

NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH COURT VI

Item No. P4.

C.P. (IB)/641(MB)2025

CORAM:

SHRI SAMEER KAKAR
HON'BLE MEMBER (TECHNICAL)

SHRI NILESH SHARMA
HON'BLE MEMBER (JUDICIAL)

ORDER SHEET OF HEARING (HYBRID) DATED **30.06.2026**

NAME OF THE PARTIES:

Mr. Jigar Joshi

Vs

STC Ventures Private Limited

Under Section 9 of the IBC.

ORDER

The case is fixed for pronouncement of the order. The order is pronounced in the open court, *vide* separate order. Detailed order is being uploaded on the NCLT portal today.

Sd/-
NILESH SHARMA
MEMBER (JUDICIAL)

//VM//

Sd/-
SAMEER KAKAR
MEMBER (TECHNICAL)

IN THE NATIONAL COMPANY LAW TRIBUNAL MUMBAI BENCH-VI

CP (IB) No.641/MB/2025

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

IN THE MATTER OF:

Mr. JIGAR JOSHI

A-3, Holly Hock Society
Indranarayan Lane, Santacruz (W)
Mumbai– 400054, Maharashtra.

...Operational Creditor/Applicant

V/s

STC VENTURES PRIVATE LIMITED

[CIN: U74900MH2012PTC235039]
515, Sai Chambers, Near Railway Station
Santacruz (East)
Mumbai– 400055, Maharashtra.

...Corporate Debtor

Pronounced: 30.06.2026

CORAM:

HON'BLE SHRI NILESH SHARMA, MEMBER (JUDICIAL)

HON'BLE SHRI SAMEER KAKAR, MEMBER (TECHNICAL)

Appearances: Hybrid

Operational Creditor: Adv. Mr. Anjum Maner i/b Adv. Mr. Shantanu Kalekar

Corporate Debtor: Adv. Mr. Sulay Mitra

ORDER

[PER: BENCH]

1. BACKGROUND

- 1.1 This is an Application bearing C.P.(IB) No.641/MB/2025 filed on 24.05.2025 by Mr. Jigar Joshi, the Applicant (Operational Creditor) under Section 9 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as “the Code”) read with Rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 (hereinafter referred to as “the AAA Rules”) for initiating Corporate Insolvency Resolution Process (hereinafter referred to as “CIRP”) in respect of STC Ventures Private Limited, the Corporate Debtor (CD).
- 1.2 The Applicant possess expertise and experience in providing Import Consultancy Services and working as freelancer. The CD is a company incorporated under the provisions of the Companies Act, 1956 and is in the business of trading and manufacturing steel scrap, sponge iron, billets, plates, coal, marble blocks, etc.
- 1.3 The Applicant has not proposed the name of an IRP.
- 1.4 The Applicant has relied on the following documents:
- i. Copy of Commission Agreement dated 01.04.2019
 - ii. Copy of Interim Award dated 23.01.2023
 - iii. Copy of Final Award dated 06.12.2023.
 - iv. Copy of Account Statement of Kotak Mahindra Bank of Applicant from 06.12.2023 to 15.05.2025
 - v. Copy of Form 3 - Demand Notice dated 13.03.2025
 - vi. Copy of the Master Data

