NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH COURT VI

Item No. P4.

C.P. (IB)/1188(MB)2025

CORAM:

SHRI SAMEER KAKAR
HON'BLE MEMBER (TECHNICAL)

SHRI NILESH SHARMA
HON'BLE MEMBER (JUDICIAL)

ORDER SHEET OF HEARING (HYBRID) DATED **10.07.2026**

NAME OF THE PARTIES: **Mr. Sachin Mahadeo Bhintade**

Vs

ISG Hospitality Services 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)

Sd/-
SAMEER KAKAR
MEMBER (TECHNICAL)

//VM//

IN THE NATIONAL COMPANY LAW TRIBUNAL MUMBAI BENCH-VI

CP (IB) No.1188/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. SACHIN MAHADEO BHINTADE

(Sole Proprietor of Gurudatta Enterprises)

Gala No. 569, Market Yard

Fruit and Bhajipala Vibhag

Gultekadi Market Yard

Pune– 411037, Maharashtra.

…Operational Creditor/Applicant

V/s

ISG HOSPITALITY SERVICES PRIVATE LIMITED

[CIN: U55204PN2011PTC139856]

Office No. 406 & 402, 4th Floor,

Akruti Chambers, Swargate

Pune– 411037, Maharashtra.

...Corporate Debtor

Pronounced: 10.07.2026

CORAM:

HON'BLE SHRI NILESH SHARMA, MEMBER (JUDICIAL)

HON'BLE SHRI SAMEER KAKAR, MEMBER (TECHNICAL)

Appearances: Hybrid

Operational Creditor: Adv. Gaurav Shrawat

Corporate Debtor: Mr. Agam H Maloo

ORDER

[PER: BENCH]

1. BACKGROUND

1.1 This is an Application bearing C.P.(IB) No.1188/MB/2025 filed on 16.10.2025 by Mr. Sachin Mahadeo Bhintade (Sole Proprietor of Gurudatta Enterprises), 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 ISG Hospitality Services Private Limited, the Corporate Debtor (CD).

1.2 The Applicant is engaged in the business of trading fruits and vegetables. The CD is a company duly incorporated under the Companies Act, 2013. The CD is engaged in the business of providing industrial catering services.

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 master data of the Corporate Debtor

ii. Copies of outstanding invoices raised by the Operational Creditor on the Corporate Debtor.

iii. Copy of Letter dated 31.10.2024 from the Operational Creditor to the Corporate Debtor requesting the Corporate Debtor to clear the pending invoices.

iv. Copy of Final reminder letter dated 07.02.2025 from the Operational Creditor to the Corporate Debtor regarding payment of outstanding dues.

v. Copy of Demand Notice dated 02.06.2025 and a copy of RPAD receipt issued by the postal department.

2. AVERMENTS OF THE APPLICANT

2.1 The matter was first listed on 12.11.2025. The Applicant sought liberty to modify Form-5 qua the date of default and place on record the record of default issued by NeSL, which was allowed by this Tribunal. The Applicant filed an Additional Affidavit dated 10.01.2026 along with revised Form-5 and NeSL Form-C which is recorded *vide* interim order dated 17.02.2026. The facts as per the revised 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. 1,34,30,243/- (One Crore Thirty-Four Lakhs Thirty Thousand Two Hundred Forty-Three Rupees).

2.3 The date of default is mentioned as 28.08.2024.

2.4 It is submitted that in view of the CD's catering business, the Applicant was engaged to supply fruits and vegetables to CD on a regular basis.

2.5 The Applicant has from time to time raised invoices for the goods supplied to CD. However, the CD failed to make payment against the invoices raised by the Applicant during the period from 10.04.2023 to 12.08.2024. Copies of invoices are annexed as Exhibit-2 to the Application.

2.6 The Applicant addressed a letter dated 31.12.2024 to the CD requesting of payment of the outstanding invoices. In the said letter, the Applicant specified the outstanding dues and granted the CD time till 31.01.2025 to clear the outstanding dues payable to the Applicant. However, the CD did not respond to the said letter nor made any payments against the outstanding invoices. Copy of letter dated 31.12.2024 is annexed as Exhibit-3 to the Application.

