for the aforesaid quarter, to which the Applicant has agreed.

5.5. It is further submitted that although additional time was granted to the Respondent Company to repay the loan, the Applicant sent a letter dated 8th January, 2026, demanding repayment of a total amount of Rs. 2,52,46,479/- towards the principal loan amount of Rs. 1,35,00,000/- along with interest @10% p.a. and penal interest at 0.25% p.m. immediately.

5.6. Further it is alleged that the representatives of the Respondent Company tried several times to contact the applicant and solve the matter amicably, but all efforts went in vain.

5.7. It is further contended that the Respondent Company is a completely solvent company and only requires some time to pay the interest and penal interest.

5.8. Further, it is submitted that the Respondent Company is willing to proceed with the agreement as per Clause 9 of Schedule 1 of the Loan Agreement, which provides that the tenure of the agreement is 120 months.

6. Analysis and Findings:

6.1. We have gone through the case file carefully and perused the pleadings of the parties and documents placed on record by the parties and heard the arguments put forth by learned Counsels for the parties; and after hearing the learned counsels for the parties, we shall now proceed to consider the present petition on its merits, specifically within the ambit of points involved in the instant application.

6.2. At the outset, it is pertinent to note that the scope of enquiry under Section 7 of the Insolvency and Bankruptcy Code, 2016, is limited to ascertaining the existence of a financial debt and the occurrence of default. The solvency of the Corporate Debtor or the feasibility of recovery are not determinative factors at the stage of admission. The relevant extract of Section 7 of the I&B Code, 2016 are:

"Section 7(4). The Adjudicating Authority shall, within fourteen days of the receipt of the application under sub-section (2), ascertain the ***existence of a default*** *from the records of an information utility or on the basis of other evidence furnished by the financial creditor under sub-section (3)*

Section 7(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; or*

(b) reject the application, if it is satisfied that a default has not occurred or the application under sub-section (2) is incomplete or a disciplinary proceeding is pending against the proposed resolution professional:

…………………………….."

6.3. It is the case of the Financial Creditor that the FC had granted a loan of Rs. 1,35,00,000/- to the CD on being approached by the CD, payable at an interest of 10% p.a. and a loan agreement was executed by them on 5th June, 2018.

6.4. It is observed that the terms of the Loan Agreement dated 5th June, 2018 make it clear that there will be a default if the terms of repayment/ interest payment are not adhered to. Further the terms provides that if the borrower defaults in its payment terms and fails to cure the default within the next month, the Lender may declare the entire amount of principal and accrued interest due and payable. The relevant provisions of the loan agreement dated 5th June, 2018, on the event of default are extracted below. (Annexure A-6 at page 35-46 of the Application)

Clause 7 and 8 of the Loan Agreement dated 5th June, 2018:

7. Event of Default

The happening of the following events shall constitute an event of default ("Event of Default"):

a) Any non-compliance by the Borrower of the terms & conditions of this Agreement or any other agreement entered into in respect of this Loan or any other financial assistance availed of by the Borrower from the Lender;

b) Any breach of this Agreement by the Borrower;

c) Non adherence to the terms of repayment/ interest payment;

d) Insolvency, winding up, dissolution of the Borrower and inability of the Borrower to repay their debts;

e) Any concealment of any material document or event by the Borrower.

8. Consequences of an Event of Default

a) The entire Loan Amount along with Interest for the entire period shall immediately become due and payable, and the Lender shall have the right to recall the entire loan together with interest for the entire period, the overdue interest arising on account of default.

