ASHIANA ISPAT LIMITED

(Under Corporate Insolvency Resolution

Mr. Prashant Agrawal,
Interim Resolution Professional
Reg No. IBBI/IPA-001/IP-P00053/2017-18/10127

Address: Building No. F – 174, First Floor (F – 106), Sumer Complex, Gautam Marg, B/h Bagadia Bhawan, C – Scheme, Jaipur -302001
Email Address: ippagrawal@gmail.com / cirp.ashianaispat@gmail.com

Date: **27.11.2026**

To,
The General Manager
Listing Department / Department of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001

Scrip Code: **513401** | ISIN: INE587D01012

Subject: Intimation under Regulation 30 read with Item 16 of Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 — Commencement of Corporate Insolvency Resolution Process, appointment of Interim Resolution Professional, and limited operational authorisation of the Chief Financial Officer

Dear Sir/Madam,

With reference to your email dated Fri, Nov 27, 2026 in the matter of "Clarification on non-submission regarding initiation of CIRP under Regulation 30 of SEBI (LODR) Regulations, 2015 (Ashiana Ispat Ltd - 513401)", we submit the following clarification.

1. Commencement of CIRP

We wish to inform you that the Hon'ble National Company Law Tribunal, Jaipur Bench ("NCLT"), by its order dated 03.07.2026 in CP No. (IB)-25/9/JPR/2025, has admitted the application filed under Section 9 of the Insolvency and Bankruptcy Code, 2016 ("the Code") and initiated the Corporate Insolvency Resolution Process ("CIRP") of Ashiana Ispat Limited ("the Company"). A moratorium under Section 14 of the Code has been declared. The particulars required to be disclosed under Item 16 of Para A of Part A of Schedule III are given in Annexure A, and a copy of the NCLT order is enclosed.

2. Appointment of IRP and suspension of the Board

By the said order, **Mr. Prashant Agrawal** (IBBI Reg. No. IBBI/IPA-001/IP-P00053/2017-18/10127) has been appointed as the Interim Resolution Professional ("IRP") of the Company. In terms of Section 17 of the Code, the powers of the Board of Directors of the Company stand suspended and are exercised by the IRP, and the management of the affairs of the Company vests in the IRP.

In terms of Regulation 15(2A) and 15(2B) of the Listing Regulations, the provisions of Regulations 17 to 21 do not apply to the Company during the CIRP, and the roles and responsibilities of the Board of Directors and its committees under those Regulations are being fulfilled by the IRP in accordance with Sections 17 and 25 of the Code.

3. Authorisation of the Chief Financial Officer

To facilitate administrative and operational support for compliance with the Listing Regulations, the IRP has granted limited operational authorisation to Mr. Shakti Sharma, Chief Financial Officer of the Company, strictly on a ministerial and operational basis, by the authorisation enclosed as Annexure B:

I. to upload, submit, and file periodic compliance reports, intimations, disclosures, financial results, and statements with BSE Limited under the Listing Regulations, strictly in the exact form and text approved in writing by the IRP;

II. to facilitate administrative filings as Key Managerial Personnel under Regulation 30(5) of the Listing Regulations, with final determination of materiality and content approval remaining solely with the IRP;

III. to operate the BSE Listing Centre login credentials of the Company exclusively for executing filings approved in writing by the IRP, and to forward routine correspondence from BSE Limited, the Registrar and Share Transfer Agent, and the depositories immediately to the IRP.

Every document so signed, uploaded, or filed shall be issued only after the prior express written approval of the IRP, with a copy and filing acknowledgement sent to the IRP on the same day. The contact details of the authorised person are: **Mr. Shakti Sharma, Chief Financial Officer, Tel: +91-9314115164, Email: cirpcommunication.ashianaispat@gmail.com.** The Company Secretary continues as the Compliance Officer under Regulation 6 of the Listing Regulations.

4. Reason for delay

The non-submission of the disclosure under Regulation 30 of the SEBI (LODR) Regulations, 2015, within the prescribed timeline was inadvertent and occurred due to operational circumstances arising immediately after commencement of CIRP, including the transition of management and control of the affairs of the Company to the IRP. During this

period, efforts were focused on taking charge of the corporate debtor, securing records, and attending to statutory requirements under the Insolvency and Bankruptcy Code, 2016, while the order of admission was also under challenge; accordingly, the intimation was not made within the timeline specified under Regulation 30(6) of the Listing Regulations. It is acknowledged that the pendency of proceedings did not suspend the disclosure obligation, and the delay is regretted, with this disclosure and the relevant particulars being submitted now.

There was no intention on the part of the Company to withhold any material information from the Exchange, and the delay was unintentional. The Exchange will be promptly informed of any order passed in the pending appellate/court proceedings in the matter. We request you to kindly take the above on record and disseminate it to the members of the Exchange and the investors.

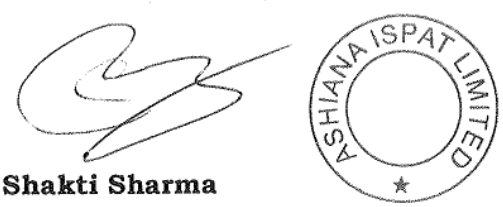
Thanking you,

Yours faithfully,

Ashiana Ispat Limited (under CIRP)



For Prashant Agarwal
Interim Resolution Professional
(IBBI Reg. No. IBBI/IPA-001/IP-P00053/2017-18/10127)



Shakti Sharma
CFO

Encl.: (1) Copy of NCLT order dated 03.07.2026;

(2) Authorization letter

ANNEXURE A

ASHIANA ISPAT LIMITED

(Under Corporate Insolvency Resolution

Mr. Prashant Agrawal,
Interim Resolution Professional
Reg No. IBBI/IPA-001/IP-P00053/2017-18/10127

Address: Building No. F – 174, First Floor (F – 106), Sumer Complex, Gautam Marg, B/h Bagadia Bhawan, C – Scheme, Jaipur -302001
Email Address: ippagrawal@gmail.com / cirp.ashianaispat@gmail.com

AUTHORISATION

Date: **27.11.2026**

I, Prashant Agrawal (IBBI Reg. No. IBBI/IPA-001/IP-P00053/2017-18/10127), Interim Resolution Professional ("IRP") of Ashiana Ispat Limited ("the Company"), appointed by the Hon'ble National Company Law Tribunal, Jaipur Bench ("NCLT"), by order dated 03.07.2026 in CP No. (IB)-25/9/JPR/2025, exercising the powers of the Board of Directors under Section 17 of the Insolvency and Bankruptcy Code, 2016 ("the Code"), hereby grant limited operational authorisation to Mr. Shakti Sharma, Chief Financial Officer of the Company (PAN: BXJPS3048H), strictly in accordance with the terms and conditions set out below, to do the following ministerial and operational acts on behalf of the Company (under CIRP):

(a) upload, submit, and file periodic compliance reports, intimations, disclosures, financial results, and statements with BSE Limited under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), strictly in the exact form and text approved in writing by me;

(b) facilitate administrative filings as Key Managerial Personnel under Regulation 30(5) of the Listing Regulations, provided that final determination of materiality and approval of the content of every disclosure shall remain solely with me;

(c) operate the login credentials of the Company on the BSE Listing Centre exclusively for executing filings duly approved in writing by me; and

(d) forward routine administrative correspondence received from BSE Limited, the Registrar and Share Transfer Agent, and the depositories immediately to me, and transmit replies strictly as approved in writing by me.