2. AVERMENTS OF THE APPLICANT

- 2.1 The matter was listed on 21.07.2025. The Applicant sought liberty to modify Form-5 qua the date of default and to place on record Form-C issued by NeSL, which was allowed by this Tribunal. The Applicant filed an Additional Affidavit dated 08.07.2025 along with amended Form-5 and NeSL Form-C as recorded *vide* interim order dated 13.08.2025. The facts as per the amended Form-5 are as follows:
- 2.2 As per Part-IV of the amended Application the total amount claimed to be in default by the Applicant is Rs. 2,50,30,058/- (Two Crores Fifty Lakhs Thirty Thousand and Fifty-Eight Rupees) due as on 23.05.2025, which includes principle outstanding amount of Rs.1,92,02,877/- (One Crore Ninety-Two Lakhs Two Thousand Hundred and Seventy-Seven Rupees) due as on 06.12.2023 and Rs. 58,27,181/- (Fifty-Eight Lakhs Twenty-Seven Thousand One Hundred and Eighty-One Rupees) along with interest @18% p.a. compounding on monthly rest basis calculated from 06.12.2023 till 23.05.2025.
- 2.3 The date of default is mentioned as 06.12.2023.
- 2.4 It is submitted that the CD through its Director approached Applicant to avail Import Consultancy Services.
- 2.5 The parties entered into a Commission Agreement dated 01.04.2019 subject to terms and conditions. The Applicant complied with and provided the services in accordance with the said Commission Agreement dated 01.04.2019.
- 2.6 The CD failed to adhere to the terms of Commission Agreement dated 01.04.2019 and further failed to pay the outstanding amount to the Applicant. The Applicant provided sufficient time to the CD to pay the outstanding amount due to cordial relationship between the parties.
- 2.7 The CD failed to make payment to the Applicant and therefore, the Applicant issued a Demand Notice dated 05.09.2022 demanding for outstanding payment. As the CD made no representation to the demand notice, the Applicant invoked Arbitration

Clause of the Commission Agreement dated 01.04.2019. Based on the representation made by the Advocates appearing on behalf of the parties, the Ld. Arbitrator passed a Final Award dated 06.12.2023 and directed the CD to pay total sum of Rs. 1,92,02,877/- along with interest @18% p.a. compounding on monthly rest basis, till actual date of realization of the same.

3. CONTENTIONS OF CORPORATE DEBTOR

3.1 The CD filed Affidavit-in-Reply dated 03.10.2025 affirmed by Mr. Gautam Manoj Joshi, authorised representative of the CD *vide* Board Resolution dated 01.10.2025.

3.2 The CD in its Reply raises the following objections:

- i. Application filed by the Applicant is incomplete and lacks essential particulars
- ii. Claim of the Applicant is already adjudicated by the Arbitral Tribunal consisting of Sole Arbitrator
- iii. Claim of Applicant is uncrystallised and barred by limitation
- iv. Demand Notice dated 13.03.2025 issued under Section 8 of the Code is defective
- v. The Commission Agreement dated 01.04.2019 is insufficiently stamped.
- vi. The captioned application has been filed fraudulently with malafide intent to recover dues in contravention to the object and scheme of the Code.

3.3 It is submitted by the CD that the Application filed by the Applicant is liable to be dismissed at the threshold as it is incomplete and defective.

3.4 The claim of the Applicant is already been adjudicated by the Arbitral Tribunal in the Arbitration Case No. 55/ARB/JJ-STC/2022. It is further submitted that the

Arbitral Award dated 06.12.2023 was passed by the Sole Arbitrator on merits and in presence of both the parties. The Applicant has approached this Tribunal with malafide intentions to enforce the said arbitral award vide Insolvency mechanism. Further, if there is any genuine dispute regarding the amount or terms of the facility, the proper course for the Applicant is to file an execution application before the concerned court or enforce the said award dated 06.12.2023 through appropriate civil forum.

- 3.5 The claim of Rs. 2,50,30,058/- includes exorbitant interest charges which is contradictory to the terms of commission agreement dated 01.04.2019. Hence, the claim is both contractually unsustainable and legally unenforceable.
- 3.6 The original claim consisting of principal amount of Rs. 1,57,94,468/- adjudicated by arbitral tribunal was due on 11.04.2022 and such claim of Applicant is barred by limitation, as Section 238-A of the Code mandates the provisions of Limitation Act, 1963 including article 137 are applicable to IBC proceedings. Hence, the present application filed under Section 9 of Code is subject to a three-year limitation period starting from the date of default.
- 3.7 The Applicant has relied upon the arbitral award dated 06.12.2023 for computation of period of limitation. However, the Applicant under the said demand notice has wrongly mentioned date of default as 11.04.2022. That the date of default to ascertain the claim amount shall be calculated on basis of date of default mentioned under the said demand notice.
- 3.8 The Commission Agreement dated 01.04.2019 is insufficiently stamped by the both the parties and hence, it is invalid, illegal and unlawful and contrary to the provisions of the relevant stamp act.