2.7 Subsequently, the Applicant issued a reminder letter dated 07.02.2025, once again calling upon CD to clear the outstanding dues payable. In the said reminder letter, the Applicant clearly specified that CD must clear the outstanding dues within a period of

7 days from the date of the said reminder letter i.e. by 14.02.2025, failing which the Applicant shall initiate appropriate legal action. Copy of the letter dated 01.02.2025 is annexed as Exhibit 4 to the Application.

2.8 Despite several communications being issued by the Applicant to the CD as mentioned above, no payment with respect to the total outstanding amount was received by the Applicant and the Applicant issued a demand notice dated 02.06.2025 to the CD in accordance with the provisions of Section 8 of the Code and applicable rules. The said Demand Notice was duly dispatched to the CD through Registered Post Acknowledgment Due (RPAD) and was also hand delivered at the office of the CD.

2.9 The invoices raised by Applicant on CD were required to be cleared within the time period prescribed under the invoices i.e. within 15 days. Invoice raised by Applicant during the period from 10.04.2023 to 12.08.2024 have either been partly paid or have remained outstanding entirely. The first invoice dated 10.04.2023 became due upon expiry of the said 15-day period on 25.04.2023, and accordingly, the first date of default stands as 26.04.2023. Likewise, the last invoice dated 12.08.2024 became due upon expiry of the said 15-day period on 27.08.2024, and accordingly, the immediate next date on which the CD failed to discharge its admitted liability is considered to be the date of default i.e. 28.08.2024.

2.10 Therefore, for the purpose of complying with the provisions of the Code and settled judicial precedents, the date of default is 28.08.2024 i.e., the immediate next date following the expiry of prescribed 15-day period for clearance of last invoice.

3. CONTENTIONS OF CORPORATE DEBTOR

3.1 The CD filed Affidavit-in-Reply dated 25.03.2026 affirmed by Mr. Dattatraya Anand More, the Director and authorised representative of the CD *vide* a Board Resolution on which no date of passing the resolution is mentioned.

3.2 The CD in its Reply submits that it has always been willing and intends to discharge its obligations towards the Applicant. The non-payment of the outstanding amount dues of Rs.1,34,30,243/- is neither deliberate nor intentional, but is attributable solely to temporary financial constraints and adverse business circumstances beyond the control of the CD.

3.3 It is submitted that the CD has been facing severe liquidity challenges owing to downturn in business operations, market conditions, and other unforeseen circumstances, despite such constraints, the CD is making sincere and continuous efforts to stabilize its financial position and revive its business operations.

3.4 The CD submits that it is actively exploring all possible avenues to arrange funds and proposes to clear the outstanding dues as expeditiously as circumstances permit.

3.5 It CD relies on the judgments of Hon'ble Supreme Court in *Mobilox Innovations Private Limited v. Kirusa Software Private Limited and K Kishan v. Vijay Nirman Company Pvt. Ltd.,* stating that the Insolvency and Bankruptcy Code, 2016 is not intended to be substitute for debt recovery proceedings. Further, Hon'ble NCLAT in *S.S. Engineers v. Hindustan Petroleum Corporation Limited and Uttam Galva Steels Limited v. DF Deutsche Forfait AG* stating that where the corporate debtor demonstrates Bonafide intent to settle the dues, the adjudicating authority may grant reasonable time to facilitate settlement instead of precipitating insolvency proceedings.

4. WRITTEN SUBMISSION OF THE APPLICANT

4.1 The Applicant relies on the following judgments:

i. Hon'ble Supreme Court in the case of Swiss Ribbons (P) Ltd. v. Union of India, [(2019) 4 SCC 17]

ii. Hon'ble Supreme Court in the case of ES Krishnamurthy and Ors. vs. Bharath Hi Tech Builders Pvt. Ltd., [(2021) ibclaw.in 173 SC]

iii. Hon'ble National Company Law Appellate Tribunal in case of Monotrone Leasing Private Limited vs. PM Cold Storage Private Limited, [Company Appeal (AT) (Insolvency) No. 99 of 2020]

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 admitted fact that the Applicant was supplying fruits and vegetables regularly to the CD in the ordinary course of business. The Applicant supplied goods to the CD and raised invoices from time to time from 10.04.2023 till 12.08.2024 (pg nos. 24-120 of the Application).

