S.No.6

IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH – 1
VC AND PHYSICAL (HYBRID) MODE
ATTENDANCE CUM ORDER SHEET OF THE HEARING HELD ON
07-09-2026 After Court-II

CP (IB) 19/9/HDB/2025
u/s. 9 of IBC

IN THE MATTER OF:

M/s. Everest Organics Ltd., **…Petitioner/s**

Vs

M/s. Citizenplus Pharmaceauticals Pvt., Ltd., **…Respondent/s**

C O R A M:-
SHRI. RAJEEV BHARDWAJ, HON'BLE MEMBER (JUDICIAL)
SHRI. SANJAY PURI, HON'BLE MEMBER (TECHNICAL)

O R D E R

Orders pronounced. Recorded vide separate sheets.

In the result, CP (IB) 19/9/HDB/2025 is dismissed.

Sd/- **Sd/-**

MEMBER (T) **MEMBER (J)**

Apoorva

IN THE NATIONAL COMPANY LAW TRIBUNAL

HYDERABAD BENCH – I, HYDERABAD

In Company Petition (IB) No. 19/9/HDB/2025

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

IN THE MATTER OF M/S. CITIZENPLUS PHARMACEUTICALS PVT LTD (CORPORATE DEBTOR)

IN THE MATTER OF:

M/S. EVEREST ORGANICS LTD.,

Aroor Village, Sadasivapet Mandal,

Medak, Telangana, India – 502291 …. OPERATIONAL CREDITOR

Versus

M/S. CITIZENPLUS PHARMACEUTICALS PVT. LTD.,

FF5, Fourth Floor, Empire Square Road No.36,

Jubilee Hills, Hyderabad, Telangana, India – 500033 ...CORPORATE DEBTOR

Date of Order: 07.09.2026

CORAM:-

SH. RAJEEV BHARDWAJ, HON'BLE MEMBER (JUDICIAL)

SH. SANJAY PURI, HON'BLE MEMBER (TECHNICAL)

Counsels:

For the Applicant: Mr. Kailashnath PSS, Advocate

for the Respondent: *ex parte*

ORDER

1. The present petition is filed by the M/s. Everest Organics Ltd[1] under Section 9 of Insolvency and Bankruptcy Code, 2016 ("IBC") read with Rule 6 of Insolvency and Bankruptcy (Application to the Adjudicating Authority) Rules, 2016 against M/s. Citizenplus Pharmaceuticals Pvt. Ltd[2] inter alia seeking initiation of the Corporate Insolvency Resolution Process ("CIRP") for default of Rs. 1,35,88,280/- (Rupees One Crore Thirty Five Lakhs Eighty Eight Thousand Two Hundred Eighty Only).

Petition:

2. Operational Creditor is a pharmaceutical company engaged in the manufacture of specialized Active Pharmaceutical Ingredients (APIs) and intermediates and has its manufacturing facility at Sadasivpet, Hyderabad.

3. The Corporate Debtor has been carrying on business with the Operational Creditor since February 2022 and, from time to time, placed purchase orders upon the Operational Creditor for the supply of bulk drugs and APIs.

4. The Operational Creditor extended a credit period of 85 days from the date of supply of the goods under each invoice. However, despite expiry of the stipulated credit period, the Corporate Debtor failed to make payment in respect of six invoices raised between 31.08.2022 and 31.01.2023.

[1] herein after referred to as 'Petitioner' or 'Financial Creditor'
[2] herein after referred to as 'Respondent' or 'Corporate Debtor'

5. Petitioner submits that, against the invoice dated 31.08.2022 for a sum of Rs. 28,64,362/-, the Corporate Debtor made only a partial payment of Rs. 5,82,690/- through bank transfers dated 28.04.2023 and 19.05.2023, leaving the balance amount unpaid.

6. The Corporate Debtor, on several occasions, assured the Operational Creditor through telephone calls and WhatsApp communications that the outstanding dues would be cleared. However, despite such assurances, the Corporate Debtor failed to make payment of the outstanding dues.