Schedule I of the Loan Agreement dated 5th June, 2018:

13	Payment Terms	Interest shall be served annually in the following manner a) Payment of interest for the year ended on 31st March every year, will become due and needs to be paid by or before 7th of May of the respective year

15	Default	If the Borrower defaults on its payments mentioned under Clause No 7, and fails to cure the default within the next month, the Lender will have the option to declare the entire amount of principal and accrued interest immediately due and payable

6.5. The Bank statement of the FC also undisputedly brought on record the details of the disbursement of loan to the CD (Annexure A-7 at page 47-49 of the Application) The relevant extract are given below for reference:

10-07-2018 12:09:42	10 Jul 2018	106448	RTGSOW:ANMOL NIRYAT PVT LTD-CNRBR52018071000764077	152	25,00,000.00		11,544.24
17-07-2018 13:42:20	17 Jul 2018	106450	RTGSOW:ANMOL NIRYAT PVT LTD-CNRBR52018071700527347	152	20,00,000.00		62,17,386.24
18-07-2018 12:58:55	18 Jul 2018	106451	RTGSOW:ANMOL NIRYAT PVT LTD-CNRBR52018071800539325	152	50,00,000.00		63,96,975.24
31-07-2018 14:51:47	31 Jul 2018	106455	RTGSOW:ANMOL NIRYAT PVT LTD-CNRBR52018073100652736	152	25,00,000.00		6,849.24
07-08-2018 11:11:23	07 Aug 2018	106457	RTGSOW:ANMOL NIRYAT PVT LTD-CNRBR52018080700716134	152	15,00,000.00		6,788.24

6.6. The confirmation of accounts and receipt of payments is clearly evident from the records and the same has not been disputed by the Corporate

Debtor (Annexure A-12 at page 66-72 and Annexure A-7 at page 47-49 of the Application).

6.7. Irrefutably and indisputably, there is an admission on the part of the Corporate Debtor of its debts and default and its liability to repay by way of reply affidavit dated 02.04.2026.

6.8. The FC had issued a letter dated 8th May, 2025 to the CD, followed by letters dated 1st August, 2025 and 5th November, 2025, demanding payment of the interest for the year ended 31st March, 2019 to 31st March, 2025 (Annexure A-8 at page 50 and Annexure A-9 at page 51-52 of the Application).

6.9. Further the FC by issuing letters dated 10th December, 2025 and 19th December, 2025, called upon the CD to pay the principal loan amount along with the interest for the year ended 31st March, 2019 to 31st March, 2025 along with penal interest at 0.25% p.m. (Annexure A-10 and A-11 at page 53-57 and page 58-65 of the Application).

6.10. The transactions between the parties establishes a “debt along with interest disbursed against the consideration for the time value of money” and appears to be “money borrowed against the payment of interest” which satisfies the definition of “financial debt” as in Sub section 8 of Section 5 of the IBC.

6.11. In view of the aforesaid documentary evidence, this Adjudicating Authority is satisfied that the Financial Creditor has established the existence of a financial debt.

6.12. Once the "debt' and "default" are admitted or established, the petition must be admitted.

6.13. We are fortified in our view with the decisions of Hon'ble Supreme Court which define "Financial Debt" and to initiate Corporate Insolvency Resolution process as under:

(a) Anuj Jain, Interim Resolution Professional for Jaypee Infratech Ltd. v. Axis Bank Limited reported in (2020) 8 SCC 401 in **para 43*:***

"*the basic elements are that it ought to be a disbursal against the consideration for time value of money."*

(Emphasis added)

(b) Indus Biotech Private Limited* v. *Kotak India Venture (Offshore) Fund reported in **(2021) 6 SCC 436: MANU/SC/0231/2021 (para 14)** that:

"*14.* *... in order to trigger an application, there should be in existence four factors: (i) there should be a 'debt' (ii) 'default' should have occurred (iii) debt should be due to 'financial creditor' and (iv) such default which has occurred should be by a 'corporate debtor...*"

(Emphasis added)

(c) Innoventive Industries Ltd.* v. *ICICI Bank reported in **(2018) 1 SCC 407: MANU/SC/1063/2017 has** laid down that:

"*27.* *The scheme of the Code is to ensure that when a default takes place, in the sense that a debt becomes due and is not paid, the insolvency resolution process begins. ...'*