This authorisation is strictly subject to the following binding conditions:

I. no intimation, disclosure, financial result, statement, reply, or document shall be signed, uploaded, or filed without my prior express written approval (including via official email from ippagrawal@gmail.com or cirp.ashianaispat@gmail.com), and a

timestamped copy along with filing acknowledgement of each submission shall be sent to me on the very same day of filing;

II. the authorised person shall have no authority to independently determine materiality, alter approved text, or make any representation, admission, commitment, or statement on behalf of the Company or the IRP beyond the exact documents approved in writing by me;

III. nothing contained herein shall transfer or delegate to the authorised person any statutory power, discretion, duty, or responsibility vested exclusively in me under Sections 17, 18, 20, or 25 of the Code, and the authorised person shall function strictly under my superintendence, direction, and control;

IV. the authorised person shall maintain strict confidentiality of the BSE Listing Centre login credentials, shall not share them with any third party or erstwhile management personnel, and shall be personally accountable for any unauthorized filing, omission, or misuse of portal access;

V. this authorisation is valid from the date hereof until the earlier of its written revocation, the replacement of the undersigned, or the conclusion of the CIRP. The undersigned reserves the absolute and unilateral right to suspend, modify, or revoke this authorisation at any time with immediate effect, without assigning any reason, via written notice or email, and any continuation beyond the IRP tenure shall remain strictly subject to applicable provisions of the Code and regulations thereunder.

For Ashiana Ispat Limited (under CIRP)

For Ashiana Ispat Limited (under CIRP)



Prashant Agarwal
Interim Resolution Professional
IBBI Reg. No.: IBBI Reg. No. IBBI/IPA-001/IP-P00053/2017-18/10127)

Accepted



Shakti Sharma
Chief Financial Officer
Specimen signature:

ANNEXURE B

Particulars under Item 16 of Para A of Part A of Schedule III of the SEBI (LODR) Regulations, 2015

No.	Particulars	Details
1	Name of the corporate debtor	Ashiana Ispat Limited (CIN: L27107RJ1992PLC006611)
2	Adjudicating Authority / case number	Hon'ble National Company Law Tribunal, Jaipur Bench — CP No. (IB)-25/9/JPR/2025
3	Applicant and provision under which the application was filed	**Mani Mahesh Ispat Pvt Ltd** — application under Section 9 of the Insolvency and Bankruptcy Code, 2016 ("the Code")
4	Amount of default claimed in the application	Rs. **5,73,65,819/-**
5	Date of order admitting the application / insolvency commencement date	03.07.2026
6	Date of receipt of the order	**03.07.2026**
7	Moratorium	Moratorium under Section 14 of the Code declared with effect from 03.07.2026
8	Name and IBBI registration number of the Interim Resolution Professional	**Prashant Agrawal**, Reg. No. **IBBI/IPA-001/IP-P00053/2017-18/10127**; AFA suspended w.e.f. 24.08.2026
9	Address and email of the IRP for correspondence	**ippagrawal@gmail.com**
10	Date of public announcement under Section 13 of the Code (Form A)	**05.07.2026** — copy enclosed
11	Last date for submission of claims	**17.07.2026**
12	Estimated date of closure of the insolvency resolution process (180 days from commencement, subject to the Code)	**30.12.2026**

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)25/9/JPR/2025

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

IN THE MATTER OF:

MANI MAHESH ISPAT PVT. LTD

.... Operational Creditor

VERSUS

ASHIANA ISPAT LIMITED

...Corporate Debtor

MEMO OF PARTIES

MANI MAHESH ISPAT PVT. LTD
Registered Office:
Flat No. 47-E, 4th Floor, Landmark Near City Center, Shalimar Bagh (North West Delhi), North West Delhi Blk-Bw, Shalimar Bagh, New Delhi- 1100088
Through its authorized Representative *Mr. Navnitya Parkash Goyal*

...Operational Creditor

Sd/-

Sd/-

VERSUS

ASHIANA ISPAT LIMITED LTD.
A-1116 & 1117, RIICO Industrial Area Phase III. Bhiwadi, Alwar, Rajasthan – 301019
Also, At:
908-910, Pearls Best Heights II, Netaji Subhash Palace, Pitampura, New Delhi- 110034.

...Corporate Debtor

For the Operational Creditors	:	Ashish Sharma, Adv. Ankit Jain, Adv. Sanskriti Sharma, Adv. Samyak Jain, Adv.
For the Corporate Debtor	:	Hemant Kothari, Adv Parneet Kaur, Adv

Order Pronounced On: 03.07.2026

ORDER

Per: Ms. Reeta Kohli, Judicial Member

1. The present Petition has been preferred under Section 9 of the Insolvency and Bankruptcy Code, 2016 ('IBC'/ 'Code') by *M/s MANI MAHESH ISPAT PVT. LTD.* ('Operational Creditor'/ 'Petitioner') seeking initiation of Corporate Insolvency Resolution Process of *M/s ASHIANA ISPAT LIMITED LTD.* ('Corporate Debtor'/ 'Respondent') on account of default in payment of Rs. 5,73,65,819/- (Rupees Five Crore Seventy-Three Lakhs Sixty-Five Thousand Eight Hundred Nineteen Only).

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Sd/-

2. The Petitioner is a registered company incorporated under the provisions of the Companies Act, 1956, having its registered office at Flat No. 47-E, 4th Floor, Landmark Near City Center, Shalimar Bagh (North West Delhi), North West Delhi Blk-Bw, Shalimar Bagh, New Delhi- 1100088. Petitioner is engaged in the business of sale of steel products and delivers a comprehensive range of flat and long steel products. The present petition is filed by its authorized representative namely *Mr. Navnitya Parkash Goyal.*

3. The Corporate Debtor is a limited company registered and incorporated under the provisions of the Companies Act, 1956 on 25.03.1992. The registered office of the Corporate Debtor is situated at A-1116 & 1117, RIICO Industrial Area Phase III, Bhiwadi, Alwar, Rajasthan – 301019.

4. As per the Part-IV of Petition under Section 9 of the Code, the instant Petition pertains to default in payment of Rs. 5,73,65,819/- (Rupees Five Crore Seventy-Three Lakhs Sixty-Five Thousand Eight Hundred Nineteen Only) with respect to invoices from 29.04.2023 to 12.09.2023 and two debit notes dated 23.09.2023 raised by Operational Creditor. The relevant details as reflected in Part IV of the Petition are as follows:-

Sd/-

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PART-IV

PARTICULARS OF OPERATIONAL DEBT		
1.	TOTAL AMOUNT OF DEBT, DETAILS OF TRANSACTIONS ON ACOUNT OF WHICH DEBT FELL DUE, AND THE DATE FROM WHICH SUCH DEBT FELL DUE	Rs. 5,73,65,819/- in words (Rupees Five Crore Seventy-Three Lakhs Sixty Five Thousand Eight Hundred Nineteen only) as on 30.9.2023 1. The Applicant, Mani Mahesh Ispat Pvt Ltd is inter alia engaged in the business of sale of steel products. That, the MCA Master Data of the applicant is being filed herewith as **Annexure-P1**. 2. The corporate debtor's Master Data is being filed herewith as **Annexure-P2.** 3. That, the operational creditor/Applicant is being represented through its authorized representative/director Mr. Navnitya Prakash Goyal is being filed herewith as **Annexure-P3.** 4. The Corporate Debtor used to regularly place verbal orders for purchase of steel products (Mild Steel Billets and Mild Steel Ingots) from the Operational Creditor. Accordingly, the Operational Creditor used to raise its invoices which were cleared by the Corporate Debtor. 5. Despite repeated reminders and requests, the Corporate Debtor has failed to make the