4. REJOINDER OF THE APPLICANT

- 4.1 The Applicant filed Rejoinder *vide* an Affidavit dated 20.11.2025.
- 4.2 The Applicant provided necessary consultancy services under the commission agreement dated 01.04.2019. However, the CD did not remit commission fees as agreed under the said agreement. Thereafter, the Applicant invoked arbitration clause as per the terms of the said agreement. Subsequently, an arbitral tribunal consisting of sole arbitrator was constituted with mutual consent of both the parties. The Sole Arbitrator after hearing both the parties on merits passed an Arbitral Award dated 06.12.2023 and directed the CD to pay Rs. 1,92,02,877/- along with interest @ 18% p.a. on monthly compounding basis till date of realization.
- 4.3 The CD has failed to challenge the said award before the appropriate court of law. In addition to above the CD did not reply to the Demand Notice issued under section 8 of the Code nor did the CD informed about any pending disputes arising out of the present transaction. The CD has participated in the arbitration proceeding and have put forth the merits of its case before the arbitral tribunal.
- 4.4 The interest charged upon or claimed under the arbitration proceeding is as per commission agreement which is duly signed and executed by the CD. The CD is very well aware of the contents and terms of the said agreement. The interest charged upon outstanding amount is as per the terms of the said agreement therefore the same cannot be disputed at this stage where the default on the end of CD is evident.
- 4.5 The Additional Affidavit dated 08.08.2025 is filed as per direction of this Tribunal and the same has been served upon the CD. By filing of the said affidavit, the Applicant has rectified the error and submitted the proof of default i.e. NeSL certificate dated 07.08.2025 which clearly demonstrates the date of default as 06.12.2023 and therefore the present application filed under Section 9 of the Code is maintainable and not barred by limitation.

- 4.6 The demand notice issued under section 8 of the Code contains date of default which is prior to initiation of arbitration proceedings. The CD failed to reply to the said demand notice within time limit stipulated in the Code. The CD did not raise any objection on the same. Further, the issuance and contents of said demand notice never caused any prejudice to the CD or its right.
- 4.7 The written submissions of the Applicant and CD are similar to the above facts and hence, same is not reiterated for the sake of brevity.

5. ANALYSIS AND FINDINGS

- 5.1 We have heard the Ld. Counsels for the Applicant and the CD and have perused the records as placed before us. Our findings in the matter are as under: -
- 5.2 It is undisputed fact that the parties entered into Commission Agreement dated 01.04.2019, wherein the Applicant was responsible to provide the CD Import Consultancy Services and bring business and order of Corporate Clients for Steel manufacturing. It was agreed that the Applicant was entitled for 1% commission charges for arranging Clientele on total turnover of FY 2019-2020, 2020-2021 and 2021-2022 and was to be paid after the end of every financial year.
- 5.3 It is not denied that the CD failed to pay the outstanding payment to the Applicant and that the Applicant invoked Arbitration Clause of the Commission Agreement dated 01.04.2019. The Ld. Arbitrator passed Interim Order dated 23.01.2023 appointing a receiver on the properties of the CD. The relevant portion of the interim order is reproduced below:

IN THE NATIONAL COMPANY LAW TRIBUNAL MUMBAI BENCH-VI

13. Considering the facts and circumstances of the case, submissions of both sides, had material available of record I pass the order as under:

- I. The prayer of the Claimant for interim measure for appointment of receivers in respect of the properties as detailed as above is allowed in the hands of the justice.
- II. Advocate Vagish Dutt Upadhyay, office at Shop No. 2, Laxman Baug, G.G.S Road, Amar Nagar, Mulund (West), Mumbai 400082 as Receiver and authorised to exercise all such powers and rights to secure and safeguard the properties as below by taking possession of the properties known as and situated at:


Sr. No.	Address	Ownership
1.	Office No. 515, Sai Chambers Premises CHSL, TPS No. 5, Plot No 10, Santacruz (E), Mumbai – 400055.	Mrs. Shakuntala Joshi
2.	Industrial Godown No. H/21, H/22, H/23 & A/22, Ground Floor, Madhusudan Compound, Mankoli-Anjur Road, S No. 262, 264, 257, Village Anjur, Tal – Bhiwandi, Thane - 431202	Mr. Hemant Joshi

- III. The Receiver is hereby conferred with such powers, functions and duties for the realization, management, protection, preservation and improvement of the properties, the collection of the rents and profits,

if any as the owner himself and to take control of the aforesaid properties.

- IV. The Receiver is also authorised to appoint Respondents No 2 and 3 as his agent respect of the said properties without any securities provided, they are willing to accept the Agency and there upon the Agency agreement has to be executed under intimation to this Tribunal.
- V. The Appointment of Receiver will remain in force till further order.
- VI. The Claimant will bear the cost of the Receiver.
- VII. The Receiver will submit the report immediately on execution of this order without delay.

Place: Ghansoli
Date: 23rd January 2023


Adv. Asha Gunjal
Sole Arbitrator



5.4 It is seen that the Ld. Arbitrator passed a Final Award dated 06.12.2023 in favour of the Applicant. However, the CD failed to oblige with the said order and consequently the Applicant issued a Form 3 Demand Notice under Section 8 of the Code dated 13.03.2025. The relevant portion of the final award is reproduced below:

a. The Claimant is entitled to recover and the Respondents are jointly and severally liable for payment of a sum of INR INR 1,92,02,877/- (Rupees One Crore, Ninety Two Lakhs, Two Thousand, Eight Hundred and Seventy Seven Only) @18% p.a. compounding interest on monthly rest basis, till the actual payment of the award;

b. In case the Respondents fails to pay the aforesaid amount within a period of further 3 Months, the following property which is in the possession of Receiver be attached through appropriate court proceedings and handover to the Claimant to the extent of satisfaction his claim amount along with further simple interest thereon @ 18% p.a till the date of allocation of properties as agreed by the Respondents;

Sr. No.	Address	Ownership
1.	Office No. 515, Sai Chambers Premises CHSL, TPS No. 5, Plot No 10, Santacruz [E], Mumbai - 400055.	Mrs. Shakuntala Joshi
2.	Industrial Godown No. H/21, H/22, H/23 & A/22, Ground Floor, Madhusudan Compound,	Mr. Hemant Joshi

Mankoli-Anjur Road, S No. 262, 264, 257, Village Anjur, Tal - Bhiwandi, Thane - 431202
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c. The Respondents, its officers, servants, agents, assigns, successors in office and/or any other person connected to them are hereby directed and restrained from taking any further steps and/or creating any third party interest or rights against the aforesaid alleged shares including encumbrances till the recovery of the aforesaid amount and/or without written consent of the Claimant;

d. The Interim Order dated 23.01.2023 with respect to appointment of "Receiver" as per Application made by Claimant u/s. 17 of the Act shall continue till execution or setting aside of the final Award before appropriate adjudicating authority;

e. The Claimant is entitled to take all steps to safeguard his claim and interest in the alleged shares by taking all necessary step in execution on expiring the time provided in Arbitration & Conciliation Act, 1996;

f. Initially the total Arbitration cost and the fees of INR 90,000/- are paid by the Claimant and the Claimant may recover the arbitration fee of INR 45,000/- inclusive of administrative cost from the Respondents.

5.5 The CD has raised several objections. The CD states that the Application filed by the Applicant is incomplete and lacks essential particulars. It is seen that the Applicant has attached the Demand Notice (Form 3). The Form 3 has been acknowledged by the CD as the CD has inscribed "received and accepted" with CD's stamp on the said Form 3. It is observed that the CD has not replied to the Demand Notice.

