

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

ITEM No.105

C.P.(IB)/213(AHM)2026

Proceedings under Section 9 of IB Code, 2016

IN THE MATTER OF:

Vrajpack Industries
V/s
Exxaro Tiles Limited

.....Applicant

.....Respondent

Order delivered on: 13/07/2026

C O R A M:

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

PRESENT:

For the Applicant : Ms. Karishma Joshi, Proxy Adv.
& Mr. Devashsish K Trivedi, Adv.
For the Respondent :

ORDER
(Hybrid Mode)

1. This Company Petition has been filed by the Applicant/Operational Creditor under Section 9 of the Insolvency and Bankruptcy Code, 2016 ("the Code"), seeking initiation of the Corporate Insolvency Resolution Process against the Respondent/Corporate Debtor, alleging a total default of **Rs. 2,09,03,174.06**, comprising **Rs. 1,81,00,305.06** towards principal and **Rs. 28,02,869/-** towards interest, as stated in Part IV of Form-5.
2. It is noticed that the Applicant had earlier filed CP (IB) No. 5 of 2026 under Section 9 of the Code through the same learned counsel. The said petition was permitted to be withdrawn with liberty to file a fresh petition, as an incorrect demand notice issued under Section 8 of the Code stated to have inadvertently been annexed.
3. The present petition was listed on 03.07.2026, when a proxy counsel sought an adjournment, which was granted. On 06.07.2026, the learned main counsel for the Applicant appeared and again sought an adjournment. On the previous date of hearing, this Bench pointed out that the principal amount allegedly in default, as on the date of filing of the petition, was below the minimum threshold prescribed under the Code, and that the petition was sought to be maintained only by adding a

unilateral claim of interest. The learned counsel then sought time to obtain instructions regarding withdrawal of the petition.

4. Today, despite the matter being called out thrice, only the proxy counsel appeared and submitted that settlement talks are in progress. Subsequently, the learned main counsel for the Applicant appeared through virtual mode and sought permission to withdraw the petition.
5. The admitted position is that the principal amount allegedly in default was below the statutory threshold on the date of filing of the petition. The petition has, therefore, been instituted solely on the basis of a unilateral claim of interest. Such a petition is clearly not maintainable under the Code.
6. It is evident that the present proceedings have been initiated not for resolution of the Corporate Debtor but as a means of recovery, which is contrary to the object of the Code. The Adjudicating Authority cannot be permitted to be used as a recovery forum. The conduct of the Applicant amounts to an abuse of the process of law.
7. Accordingly, the petition is dismissed with exemplary costs of Rs.1,00,000/- (Rupees One Lakh Only), to be deposited in the ***Prime Minister's National Relief Fund*** within seven days from the date of this order.
8. List the matter on **27.07.2026** for reporting compliance with the aforesaid direction.
9. Let a copy of this order be served upon the Respondent/Corporate Debtor by the Registry for information.

Sd/-

SANJEEV SHARMA
MEMBER (TECHNICAL)

Sd/-

SHAMMI KHAN
MEMBER (JUDICIAL)