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		payment towards 27 invoices and two debit notes raised by the Operational Creditor amounting to Rs 5,73,65,819/- in words (Rupees Five Crore Seventy-Three Lakhs Sixty-Five Thousand Eight Hundred Nineteen only). That, the Copy of the invoices along with the E-way bill and receipts of weighing scales is annexed herewith as **Annexure- P4 (Colly)** and the copy of tabular chart in respect of computation of unpaid operational debt and dates of default as **Annexure-P5.** 6. That, the Operational Creditor has also deposited the GST on the said invoices during the relevant period and is therefore entitled to recover the same from the Corporate Debtor and the same is duly reflected in Form No. GSTR1/IFF. It is further pertinent to state herein that the Corporate Debtor has also deducted the TDS amount on the unpaid invoices and the same is duly reflected in Form 26AS. That, the Copy of the relevant GST Return and TDS Form is being filed herewith as **Annexure-P-6 (colly)** 7. That, the Copy of the ledger account of the

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		Operational Creditor as maintained by the Corporate Debtor is filed herewith as **Annexure-P-7.** 8. The Copy of the ledger account of the Corporate Debtor as maintained by the Operational Creditor is filed herewith as **Annexure-P-8.** 9. That, the Corporate Debtor has lastly made a payment of Rs. 45,00,000/- (Rs. Forty Five Lakhs only) on 30.9.2023 on lump sum basis which is reflected in the Ledger of operational creditor. 10. That, on 13.12.2023 on FIR was filed by the operational creditor against the corporate debtor under sections 420 and 406 of IPC. The copy of an FIR dated 13.12.2023 hereto and marked as **Annexure- P-9.** 11. The corporate debtor has issued cheques against the outstanding amount of Rs. 5,73,65,819/- in words (Rupees Five Crore Seventy-Three Lakhs Sixty-Five Thousand Eight Hundred Nineteen only) on 21.10.2024, 22.10.2024, 23.10.2024 of Rs. 2,00,00,000/- bearing no. 635252, Rs. 2,00,00,000/- bearing no. 635253 and Rs.

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		1,73,65,819/- bearing no. 635354 respectively which were presented by the operational creditor; thereon, the aforesaid cheques were dishonored on 10.01.2025 with the remark 'exceed arrangement'. The cheques were presented in the month of January 2025. At the time of giving the cheques it was requested by the corporate debtor to present the cheques in the month of January 2025 with an assurance that on presentation the cheques will be cleared provided the same are presented in January 2025. The copy of cheques dated 21.10.2024, 22.10.2024, 23.10.2024 and the return memo dated 10.01.2025 is hereto annexed as **Annexure- P-10 (colly).** 12. That, as on 30.09.2023, the Corporate Debtor was liable to pay a total amount of Rs. 5,73,65,819/- in words (Rupees Five Crore Seventy-Three Lakhs Sixty-Five Thousand Eight Hundred Nineteen only) to the applicant as per the Ledger account by the Applicant. The Copy of the bank statement of the operational creditor's account is hereto marked and annexed as **Annexure-P11.**

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		13. That, the Operational Creditor has made numerous phone calls, emails dated 01.11.2023, 03.11.2023, 08.11.2023, 14.11.2023, 02.12.2023, 09.12.2023, 15.12.2023, 19.12.2023, 25.12.2023, 09.01.2024 and 25.01.2024 and personal visits along with emails from time to time in order to communicate about the debt to the corporate debtor but the corporate debtor every time gave false assurances to return the money. The Corporate Debtor never raised any dispute and neither denied making payment to the Operational Creditor but the Money has not been paid to the Operational Creditor till date. The copy of e-mails have been marked and annexed as **Annexure-P12 (Colly).** 14. That, a Demand Notice u/s 8 of the IBC, dated 10.01.2025 was sent to the Corporate Debtor on 10.01.2025 through speed post with Registered A.D on the registered address and other address of the corporate debtor. The notice sent on registered address returned with the remark as "Item Delivered (sender)", and notice sent on another address was delivered on

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		15.01.2025. The operational creditor also sent the aforesaid notice through email dated 10.01.2025 which was also delivered. The copy of Demand Notice u/s 8 of the IBC, dated 10.01.2025, postal receipts, online delivery report, and email dated 10.01.2025 is hereto annexed and filed as **Annexure-P13 (Colly).** 15. That, the corporate debtor did not give any reply to the notice under section 8 of IBC. 16. That, the Corporate Debtor is liable to make the Balance Payment to Operational Creditor with Interest thereafter since the time claimed amount became due. A lot of communication through mails and letters were done by the Operational Creditor to the Corporate Debtor demanding the due payment but the Corporate Debtor did not respond the said e-mails despite receipt, which proves that the Corporate Debtor did not raise any dispute as regards the transaction. The present dispute has not become time barred on the grounds of limitation since the Corporate Debtor has failed to reply to the demand notice dated 10.01.2025 sent by way of post and email.

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		That the goods with the respect to the unpaid invoices were supplied by the Operational Creditor to the Corporate Debtor in the year 2023. Therefore, the present application has been filed well within the limitation period. 17. That, the Operational Creditor has suffered a lot of Mental pain and harassment at the hands of the Corporate Debtor; therefore, Operational Creditor is claiming outstanding amount of Rs. 5,73,65,819/- in words (Rupees Five Crore Seventy-Three Lakhs Sixty-Five Thousand Eight Hundred Nineteen only) from the Corporate Debtor along with Interest @ 12% P.A. since 30.09.2023 till the date of payment.
2.	AMOUNT CLAIMED TO BE IN DEFAULT AND THE DATE AT WHICH THE DEFAULT OCCURRED (ATTACH THE WORKINGS FOR	**5,73,65,819/-** in words (Rupees Five Crore Seventy-Three Lakhs Sixty-Five Thousand Eight Hundred Nineteen only) **Date of Default**: 30.09.2023 The default first occurred on 29.04.2023, when the Corporate Debtor failed to make full payment of Rs. 24,15,130/- towards the invoice bearing 21, e-way bill no. 791335632724 dated 29.04.2023 and paid

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	COMPUTATION OF AMOUNT AND DATES OF DEFAULT IN TABULAR FORM)	dome amount against aforesaid invoice of Rs. 13,25,901/- and outstanding amount against the said bill is Rs. 10,89,229/-. The Corporate Debtor has lastly made payment of Rs. 45,00,000/- on 30.09.3023. 1. The operational creditor's bank has given the confirmation that 'non receipt of payment from M/s Ashiyana Ispat during the period of 30.09.2023 to 13.01.2025'. that since then, the Corporate Debtor has failed to discharge its debts, even in partial manner. The copy of confirmation letter dated 13.01.2025 hereto and marked as **Annexure-P-14.**

5. The submissions of Operational Creditor on the basis of which the instant Petition under Section 9 of the Code has been filed are as follows:-

5.1. Operational Creditor herein was incorporated on 30.03.2006 under the provisions of the Companies Act and is engaged, inter alia, in the business of manufacture and sale of steel products. The Corporate Debtor had been maintaining regular business relations with Operational Creditor and used to place verbal orders from time to time for the purchase of steel products, including Mild Steel Billets and Mild Steel

Ingots. Pursuant to such orders, Operational Creditor supplied the goods to the Corporate Debtor and raised invoices in respect thereof. The payments against the invoices raised by Operational Creditor were made by Corporate Debtor from time to time in the ordinary course of business.

5.2. On 29.04.2023, Operational Creditor supplied steel products to Corporate Debtor and raised an invoice for a sum of ₹24,15,130/- towards thc material supplied. Upon receipt of the material and invoice, the Corporate Debtor assured Operational Creditor that payment against the said invoice would be made shortly. Consequently, Operational Creditor supplied the goods covered under the aforesaid invoices in accordance with the orders placed by the Corporate Debtor. The goods were duly received by the Corporate Debtor and no dispute regarding the quantity or quality of the material supplied was ever raised during the course of business transactions.