"*28.* *... the corporate debtor is entitled to point out that a default has not occurred in the sense that the "debt", which may also include a disputed claim, is not due. A debt may not be due if it* *is not payable in law or in fact. The moment the adjudicating authority is satisfied that a default has occurred, the application must be admitted unless it is incomplete, …*"

xxx xxx xxx xxx

"**30.** *On the other hand, as we have seen, in the case of a corporate debtor who commits a default of a financial debt, the adjudicating authority has merely to see the records of the information utility or other evidence produced by the financial creditor to satisfy itself that a default has occurred. It is of no matter that the debt is disputed so long as the debt is "due" i.e., payable unless interdicted by some law or has not yet become due in the sense that it is payable at some future date. It is only when this is proved to the satisfaction of the adjudicating authority that the adjudicating authority may reject an application and not otherwise.*"

(Emphasis added)

7. In terms of the foregoing discussion, we **ALLOW** the application bearing **Company Petition (IB) No. 61/KB/2026** filed under **Section 7 of the I&B Code**, and accordingly, we order the initiation of **Corporate Insolvency Resolution Process (CIR Process)** in respect of the Corporate Debtor by the following **Orders**:

i. The Application filed by **Athena Mercantile Private Limited (Financial Creditors),** under Section 7 of the Insolvency & Bankruptcy Code, 2016, is hereby, **ADMITTED** for initiating the **Corporate Insolvency Resolution Process** in respect of **M/s. Anmol Niryat Private Limited (Corporate Debtor).**

ii. As a consequence of this Application being admitted in terms of Section 7 of the I&B Code, moratorium as envisaged under the provisions of Section 14(1) of the Code, shall follow in relation to the Respondent/(CD) as per clauses (a) to (d) of Section 14(1) of the Code. However, during the pendency of the moratorium period, terms of Section 14(2) to 14(3) of the Code shall come into force.

iii. Moratorium under Section 14 of the Insolvency & Bankruptcy Code, 2016, prohibits the following, as:

(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.

[Explanation.-For the purposes of this sub-section, it is hereby clarified that notwithstanding anything contained in any other law for the time being in force, a license, permit, registration, quota, concession, clearances or a similar grant or right given by the Central Government, State Government, local authority, sectoral regulator or any other authority constituted under any other law for the time being in force, shall not be suspended or terminated on the grounds of insolvency, subject to the condition that there is no default in payment of current dues arising for the use or continuation of the license, permit, registration, quota, concession, clearances or a similar grant or right during the moratorium period;]

iv. The supply of essential goods or services to the corporate debtor as may be specified shall not be terminated or suspended or interrupted during the moratorium period.

v. The provisions of sub-section (1) of the Section 14 shall not apply to such transactions as may be notified by the Central Government in consultation with any financial sector regulator**.**

vi. The Applicant has proposed the name of "Mr. Ritesh Agarwal", Reg. Address: Jindal Tower, Block C, Flat No. 301, 1a Kundan Bye Lane, Near Silver Jubilee Hospital, Haora, West Bengal – 711204, Correspondence Address: 6, Little Russel Street, Kankaria Estates, 7th Floor, Kolkata – 700071, West Bengal, IBBI Registration no. IBBI/IPA-001/IP-P-02296/2021-2022/13557 (Email address: ritesagarwal@gmail.com), as the "IRP". We have perused that there is a written communication and consent of IRP in Form 2. (Annexure 5 at page 30-34 of the Application), as per the requirement of Rule 9(l) of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016. There is a declaration made by him that there are no disciplinary proceedings pending against him with the Board or IPA with whom the member is registered. In addition, further necessary disclosures have been made by "Mr. Ritesh Agarwal" as per the requirement of the IBBI Regulations. Accordingly, he satisfies the requirement of Section 7(3)(b) of the code. Hence, we appoint 'Mr. Ritesh Agarwal" as the Interim Resolution Professional (IRP) of the Corporate Debtor to carry out the functions as per the I&B Code subject to submission of a valid Authorisation of Assignment in terms of regulation 7A of the Insolvency and Bankruptcy Board of India (Insolvency Professional) Regulations, 2016. The fee payable to IRP or the RP, as the case may be, shall be compliant with such Regulations, Circulars and Directions as may be issued by the Insolvency & Bankruptcy Board of India (IBBI). The IRP shall carry out his functions as contemplated by sections 15, 17, 18, 19, 20, 21 and other provisions of the I&B Code.