5.3 The Applicant issued letters dated 31.12.2024 and 07.02.2025 along with the ledger account of the CD in the Applicant's books, demanding the outstanding amount. The same was duly served to the CD. It is seen that the CD did not reply to the said letters.

5.4 Further, the Applicant issued demand notice dated 02.06.2025 under Form 3 as per Section 8 of the Code thereby attaching the invoices and other documents and demanded the outstanding amount. The same was delivered to the CD as we notice that the CD has acknowledged by adding the received remark on the Demand Notice. The CD has not replied to the said notice.

5.5 A perusal of the Reply reveals that the CD has not denied the business transactions between the parties, the supply of goods by the Applicant, the invoices raised in respect thereof, or the amount claimed to be outstanding. On the contrary, the CD has categorically stated that it remains willing to discharge its obligations towards the Applicant and that the non-payment of dues is attributable to temporary financial difficulties and adverse business circumstances.

5.6 The principle defence raised by the CD is that it has been facing severe liquidity constrains owing to downturn in business operations and unfavourable market conditions and that it is exploring avenues for arranging funds to liquidate the outstanding dues. Thus, the defence of the CD is essentially founded upon financial incapacity and not upon any challenge to the existence of debt or default.

5.7 We find that there is no averment in the Reply alleging any deficiency in the goods supplied, discrepancy in quantity, issue relating to pricing, breach of contractual obligations, or any other circumstance which could give rise to a dispute in relation to the operational debt claimed by the Applicant.

5.8 The Applicant has explained that under the terms of the invoices, payment was required to be made within fifteen days from the date of invoice. The last invoice was raised on 12.08.2024 and became due for payment on 27.08.2024. Consequently, the immediate succeeding date i.e., 28.08.2024 has been reckoned as the date of default. We find the explanation furnished by the Applicant to be plausible and consistent with the documentary record. The Application having been filed within three years from the said date is clearly within the period of limitation.

5.9 The CD has relied upon the judgments as mentioned above in the order. We are of the view that there can be no disagreement with the settled proposition that the insolvency framework cannot be invoked as a mere recovery mechanism. However, the said judgments equally mandate that where there is no pre-existing dispute and the operational debt along with default stands established, the Adjudicating Authority is required to admit the Application upon satisfaction of the statutory requirements.

5.10 In the present case, the CD has failed to demonstrate the existence of any dispute, much less a pre-existing dispute, regarding the operational debt. No material has been brought on record to show that prior to issuance of the demand notice, any controversy existed between the parties in relation to the transactions forming the subject matter of the present Application. The defence raised by the CD is confined to financial inability to make payment and cannot be construed as a dispute within the meaning of the Code.

5.11 The Applicant has placed on record the NeSL record of default in Form C.

5.12 The Applicant has attached Affidavit under Section 9(3)(b) of the Code, stating that there is no dispute raised by the CD with regard to the unpaid operational debt.

5.13 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.

5.14 This Tribunal appoints **KDRA Insolvency Professionals Private Limited** to act as the Interim Resolution Professional (IRP) and having registration no. IBBI/IPE-0059/IPA-1/2022-23/50037 and AFA valid till 31.12.2026.

5.15 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.

5.16 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.1188/MB/2025 filed under Section 9 of the Code by Mr. Sachin Mahadeo Bhintade, the Applicant, for initiating CIRP in respect of **ISG Hospitality Services Private Limited**, 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 **KDRA Insolvency Professionals Private Limited** a registered Insolvency Professional Entity having Registration Number **IBBI/IPE-0059/IPA-1/2022-23/50037** and e-mail address irp@kdraip.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/-	**Sd/-**
NILESH SHARMA **MEMBER (JUDICIAL)**	**SAMEER KAKAR** **MEMBER (TECHNICAL)**

//VM//