5.3. Operational Creditor discharged all statutory obligations pertaining to the said supplies and deposited the applicable GST on the invoices raised upon the Respondent. Further, the Corporate Debtor deducted TDS on the amounts payable under the invoices and the said deductions are duly

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reflected in Form 26AS. However, no payment was received against the said invoice immediately upon supply of the goods.

5.4. Thereafter, during the course of business dealings between the parties from 29.04.2023 till 12.09.2023, Operational Creditor continued to supply goods to the Corporate Debtor under various invoices. In respect of the supplies made, Operational Creditor raised 27 separate invoices upon the Corporate Debtor. In addition, thereto, two debit notes were also raised by Operational Creditor in respect of the transactions undertaken between the parties.

5.5. Despite receipt of the goods supplied under the aforesaid invoices, the Corporate Debtor failed to clear the outstanding amounts payable thereunder. Consequently, the amounts due under the said 27 invoices and two debit notes remained outstanding and payable by the Corporate Debtor to Operational Creditor.

5.6. The date of default in Part IV of the Petition is from 29.04.2023 to 12.09.2023. Operational Creditor has raised various invoices in the aforementioned period. The details of invoices are reproduced hereunder:-

Sr. No.	Invoice No.	Invoice Date	E-Way Bill No.	Invoice Amount (₹)	Outstanding Amount (₹)
1.	21	29.04.2023	791335632724	24,15,130	10,89,229
2.	23	02.05.2023	771336285240	23,41,800	23,41,800
3.	24	02.05.2023	771336384688	22,53,218	22,53,218
4.	25	03.05.2023	701336520489	22,72,547	22,72,547
5.	26	04.05.2023	791336858697	22,08,807	22,08,807
6.	27	05.05.2023	741337105708	21,71,155	21,71,155
7.	28	06.05.2023	721337228546	22,18,894	22,18,894
8.	29	08.05.2023	741337694743	21,60,333	21,60,333
9.	30	09.05.2023	791337809988	21,58,871	21,58,871
10.	41	03.08.2023	721356949040	21,01,096	21,01,099
11.	42	03.08.2023	711356949274	20,83,965	20,83,965
12.	43	04.08.2023	701357252871	17,65,022	17,65,022
13.	44	04.08.2023	791357253152	17,72,579	17,72,579
14.	45	07.08.2023	771357857169	15,09,061	15,09,061
15.	46	07.08.2023	761357892505	22,18,891	22,18,891
16.	47	09.08.2023	731358368556	21,21,451	21,21,451
17.	48	09.08.2023	721358369217	22,00,370	22,00,370
18.	54	26.08.2023	711362430720	22,12,695	22,12,695
19.	55	29.08.2023	781363061434	22,20,813	22,20,813
20.	56	30.08.2023	711363310559	22,57,665	22,57,665
21.	57	30.08.2023	791363349490	22,14,713	22,14,713
22.	58	31.08.2023	761363461807	22,61,423	22,61,423
23.	64	10.09.2023	781365634036	22,94,614	22,94,614
24.	65	11.09.2023	751365723997	23,11,146	23,11,146
25.	67	12.09.2023	741366123193	23,16,656	23,16,656
26.	68	12.09.2023	751366124115	22,74,380	22,74,380
27.	69	12.09.2023	741366124576	22,75,468	22,75,468
28.	Debit Note–1	23.09.2023	N/A	39,488	39,488
29.	Debit Note–2	23.09.2023	N/A	39,469	39,469
			Total	**5,86,91,720**	**5,73,65,819**

Sd/-

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5.7. On 30.09.2023, the Corporate Debtor made a lump-sum payment of ₹45,00,000/- towards its outstanding liability and assured Operational Creditor that the balance outstanding amount would be cleared shortly. Upon receipt of the said payment, Operational Creditor adjusted the same in its books of accounts against the outstanding invoices in accordance with its accounting practice. After adjustment of the aforesaid payment of ₹45,00,000/-, a sum of ₹13,25,901/- stood appropriated towards the invoice dated 29.04.2023, which had originally been raised for ₹24,15,130/-. Consequently, an amount of ₹10,89,229/- remained outstanding against the said invoice dated 29.04.2023.

5.8. Operational Creditor submitted that even after giving due credit and adjustment of the payment of ₹45,00,000/- received from the Corporate Debtor, the invoices raised from time to time towards the goods supplied remained unpaid. As on 30.09.2023, a total amount of ₹5,73,65,819/- (Rupees Five Crore Seventy-Three Lakhs Sixty-Five Thousand Eight Hundred Nineteen Only) remained outstanding and payable by the Corporate Debtor to the Applicant.

5.9. On 31.10.2023, the Corporate Debtor duly acknowledged and confirmed the ledger account maintained by Operational Creditor for the period commencing from 01.04.2023 and ending on 31.10.2023. By way of

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such confirmation, the Corporate Debtor acknowledged an outstanding balance of ₹5,73,65,819/- as due and payable to the Applicant.

5.10. Despite repeated assurances and demands for payment, the Corporate Debtor failed to discharge its admitted liability. Consequently, on 13.12.2023, Operational Creditor lodged an FIR against the Corporate Debtor under Sections 420 and 406 of the Indian Penal Code in relation to the outstanding dues.

5.11. Thereafter, in acknowledgment of its outstanding liability of ₹5,73,65,819/-, the Respondent issued three cheques in favour of Operational Creditor. The first cheque bearing No. 635252 dated 21.10.2024 was issued for a sum of ₹2,00,00,000/-. The second cheque bearing No. 635253 dated 22.10.2024 was issued for a sum of ₹2,00,00,000/-. The third cheque bearing No. 635254 dated 23.10.2024 was issued for a sum of ₹1,73,65,819/-. The aggregate value of the aforesaid cheques corresponded to the total outstanding liability of ₹5,73,65,819/-.

5.12. It was submitted that the aforesaid cheques were retained by Operational Creditor on the instructions of Respondent and were not immediately presented for encashment. Subsequently, upon the specific request of the Corporate Debtor, Operational Creditor presented the said cheques for

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encashment during January 2025. Upon presentation, all three cheques were dishonored and returned unpaid on 10.01.2025 with the endorsement "Exceed Arrangement".

5.13. In view of the continued default committed by the Corporate Debtor, the Operational Creditor issued a Demand Notice dated 10.01.2025 under Section 8 of the Insolvency and Bankruptcy Code, 2016 through registered post and e-mail at the registered office as well as other known addresses of the Corporate Debtor. The Demand Notice sent through registered post at the registered address was returned. However, the Demand Notice sent at the alternate address of the Corporate Debtor was duly delivered on 15.01.2025. The Demand Notice transmitted through electronic mail was also successfully delivered on 10.01.2025, thereby effecting service of the notice upon the Corporate Debtor in accordance with law.

5.14. Prior to issuance of the Demand Notice, the Operational Creditor had repeatedly called upon the Corporate Debtor to clear the outstanding dues. Various e-mails and reminders were sent by Operational Creditor on 01.11.2023, 03.11.2023, 08.11.2023, 14.11.2023, 02.12.2023, 09.12.2023, 15.12.2023, 19.12.2023, 25.12.2023, 09.01.2024 and

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25.01.2024 requesting the Corporate Debtor to liquidate the outstanding amount payable to the Applicant.

6. The moot objection raised by the Respondent/Corporate Debtor against the Operational Creditor in the present case is not maintainable because of the pre-existing dispute between the parties.