7. Upon failure of the Corporate Debtor to clear the outstanding dues, the Operational Creditor issued a demand notice under Section 8 of IBC on 30.05.2024 through email to the registered email address of the Corporate Debtor as reflected on the MCA portal and also to the Directors of the Corporate Debtor. The Corporate Debtor neither disputed the claim nor made payment of the amount demanded under the said notice, which was stated to be Rs. 1,28,03,289/- along with interest.

8. As on 09.09.2024, a sum of Rs. 1,35,88,280/- was due and payable by the Corporate Debtor to the Operational Creditor.

Respondent:

9. Respondent was set ex parte vide order dated 28.04.2026.

Findings and Analysis:

10. We have considered the pleadings and the documents placed on record by the Petitioner. The Respondents were set ex parte vide order dated 28.04.2026 after being afforded sufficient opportunities to file their counter.

11. The Corporate Debtor had been purchasing bulk drugs and APIs from the Petitioner, against which six invoices were raised between 31.08.2022 and 31.01.2023[3]. According to the Petitioner, a credit period of 85 days was allowed for payment and the Corporate Debtor failed to discharge the amounts within the stipulated period.

12. The Petitioner issued a Demand Notice dated 27.05.2024, which was served by email dated 30.05.2024 upon the Corporate Debtor and its Directors under Section 8 of the IBC, claiming an amount of Rs. 1,28,03,289/- (including principal and interest calculated at 21.5%) as outstanding.

13. The Petitioner initially claimed an amount of Rs. 1,06,78,602/- under six invoices raised between 31.08.2022 and 31.01.2023. After giving credit for payments amounting to Rs. 5,82,690/- stated to have been received from the Corporate Debtor through bank transfers dated 28.04.2023 and 19.05.2023, the Petitioner has, in the present Petition, claimed an amount of Rs. 1,35,88,280/- as outstanding as on 09.09.2024, comprising principal of Rs. 1,00,95,912/- and interest of Rs. 34,92,369/- calculated at 21.5%.

14. Upon examination of the bank statements submitted by the Petitioner for the period from 01.10.2022 to 30.09.2024[4] we observed that an amount of Rs. 5,00,000/- was transferred from the account of the Corporate Debtor to the Petitioner on 28.04.2023 and a further amount of Rs. 5,00,000/- was transferred from the account of the Corporate Debtor to the Petitioner on 19.05.2023. Thus, the two transactions reflect aggregate payments of Rs. 10,00,000/-, whereas the Petitioner has accounted for only Rs. 5,82,690/- in its computation. Further, no

[3] Annexure- I at page 120- 143 of the Petition
[4] Annexure- J of the Petition

explanation has been furnished by the Petitioner for the difference between the payments reflected in the bank statements and the amount accounted for in the Petition.

15. It is noticed from the bank statements that payments aggregating to Rs. 1,18,00,000/- were transferred from the account of the Corporate Debtor to the Petitioner during the period from 22.11.2022 to 19.05.2023. The relevant transactions are set out below:

S.No	Date	Amount Transferred
1	22.11.2022	Rs. 10,00,000/-
2	26.12.2022	Rs. 10,00,000/-
3	31.12.2022	Rs. 10,00,000/-
4	04.01.2023	Rs. 15,00,000/-
5	09.01.2023	Rs. 10,00,000/-
6	10.01.2023	Rs. 10,00,000/-
7	13.01.2023	Rs. 10,00,000/-
8	08.02.2023	Rs. 5,00,000/-
9	13.02.2023	Rs. 10,00,000/-
10	04.03.2023	Rs. 3,00,000/-
11	27.03.2023	Rs. 10,00,000/-
12	17.04.2023	Rs. 5,00,000/-
13	28.04.2023	Rs. 5,00,000/-
14	19.05.2023	Rs. 5,00,000/-
Total		**Rs. 1,18,00,000/-**