vii. In pursuance of Section 13 (2) of the Code, we direct the IRP or the RP, as the case shall cause a public announcement immediately with regard to the admission of this application under Section 7 of the Code and call for the submission of claims under Section 15 of the

Code. The public announcement referred to in Clause (b) of sub-section (1) of Section 15 of the Insolvency & Bankruptcy Code, 2016, shall be made immediately. The expression immediately means within three days as clarified by Explanation to Regulation 6 (1) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.

viii. During the CIR Process period, the management of affairs of the Corporate Debtor shall vest in the IRP or the RP, as the case may be, in terms of Section 17 of the I&B Code. Any person who is or has been personnel of the Corporate Debtor or its promoter, or is associated with the management of the Corporate Debtor, or engaged under a contract for service with the Corporate Debtor, shall provide all documents in their possession and furnish all information within their knowledge, and extend all assistance and cooperation to the Interim Resolution Professional as may be required for managing the affairs of the Corporate Debtor or performing the duties conferred upon the Interim Resolution Professional within one week from the date of receipt of this Order, in default of which coercive steps will follow. There shall be no future opportunities in this regard.

ix. The Interim Resolution Professional is also free to take police assistance to take full charge of the Corporate Debtor, its assets and its documents without any delay, and this Court hereby directs the concerned Police Authorities and/or the Officer-in-Charge of Local

Police Station(s) to render all assistance as may be required by the Interim Resolution Professional in this regard.

x. The IRP or the RP, as the case may be, shall submit to this Adjudicating Authority periodical report with regard to the progress of the CIR Process in respect of the Corporate Debtor.

xi. The Financial Creditors shall be liable to pay to IRP a sum of Rs. 3,00,000/- (Rupees Three Lakh Only) as payment of his fees as advance, as per Regulation 33(3) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, which amount shall be adjusted at the time of final payment. The expenses relating to the CIRP are subject to the approval of the Committee of Creditors (CoC).

xii. In terms of sections 7(5) and 7(7) of the Code, the Registry of this Adjudicating Authority is hereby directed to communicate this Order to the Financial Creditor, the Corporate Debtor and the Interim Resolution Professional by Speed Post and through email immediately, and in any case, not later than two days from the date of this Order.

xiii. Additionally, the Registry of this Adjudicating Authority shall serve a copy of this Order upon the Insolvency and Bankruptcy Board of India (IBBI) for their record and also upon the Registrar of Companies (RoC), to whom the company is registered with, by all available means for updating the Master Data of the Corporate Debtor. The said Registrar of Companies shall send a compliance report in this regard to the Registry of this Court within seven days from the date of receipt of a copy of this order.

xiv. The Resolution Professional shall conduct CIRP in a time-bound manner as per Regulation 40A of IBBI (Insolvency Resolution Process for Corporate Persons) Regulation, 2016.

xv. The IRP/RP shall be liable to submit the periodical report including the minutes of the CoC of the Corporate Debtor, with regard to the progress of the CIR Process in respect of the Corporate Debtor to this Adjudicating Authority from time to time.

xvi. The order of moratorium shall cease to have effect as per Section 14(4) of the I&B Code.

8. Certified copies of this order, if applied for with the Registry of this Adjudicating Authority, be supplied to the parties upon compliance with all requisite formalities.

9. Post the Company Petition on 31/08/2026 for filing the Periodical Progress Report by the IRP/RP as appointed herein.

REKHA KANTILAL SHAH
MEMBER (TECHNICAL)

BIDISHA BANERJEE
MEMBER (JUDICIAL)

This Order is signed on this, the 30th Day of July, 2026.

Sagar M. (LRA)