6.1 Respondent contended that present Petition has been filed by *M/s Mani Mahesh Ispat Private Limited* through its Director and Authorized Representative, *Mr. Navnitya Prakash Goyal*, son of *Shri Kundan Lal Goyal*. It is the case of Respondent that *Mr. Navnitya Prakash Goyal*, who has instituted the present proceedings on behalf of the Petitioner Company in his capacity as Director and Authorized Representative, has also instituted Civil Suit (Original Side) No. 320/2025 before the Hon'ble High Court of Delhi in his individual capacity. In the said Civil Suit, *Mr. Navnitya Prakash Goyal* has averred that he had entered into an Agreement to Sell dated 14.02.2024 with *Smt. Swati Jain*, arrayed therein as Defendant No. 1, in respect of certain immovable property described in the said Agreement, for a total sale consideration of ₹8,00,00,000/-.

6.2 Further, in the aforesaid Civil Suit, *Mr. Navnitya Prakash Goyal* has further pleaded that out of the total sale consideration of ₹8,00,00,000/-,

a sum of ₹7,80,00,000/- stood paid by way of adjustment of the outstanding dues of the business concerns associated with him. Respondent further stated that the pleadings filed in the said Civil Suit contain a break-up of the aforesaid amount of ₹7,80,00,000/-, wherein a sum of approximately ₹5,73,65,819/- pertains to the claim forming the subject matter of the present Petition and a further sum of approximately ₹1,50,83,395/- pertains to *M/s Shree Balaji Rolling Mills*.

6.3 Furthermore, in paragraph 4 of the Civil Suit, *Mr. Navnitya Prakash Goyal* has described *M/s Mani Mahesh Ispat Private Limited* and *M/s Shree Balaji Rolling Mills* as business entities associated with him.

6.4 In paragraphs 7 and 29 of the said Civil Suit, *Mr. Navnitya Prakash Goyal* has referred to adjustment of the amounts allegedly due to the aforesaid entities towards the consideration payable under the Agreement to Sell dated 14.02.2024.

6.5 Subsequently, *Mr. Navnitya Prakash Goyal* instituted the aforesaid Civil Suit seeking specific performance of the Agreement to Sell dated 14.02.2024 and enforcement of the obligations arising thereunder. The said Civil Suit has been instituted in relation to the Agreement to Sell and the immovable property forming the subject matter thereof, and the pleadings filed therein contain reference to the amounts claimed to be

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due to *M/s Mani Mahesh Ispat Private Limited* and *M/s Shree Balaji Rolling Mills*.

6.6 Respondent further submits that Operational Creditor, in the Civil Suit pending before the Hon'ble High Court of Delhi, has pleaded adjustment of the amount of ₹5,73,65,819/- towards the sale consideration under the Agreement to Sell dated 14.02.2024, while in the present proceedings the same amount is sought to be claimed as an operational debt.

6.7 It is the case of Respondent that if the suit is being contested, Operational Creditor cannot be permitted to pursue the instant Petition as Operational Creditor as the same is estopped from making any claim for any debt whatsoever, when the very same debt as claimed in this Petition has been claimed to have been adjusted by Operational Creditor's promoter for director against the part of the sale consideration under the agreement to sell dated 14.02.2024.

6.8 Respondent submitted that the aforesaid pleadings and the pendency of the Civil Suit demonstrate the existence of disputes between the parties in relation to the said amount prior to the institution of the present Petition.

7. Operational Creditor has filed its rejoinder denying all the averments made by Respondent. The brief submissions under the rejoinder are as follows:-

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7.1 It is submitted that vide order dated 11.07.2025, this Hon'ble Tribunal granted four weeks' time to Respondent for filing its reply. Thereafter, on 11.08.2025, a last opportunity was granted by this Hon'ble Tribunal directing the Corporate Debtor to file its reply within one week. Further, vide order dated 07.10.2025, this Hon'ble Tribunal, upon the request of the Respondent, granted a further period of ten days subject to payment of costs of ₹11,000/- to be deposited in the Prime Minister's Relief Fund through Bharatkosh and directed the Corporate Debtor to place the receipt of the said payment on record.

7.2 Operational Creditor further submitted that the objections raised by the Respondent under Section 65 of the Code are misconceived and devoid of merit since Corporate Debtor has failed to place any material on record to establish the existence of either of the aforesaid ingredients.

7.3 Further, the operational debt forming the subject matter of the present petition is duly evidenced by invoices, ledger accounts, bank statements and other contemporaneous records placed on record along with the Petition.

7.4 Moreover, the Civil Suit (OS) *No. 320/2025* pending before the Hon'ble High Court of Delhi came to be instituted subsequent to the filing of the present Petition. The present proceedings under Section 9 of the

Insolvency and Bankruptcy Code, 2016 were initiated prior thereto and the subsequent institution of the Civil Suit does not alter the nature of the operational debt forming the subject matter of the present Petition. The Suit in question was instituted seeking specific performance of the Agreement to Sell dated 14.02.2024 executed between *Mr. Navnitya Prakash Goyal* and *Smt. Swati Jain* in their individual capacities and pertains to the transfer of an immovable property forming the subject matter thereof.

7.5 It is the case of Operational Creditor that Respondent has not disclosed the Written Statement filed by the Defendants (i.e., the Operational Creditors herein) in the said proceedings before the Hon'ble High Court of Delhi wherein a specific objection has been taken by *Shri Puneet Jain* that he is not a party to the Agreement to Sell dated 14.02.2024 and that there exists no privity of contract between *Mr. Navnitya Prakash Goyal* and *Shri Puneet Jain* in relation to the said Agreement.

7.6 Further, paragraph 7 of the preliminary objections contained in the Written Statement records that separate proceedings in relation to the corporate dues of *M/s Ashiana Ispat Limited* are already pending before the competent forums. The Written Statement further records that the

dispute involved in the Civil Suit pertains to the property transaction forming the subject matter of the Agreement to Sell.

7.7 Furthermore, *Shri Puneet Jain* has also filed an application under Order I Rule 10(2) of the Code of Civil Procedure, 1908 seeking deletion of his name from the array of parties in the aforesaid Civil Suit and the application under Order I Rule 10(2) also records that certain outstanding dues were payable by *M/s Ashiana Ispat Limited* to *M/s Mani Mahesh Ispat Private Limited* and *M/s Shree Balaji Rolling Mills*.

7.8 Operational Creditor further submitted that subsequent to the Agreement to Sell dated 14.02.2024, the Corporate Debtor issued Cheque No. 635252 dated 21.10.2024 for ₹2,00,00,000/-, Cheque No. 635253 dated 22.10.2024 for ₹2,00,00,000/- and Cheque No. 635254 dated 23.10.2024 for ₹1,73,65,819/- in favour of the Operational Creditor. It is submitted that the aggregate amount covered under the aforesaid cheques was ₹5,73,65,819/-, corresponding to the outstanding operational debt claimed in the present Petition. This reflects the continuing acknowledgment of liability by the Corporate Debtor towards the outstanding amount claimed by the Operational Creditor.

7.9 Further, the initiation of proceedings under Code for recovery of an operational debt does not alter, affect or prejudice the rights and

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remedies claimed by the parties in the Civil Suit pending before the Hon'ble High Court of Delhi. It is further submitted that the material placed on record establishes the existence of operational debt and the occurrence of default on the part of the Corporate Debtor.

Findings:-

8. We have heard the learned counsels for both parties and have carefully perused the pleadings, rejoinder, additional affidavits, documents placed on record and written submissions filed by both the parties.

9. Before we proceed with the facts of the present case, the statutory framework regarding the Application under Section 9 of the Code needs to be recapitulated. An application under Section 9 of the Code can only be filed after the delivery of a demand notice as provided under Section 8 of the Code. Section 8 of the Code requires the Operational Creditor, upon the occurrence of default, to deliver a Demand Notice for unpaid Operational Debt. Furthermore, the Section 8(2) specifies that the Corporate Debtor must, within 10 days of receiving the Demand Notice, inform the Operational Creditor of any existing dispute.