5.6 Further, the CD itself states that the claim of the Applicant is already adjudicated by the Arbitral Tribunal consisting of Sole Arbitrator. On perusal of the interim award and final award passed by the Arbitral Tribunal, it is clearly stated that the CD has to pay the Applicant the outstanding claim. Reliance is placed on the judgment of Hon'ble Supreme Court in **Dena Bank v. C. Shivakumar Reddy (2021) 10 SCC 330**, wherein the court has held that,

"143. Moreover, a judgment and/or decree for money in favour of the Financial Creditor, passed by the DRT, or any other Tribunal or Court, or the

issuance of a Certificate of Recovery in favour of the Financial Creditor, would give rise to a fresh cause of action for the Financial Creditor, to initiate proceedings under Section 7 of the IBC for initiation of the Corporate Insolvency Resolution Process, within three years from the date of the judgment and/or decree or within three years from the date of issuance of the Certificate of Recovery, if the dues of the Corporate Debtor to the Financial Debtor, under the judgment and/or decree and/or in terms of the Certificate of Recovery, or any part thereof remained unpaid.”

5.7 Therefore, it is settled law that an award gives a new cause of action for the Applicant to initiate the IBC proceedings.

5.8 The CD's objection that the claim amount is not crystallised and that the Application is barred by limitation, we are of the view that the Arbitral Award dated 06.12.2023 crystallises the claim amount as it clearly states the amount to be paid by the CD and also the interest rate to be applied on the same and further the award gives a fresh cause of action as stated above and the Applicant has filed the Application on 24.05.2025 which is well within the limitation period from the date of default (06.12.2023).

5.9 The CD raises the objection that the claim amount includes exorbitant interest rate which is contrary to the terms of agreement. On perusal of the Commission Agreement dated 01.04.2019 it is seen that the agreement includes clause for interest. The relevant clause is reproduced as under:

“7. If the Second Party fails to pay the commission charges to the First Party, then Second Party will have to pay the outstanding amount with interest @ 18% p.a. compounding on monthly rest basis till the date of realisation.”

5.10 Moreover, the arbitration award also clearly specifies the interest rate to be applied to the outstanding dues. Therefore, the objection raised by the CD is contrary and hence, unsustainable.

- 5.11 The objection that the Commission Agreement dated 01.04.2019 is insufficiently stamped, as stated by the CD, is untenable, as we rely upon the judgment of the Hon'ble NCLAT in ***Hiren Meghji Bharani Vs. Shankheshwar Properties Pvt. Ltd. & Anr.***, [(2023) *ibclaw.in* 822 NCLAT] wherein Hon'ble NCLAT has clearly held that the non-stamping of documents does not render CIRP application filed to be non-maintainable when there exists other material on record to prove existence of default in the payment of debt. It is observed that the Applicant has placed on record the Arbitral award which is sufficient to prove the existence of debt.
- 5.12 The Applicant is misusing the Code as a recovery forum is disregarded as the CD has defaulted in making payments to the Applicant and the Applicant has come to this Tribunal for resolution of the CD.
- 5.13 The Applicant has placed on record the NeSL record of default in Form C.
- 5.14 The Applicant has mentioned date of default as 06.12.2023 which is as per the Arbitral Award. The Applicant has filed the Application on 24.05.2025 which is within the limitation period.
- 5.15 In view of the above findings, it is clear that the Applicant has placed on record the necessary evidences and materials to demonstrate the existence of the operational debt exceeding the minimum threshold of Rs.1 Crore prescribed under Section 4 of the Code, due and payable by the CD, as well as the default in payment thereof by the CD. The Applicant has served the Demand Notice upon the CD, and that the CD has failed to establish the existence of any pre-existing dispute. The Application is complete as all the relevant documents have been attached by the Applicant along with the Application.
- 5.16 In view of the above, we find that all pre-requisites of Section 9 of the Code are fulfilled and, accordingly, we are satisfied that the instant Application is fit for admission under

Section 9 of the Code. The Applicant has attached all the documents as required and therefore the Application is complete.