16. The Petitioner has claimed a sum of Rs. 1,06,78,602/- under six invoices raised between 31.08.2022 and 31.01.2023; however, the bank statements placed on record reflect payments aggregating to Rs. 1,18,00,000/- made by the Corporate Debtor between 22.11.2022 and 19.05.2023, which have not been apportioned by the Petitioner against

the invoices forming the basis of the present claim. No invoice-wise statement of account has been placed on record to indicate the manner in which the said payments have been adjusted against the invoices relied upon by the Petitioner. In the absence of such a statement, the amount actually outstanding under the invoices relied upon by the Petitioner cannot be ascertained after taking into account the payments reflected in the bank statements.

17. Moreover, the invoices and purchase orders relied upon by the Petitioner suffers from substantial deficiencies. The two invoices dated 31.08.2022, for Rabeprazole API in quantities of 500kg and 250kg respectively, refer to Purchase Order No. CPPL/08/223/056 dated 19.08.2022[5]. The said purchase order specifies a quantity of 1,000 kg (Rabeprazole API), whereas the two invoices together cover only 750 kg. The balance quantity of 250 kg has not been explained by the Petitioner. No material has been placed on record to establish whether the balance quantity was subsequently supplied, covered by another invoice, or whether the purchase order was modified or partially cancelled.

18. Similarly, the invoices dated 31.12.2022 and 31.01.2023, each for a quantity of 200 kg (Rabeprazole API), refer to Purchase Order No. CPPL/12/2223/114 dated 23.12.2021[6]. The purchase order specifies a quantity of 1,000 kg, whereas the two invoices together cover only 400 kg. The remaining quantity of 600 kg has not been accounted for and no explanation or supporting document has been furnished in this regard.

19. Further, the invoices dated 28.11.2022 and 30.11.2022, both pertaining to the purchase of Rabeprazole API, are not supported by a consistent purchase order. The record contains two documents bearing the same

[5] Annexure- H at page 117 of the Petition
[6] Annexure- H at page 118 of the Petition

Purchase Order No. CPPL/11/2223/096 and dated 14.11.2022[7], but specifying different quantities of 1,000 kg and 500 kg, respectively. The Petitioner has not clarified whether one of the documents constitutes a revised purchase order or whether the two documents relate to separate transactions. In the absence of such clarification, the basis for issuance of the aforesaid invoices remains unexplained.

20. The aforesaid discrepancies are material to the determination of the amount claimed by the Petitioner. Where the quantities specified in the purchase orders do not correspond with those reflected in the invoices, the variation ought to be supported by contemporaneous correspondence, revised purchase orders, delivery records or other supporting material. No such document has been placed on record to explain such discrepancy.

21. It is further noticed that the invoices relied upon by the Petitioner do not bear any acknowledgement of the Corporate Debtor. The Petitioner has not produced any documents evidencing the receipt of the invoices by the Corporate Debtor. In these circumstances, the invoices generated by the Petitioner, when considered along with the unexplained discrepancies in the purchase orders and the payments reflected in the bank statements, do not satisfactorily establish the precise liability alleged to be outstanding.

22. It is a settled proposition of law that, in proceedings under Section 9 of the IBC, the Adjudicating Authority cannot be called upon to undertake a detailed reconciliation of accounts to determine the amount of debt and default. The Applicant is required to establish a specific and ascertainable amount of debt due and payable. In the present case, the

[7] Annexure- H at page 115-116 of the Petition

Petitioner has failed to establish the amount of debt outstanding, as the payments reflected in the bank statements have not been apportioned against the invoices forming the basis of the present claim and the discrepancies in the underlying documents remain unexplained.

23. In view of the foregoing findings, the present Petition is not maintainable and is liable to be dismissed.

Accordingly, the present Company Petition is dismissed and disposed off.

Sd/-

SANJAY PURI

MEMBER (TECHNICAL)

Sd/-

RAJEEV BHARDWAJ

MEMBER (JUDICIAL)