10. Under Section 9(1), if Operational Creditor does not receive payment from the Corporate Debtor or notice of the dispute under Sub-section (2) of Section

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8, may file an Application under Section 9(1) of the Code. Section 9(1) is as follows:

> *"**Section 9**: Application for initiation of corporate insolvency resolution process by operational creditor.-*
> *(1) After the expiry of the period of ten days from the date of delivery of the notice or invoice demanding payment under sub-section (1) of section 8, if the operational creditor does not receive payment from the corporate debtor or notice of the dispute under sub-section (2) of section 8, the operational creditor may file an application before the Adjudicating Authority for initiating a corporate insolvency resolution process.*
>
> ...
> *(5) The Adjudicating Authority shall, within fourteen days of the receipt of the application under subsection (2), by an order—*
> *(i) ...*
> *(ii)reject the application and communicate such decision to the operational creditor and the corporate debtor, if—*
> *(a)the application made under sub-section (2) is incomplete;*
> *(b)there has been [payment] of the unpaid operational debt;*
> *(c) the creditor has not delivered the invoice or notice for payment to the corporate debtor;*
> *(d)notice of dispute has been received by the operational creditor or there is a record of dispute in the information utility; or*
> *(e)any disciplinary proceeding is pending against any proposed resolution professional:*
> *Provided that Adjudicating Authority, shall before rejecting an application under sub-clause (a) of clause (ii) give a notice to the applicant to rectify the defect in his application within seven days(i) of the date of receipt of such notice from the adjudicating Authority."*

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11. In the present case, Corporate Debtor used to regularly purchase Mild Steel Ingots & Mild Steel Billets from the Operational Creditor and the Operational Creditor used to raise its invoices to the Corporate Debtor. The Corporate Debtor had cleared the payments with respect to the invoices raised prior to 29.04.2023. However, Corporate Debtor failed to make the payment towards the last 27 invoices from 29.04.2023 to 12.09.2023 and two debit notes dated 23.09.2023 raised by Operational Creditor amounting to an outstanding balance of Rs. 5,73,65,819/- (Rupees Five Crore Seventy-Three Lakhs Sixty-Five Thousand Eight Hundred and Nineteen only) as on 30.09.2023.

12. On the other hand, the Ld. Counsel for the Corporate Debtor has vehemently argued that an original Civil Suit (OS) No. 320/2025 is pending before the Hon'ble Delhi High Court filed by *Mr. Navnitya Prakash Goyal* which constitutes a pre-existing dispute between the parties.

13. The aforementioned suit bearing original Civil Suit (OS) No. 320/2025 was filed seeking specific performance of the agreement to sell dated 14.02.2024 for sale of certain properties described therein at a consideration of Rs. 8 Crore against the total outstanding amount of Rs. 7.80 Crore.

14. At this juncture, it is relevant to appreciate the terms of the agreement dated 14.02.2024. The said agreement was entered into between *Shri Puneet Jain* (Director of *Ashiana Ispat Limited*) and his wife *Smt. Swati Jain*, as first party

and confirming party respectively; and *Shri Navnitya Prakash Goyal* (Director of *Mani Mahesh Ispat Pvt. Ltd.*), as second party. In the said agreement, it was stated that second party has supplied material to first party and amount of Rs. 5,73,65,819/- was outstanding against *M/s Mani Mahesh Ispat Pvt. Ltd.*; amount of Rs. 1,50,83,395/- was outstanding against *M/s Shree Balaji Rolling Mills* and other outstanding amount was Rs. 55,51,786/-. To settle the said liability, it was agreed upon in condition no. 3 of the said agreement that "*the first party hereby confirm and accept that out of sale amount Rs. 8,00,00,000/-, at first second party will adjust his outstanding dues for Rs. 7,80,00,000/- and balance Rs. 20,00,000/- after deduction of TDS shall be payable after execution of registration of sale documents.*" It was further agreed that if the entire outstanding dues of Rs. 7.80 Crore were repaid by Ashiana Ispat Limited by 30.04.2024, the Agreement to Sell would stand terminated.

15. A separate Agreement for sale dated 14.02.2024 was executed between Mr. *Navnitya Prakash Goya*l and Ms. Swati Jain for property comprising of first floor in Building No. 11, Street No. E-13, Government Servants Cooperative House Building Society at Vasant Vihar, New Delhi for a consideration of Rs. 8,00,00,000/-. For ease of reference, the deed of agreement dated 14.02.2024 is reproduced hereunder:-

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Deed of Agreement

Indian-Non Judicial Stamp
Haryana Government

Date 14/02/2024

Certificate No. GDN202402972
GRN No. 112746894

Stamp Duty Paid ₹ 101
Penalty ₹ 0

Seller / First Party Detail

Name: Puneet jain And Swab jain
H No/Floor: E13/11 Sector/Ward: Na LandMark: Na
City/Village: Vasant vihar District: New delhi State: Delhi
Phone: 93******44 Others: M s ashiana ispat ltd

Buyer / Second Party Detail

Name: Navnitya parkash goyal
H No/Floor: F 268 Sector/Ward: 57 LandMark: Sushant lok phase 2
City/Village: Gurugram District: Gurugram State: Haryana
Phone: 93******44 Others: M s mani mahesh ispat pvt ltd

Purpose: Deed of agreement

The authenticity of this document can be verified by scanning this QrCode Through smart phone or on the website https://egrashry.nic.in

This Deed of agreement is executed at New Delhi on this 14th day of Feb. 2024, by & between:

MR. PUNEET JAIN S/o Sh. Naresh Chand resident of E-13/11, First Floor, Vasant Vihar, New Delhi - 110057 (AADHAR No- 439257467015 PAN No AAKPJ4342C **Director M/s Ashiana Ispat Ltd, Regd office at Netaji Subash Place, Delhi** hereinafter called as 'FIRST PARTY', (Which expression shall mean and include its legal heirs, Successors, representatives, administrators, executors, nominees and assigns).

MRS. SWATI JAIN W/o Sh. PUNEET JAIN resident of E-13/11, First Floor, Vasant Vihar, New Delhi - 110057 (AADHAR No 735956624279 PAN No ADLPJ4079J hereinafter called as 'CONFIRMING PARTY', (Which expression shall mean and include its legal heirs, Successors, representatives, administrators, executors, nominees and assigns).

IN FAVOUR OF

MR NAVNITYA PARKASH GOYAL S/O SH. KUNDAN LAL resident of F-268, Ground Floor, Sushant Lok-II, Sector-57, Near Hongkong Bazar, Gurgaon-122011, **Director M/s Mani Mahesh Ispat Pvt Ltd, Regd Office Shalimar Bagh, New Delhi,** hereinafter called as 'SECOND PARTY'
Aadhar No: 731562421753 PAN: AFGPG3446P

For Mani Mahesh Ispat Pvt. Ltd. Director

For Ashiana Ispat Limited

Sd/-

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& Partners of Shree Balaji Rolling Mills, Bhiwadi,
(which expression shall mean and include their legal heirs, successors, representatives, administrators, executors, nominees and assigns).