5.17 As the Applicant has not proposed the name of the IRP, this Tribunal appoints Mr. Purusottam Behera having registration no. IBBI/IPA-002/IP-N00940/2019-2020/12993 from the panel of IPs maintained to act as the Interim Resolution Professional (IRP) having AFA valid till 31.12.2026.

5.18 We make it clear that at this stage we have not crystalized the amount as claimed in this Application, the same is left to be collated by the IRP.

ORDER

In view of the aforesaid findings, Application bearing C.P.(IB) No.641/MB/2025 filed under Section 9 of the Code by Mr. Jigar Joshi, the Applicant, for initiating CIRP in respect of **STC Ventures Pvt Ltd**, the Corporate Debtor is hereby **admitted**.

We further declare moratorium under Section 14 of the Code with consequential directions as mentioned below: -

I. We prohibit-

- 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 possession of the Corporate Debtor.
- II. That the supply of essential goods or services to the Corporate Debtor, if continuing, shall not be terminated or suspended or interrupted during the moratorium period.
- III. That the order of moratorium shall have effect from the date of this order till the completion of the CIRP or until this Tribunal approves the resolution plan under Section 31(1) of the Code or passes an order for the liquidation of the Corporate Debtor under Section 33 thereof, as the case may be.
- IV. That the public announcement of the CIRP shall be made in immediately as specified under Section 13 of the Code read with Regulation 6 of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 and other Rules and Regulations made thereunder.
- V. That this Bench hereby appoints **Mr. Purusottam Behera** a registered Insolvency Professional having Registration Number **IBBI/IPA-002/IP-N00940/2019-2020/12993** and e-mail address purusosbbj@yahoo.com having valid Authorisation for Assignment up to 31.12.2026 as the IRP to carry out the functions under the Code.
- VI. That the fee payable to IRP/RP shall be in accordance with such Regulations/Circulars/ Directions as may be issued by the IBBI.
- VII. That during the CIRP Period, the management of the Corporate Debtor shall vest in the IRP or, as the case may be, the RP in terms of Section 17 or Section 25, as the case may be, of the Code. The officers and managers of the Corporate Debtor are directed to provide effective assistance to the IRP as and when he takes charge of the assets and management of the Corporate Debtor. Coercive

steps will follow against them under the provisions of the Code read with Rule 11 of the NCLT Rules for any violation of law.

- VIII. That the IRP/IP shall submit to this Tribunal monthly reports with regard to the progress of the CIRP in respect of the Corporate Debtor.
- IX. In exercise of the powers under Rule 11 of the NCLT Rules, 2016, the Applicant is directed to deposit a sum of Rs.3,00,000/- (Rupees Three Lakh) with the IRP to meet the initial CIRP cost arising out of issuing public notice and inviting claims, etc. The amount so deposited shall be interim finance and paid back to the Applicant on priority upon the funds available with IRP/RP from the Committee of Creditors (CoC). The expenses incurred by IRP out of this fund are subject to approval by the CoC.
- X. A copy of this Order be sent to the Registrar of Companies, Maharashtra, Mumbai for updating the Master Data of the Corporate Debtor.
- XI. The IRP is directed to issue notice of admission upon all the statutory authorities of the Corporate Debtor without fail within a period of 7 days from the date of this order.
- XII. A copy of the Order shall also be forwarded to the IBBI for record and dissemination on their website.
- XIII. The Registry is directed to immediately communicate this Order to the Applicant, the Corporate Debtor and the IRP by way of Speed Post, e-mail and WhatsApp.
- XIV. **Compliance report of the order by Designated Registrar is to be submitted today.**

Sd/-

NILESH SHARMA
MEMBER (JUDICIAL)
/VM//

Sd/-

SAMEER KAKAR
MEMBER (TECHNICAL)