Whereas the Second Party supplied material to First Party and following amount is outstanding:

M/s Mani Mahesh Ispat Pvt Ltd :	Rs.5,73,65,819/-
Shree Balaji Rolling Mills:	Rs.1,50,83,395/-
Other outstanding amount	Rs. 55,51,786/-
Total Amount:	**Rs.7,80,00,000/-**

Whereas the FIRST PARTY having purchased and absolute owner of Entire First Floor covered area 204.60 Sq. meters, as 30% share in the residential property E-13/11, having plot area 407.50 Sq. Yards (340.72 Sq. Meters approx.) by way of Document no.3867 Book no.1 Vol no.767 Pages 181-191 dt.02.8.2018 duly registered in the office of Sub-Registrar Sarojini Nagar New Delhi in favour of his wife Mrs. Swati Jain (Confirming Party). FIRST PARTY has full right, absolute authority to sell, dispose-off and transfer the same in whole or in parts and none else except the FIRST PARTY has any right title or interest in the same.

AND WHEREAS NOW, the FIRST PARTY has agreed to sell, convey , transfer and assign, to the SECOND PARTY in settlement of his outstanding due, and the SECOND PARTY has agreed to purchase the Entire First Floor consisting of Four Bedrooms, Five Bathrooms, One Kitchen , One Drawing and One Dining Room, One Servant Quarter on Top Floor consisting of One Room and a Pantry along with a common toilet, space for one car parking in common driveway and common submersible pump also right to access to terrace for Installation and maintenance of T.V. Antenna along-with proportionate 30% (Thirty Percent) undivided share in the plot of land beneath the said building bearing no. 11, Street No. E-13, measuring 407.50 square yards situated in the layout plan of Government Servants Cooperative House Building Society at Vasant Vihar New Delhi - 110057 for a total consideration of Rs. 8,00,00,000/- (Rs. Eight Crore Only) on the following terms & conditions:

1. That it is clarified that the consideration herein stated is true and genuine sale price/sale consideration as mutually agreed between the parties and is fair market value of the said portion of the said property.
2. That the said property is registered in name of Mrs Swati Jain (Confirming Party) w/o First Party Mr Puneet Jain, who has owed debt of Rs.7,80,00,000/- (Rs. Seven Crore Eighty Lac only) from Second Party. As settlement of her husband's debt, she agreed to transfer the said property in favour of the Second party.

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3. That First party hereby confirm and accept that out of sale amount Rs.8,00,00,000/-, at first, second party will adjust his outstanding dues Rs.7,80,00,000/- and balance Rs.20,00,000/- after deduction of TDS, shall be payable after execution of registration of sale documents.
4. That First party informed to second party that there is a housing loan over this said property from Tata Capital Housing Finance Ltd and sought time period of 6 month from the execution of this agreement, to repay the said housing loan and N.O.C from Tata Capital Housing Finance Ltd.
5. That after mutual understanding, the First party agrees to execute the sale deed registration of the said property in favour of Second party as on 12th August,2024.
6. That a separate agreement to sell of the said property shall be prepared between the parties.
7. That First party state that he is expected to receive funds shortly till 30th April,2024 in Ashiana Ispat Ltd and after receiving fund, first First Party would clear the above stated outstanding dues of Rs.7,80,00,000/- to second party. After repayment of outstanding due till 30th April,2024, the separate agreement to sell as mentioned on Sr. No.06 shall be treated as cancelled.
8. That if First party doesn't clear the outstanding dues of Second party by 30th April,2024, in such case, the separate agreement to sell as mentioned on Sr. No.06 shall be in force until execution of sale deed registration.
9. That Second party has full right to nominate or assign this agreement to sell in favour of any person or persons, be it a firm, body corporate or association of person and the first party shall have no objection to register the sale deed documents in favour of Third Party directly.
10. That in the case, the first party refused to execute the sale deed registration of the said property in favor of the second party / Third party on stipulated date, for whatsoever reason, the Second party has legal right to register the said property is his name, nominee name or any third-party name through court of law by specific performance of contract at cost and expense of the First Party.
11. That all expenses in respect of registration of sale deed documents, stamp duty and other miscellaneous expenses shall be borne by the second party or by third party.
12. That all the previous original sale deeds and other relevant papers concerning to the said property will be handed over by the first party to second party/ third party at the time execution of the sale deed.
13. That First party assure that prior to the date of sale deed registration, First Party would repay the housing loan as mentioned at Sr. No.04 and the said property under this agreement shall be free from all encumbrances, Housing loan, financial institutional lien, any type of dispute & litigation etc as on date of sale deed registration and First party shall give peaceful vacant physical possession of the said property to Second Party at the time of registration of sale deed documents. All the outstanding dues up to the date as on sale document registration of the said property i.e maintenance charges, property tax, electricity & water charges, municipal corporation charges or any other outstanding charges shall be paid/cleared by First Party. In case of legal defect in ownership of property, then the first party will be liable and responsible to make good the loss suffered by the second party and keep

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the second party saved, harmless and indemnified against all such losses and damages suffer by second party.

14. That First party has not entered into agreement with any other parties for sale of the said property First party represent and warrants that she has not granted or assigned the right to any third party that would conflict with the interest of Second Party.

15. That in case First party fails to execute sale deed registration on stipulated date 12th August 2024 due to whatsoever reason, second party can move to court of law for judicial relief and remedy at the cost & expense of First party.

16. That Second party co-operate to first party in quashing the F.I.R in High Court. F.I.R No. 331/2023 registered at P.S. Alipur and Second Party shall make settlement statement before concerned P.S./officer/Court etc.

In witness whereof, both the First party and Second Party have signed this deed of agreement at New Delhi on the date first mentioned above, in token of their accepting the terms herein above given in the presence of following witnesses:

For Mani Mahesh Ispat Pvt. Ltd.
Dir

Executants:

For Ashiana Ispat Limited
For Ashiana Ispat Limited
Director
Director
(First Party)

For Mani Mahesh Ispat Pvt Ltd
For Mani Mahesh Ispat Pvt. Ltd.
Navnitya Parkash Goyal Director
(Second Party)

Confirming Party:

Swati Jain
Swati Jain W/o Sh Puneet Jain

Witness:

1. Rajbeer Dyna
Aadhar No- 9888 4089 7061

2. Naresh Chand
Aadhar No- 7013 3905 4693

16. Upon careful perusal of the deed of agreement dated 14.02.2024, it transpires that terms of said agreement not only emphasize the outstanding debt but also adjusts the outstanding amount against consideration of sale of property.

17. The law regarding "pre-existing dispute" is well settled by the Hon'ble Supreme Court in *Mobilox Innovations Pvt. Ltd. v. Kirusa Software Pvt. Ltd.*,

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(2017) ibclaw.in 01 SC, wherein it was held that while considering an application under Section 9 of the Code, the Adjudicating Authority is only required to examine whether there exists a real dispute which is not spurious, hypothetical, illusory or a mere bluster. Further, the dispute must have existed prior to the issuance of the demand notice under Section 8 of the Code. The relevant para of the aforementioned judgment is reproduced hereunder:-

*"**40**. It is clear, therefore, that once the operational creditor has filed an application, which is otherwise complete, the adjudicating authority must reject the application under Section 9(5)(2)(d) if notice of dispute has been received by the operational creditor or there is a record of dispute in the information utility. It is clear that such notice must bring to the notice of the operational creditor the "existence" of a dispute or the fact that a suit or arbitration proceeding relating to a dispute is pending between the parties. Therefore, all that the adjudicating authority is to see at this stage is whether there is a plausible contention which requires further investigation and that the "dispute" is not a patently feeble legal argument or an assertion of fact unsupported by evidence. It is important to separate the grain from the chaff and to reject a spurious defence which is mere bluster. However, in doing so, the Court does not need to be satisfied that the defence is likely to succeed. The Court does not at this stage examine the merits of the dispute except to the extent indicated above. So long as a dispute*

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truly exists in fact and is not spurious, hypothetical or illusory, the adjudicating authority has to reject the application."

18. At this stage, it is of paramount importance to note that Corporate Debtor never disputed the quality of goods/services, the quantum of debt or the liability itself. On the contrary, the very terms of the Agreement dated 14.02.2024 unambiguously acknowledge the existence of the debt and merely prescribe the mode (i.e., conditional sale of property against outstanding dues) and timeline for its discharge. If the operational debt stood finally adjusted/extinguished on 14.02.2024, then there should have been no need for the Corporate Debtor to issue three cheques dated 21.10.2024, 22.10.2024 and 23.10.2024 aggregating to Rs. 5,73,65,819/- being the precise amount claimed in the Petition. The subsequent issue of cheques also shows continuance of the debt and this is inconsistent with the plea taken by the Corporate Debtor that the liability had already been discharged. Further, Corporate Debtor had also not shown any journal entry, ledger reversal entry, settlement account or Board Resolution reflecting discharge of the operational debt. Hence, in the absence of contemporaneous accounting record, plea of the Corporate Debtor cannot be accepted.

19. Additionally, Corporate Debtor has not placed on record any correspondence, legal notice, complaint, arbitration proceedings or any other material

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demonstrating that a bona fide dispute regarding the operational debt existed prior to the issuance of the demand notice under Section 8 of the Code. Even the Civil Suit bearing (OS) No. 320/2025 was filed on 14.05.2025 well after the issuance of the Demand Notice dated 10.01.2025.

20. Furthermore, the Hon'ble NCLAT, in its judgment under the case titled *M/s Ahluwalia Contracts (India) Ltd. v. M/s Logix Infratech Pvt. Ltd.,* (2022) ibclaw.in 693 NCLAT, allowed the appeal filed by Operational Creditor and directed the NCLT to pass order of admission holding that a Memorandum of Understanding/Agreement entered between the parties does not change the nature of underlying transaction which was operational debt. The relevant para of the aforesaid judgment is reproduced hereunder:-

> *"7. The Operational Creditor has carried out the work and as per the final bill certificate, an amount of Rs. 11 crores was to be paid. Subsequently, Memorandum of Understanding was entered on 30.09.2019 laying down the manner of payment of Rs. 11 crores amount on breach of which compelled the Appellant to file section 9 application.*
>
> *8. The Adjudicating Authority has in the impugned order relied on the two orders passed by NCLT and has held that Applicant is not covered as Operational Creditor, hence the application is not maintainable.*

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9. Present is a case where the Appellant was awarded the contract to carry on construction and structural work and the dues claimed by the Appellant are operational debt. The Memorandum of Understanding entered between the parties was only with regard to mode and manner of payment, that too after final bill certificate which was duly signed by both the parties.

10. Adjudicating Authority did not consider the nature of transaction between the parties and has erroneously come to the conclusion that section 9 application was not maintainable. The judgement of Adjudicating Authority cannot be sustained."

21. At this juncture, it is germane to refer the Judgement of the Hon'ble Apex Court in *Mobilox Innovations Private Limited* (supra) wherein in para 25 the Hon'ble Supreme Court laid down the guidelines for adjudicating Section 9 Application. The Para 25 is as follows: -

"25. Therefore, the adjudicating authority, when examining an application under Section 9 of the Act will have to determine:

(i) Whether there is an "operational debt" as defined exceeding Rs 1 lakh? (See Section 4 of the Act)

(ii) Whether the documentary evidence furnished with the Application shows that the aforesaid Debt is due and payable and has not yet been paid? and

(iii) Whether there is existence of a dispute between the parties or the record of the 15 Company Appeal (AT) (Insolvency) No. 256 of 2021 pendency of a suit or arbitration proceeding filed

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before the receipt of the demand notice of the unpaid operational Debt in relation to such dispute?

If any one of the aforesaid conditions is lacking, the Application would have to be rejected. Apart from the above, the adjudicating authority must follow the mandate of Section 9, as outlined above, and in particular the mandate of Section 9(5) of the Act, and admit or reject the Application, as the case may be, depending upon the factors mentioned in Section 9(5) of the Act."

22. Keeping in view the facts and circumstances of the case and the judgement of the Hon'ble Apex Court in *Mobilox Innovations Private Limited* (supra), the essential required for admission of Section 9 Petition stand satisfied and are as follows:-

a) Existence of operational debt: The Corporate Debtor failed to make payment against 27 invoices raised from 29.04.2023 to 12.09.2023 and two debit notes, aggregating to Rs. 5,73,65,819/-. This constitutes operational debt within the meaning of Section 5(21) of the Code. Further, in term of the Hon'ble NCLAT judgment in *M/s Ahluwalia Contracts (India) Ltd. v. M/s Logix Infratech Pvt. Ltd.,* (supra) existence of any MoU/Agreement in furtherance of payment of operational debt does not impact the underlying nature of the transaction.

b) Debt exceeds threshold of Rs. 1 Crore.

c) Default occurred- Corporate Debtor issued three cheques on 21.10.2024, 22.10.2024, and 23.10.2024 totaling Rs. 5,73,65,819/-, all of which were dishonored on 10.01.2025 with the remark "Exceed Arrangement". This dishonor constitutes a default within the meaning of Section 3(12) of the Code. Further, the same stands corroborated vide Agreement dated 14.02.2024. Accordingly, the operational debt is admitted, acknowledged and undischarged.

d) Demand Notice dated 10.01.2025 served upon the Corporate Debtor.

i. by Speed Post to the registered address of the Corporate Debtor which was returned with the remark 'Item Delivered Sender';

ii. by Speed Post to the other known address which was delivered on 15.01.2025; and

iii. by e-mail which was delivered on 10.01.2025. Service was duly effected.

e) No payment has been made towards the Operational Debt.

f) No pre-existing dispute: In term of the Hon'ble NCLAT judgment in *M/s Ahluwalia Contracts (India) Ltd. v. M/s Logix Infratech Pvt. Ltd.,* (supra), a mere breach of MoU/Agreement to settle the outstanding dues in the nature of operational debt does not interfere with the admissibility of the Petition under Section 9 of the Code. Even if the

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Civil Suit in question is considered as a dispute, then also the instant Section 9 Petition is maintainable since Civil Suit (OS) No. 320/2025 was filed on 14.05.2025 well after the Demand Notice dated 10.01.2025.

g) Further, the instant petition is complete with respect to Form 5 i.e., Application of Operational Creditor to initiate CIRP.

23. Hence, all ingredients required for admission of Petition under Section 9 of the Code are satisfied. Therefore, we deem it appropriate to admit Corporate Debtor, i.e., *Ashiana Ispat Ltd.* into CIRP.

24. Accordingly, this Adjudicating Authority deems it appropriate to appoint ***Mr. Prashant Agarwal***, having Registration Number IBBI/IPA-001/IP-P00053/2017-18/10127 and e-mail id *ippagrawal@gmail.com* duly registered with ICAI Insolvency Professional Agency, to be appointed as the Interim Resolution Professional.

25. The IRP is directed to take all such steps as are required under the statute, inter-alia in terms of Sections 15, 17, 18, 19, 20 and 21 of the Code and transact proceedings with utmost dedication, honesty and strictly in accordance with the provisions of the Code, and Rules and Regulations thereunder. It is directed to the Interim Resolution Professional /Resolution

Professional to check the genuineness of the claim while admitting the operational dues of the Petitioner.

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

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

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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.

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 9 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.

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.

27. In the circumstances, Company Petition bearing *CP No. (IB)- 25/09/JPR/2025* is admitted.

Sd/-

REETA KOHLI,
JUDICIAL MEMBER

Sd/-

KAVITA BHATNAGAR,
TECHNICAL MEMBER