



NATIONAL COMPANY LAW TRIBUNAL
INDORE BENCH
COURT NO. 1

ITEM No.203
CP(IB)/21(MP)2025

Order under Section 7 IBC

IN THE MATTER OF:

Central Bank of India Ltd
V/s
Narmada Extrusions Ltd

.....**Applicant**

.....**Respondent**

Coram:

Mr. Brajendra Mani Tripathi, Hon'ble Member(J)

Mr. Man Mohan Gupta, Hon'ble Member(T)

PRONOUNCEMENT ORDER

Delivered on 13/03/2026

The case is fixed for pronouncement of the order. The order is pronounced in open Court *vide* separate sheet.

Sd/-

Sd/-

MAN MOHAN GUPTA
MEMBER (TECHNICAL)

BRAJENDRA MANI TRIPATHI
MEMBER(JUDICIAL)

Chandni-LRA



IN THE NATIONAL COMPANY LAW TRIBUNAL

INDORE BENCH

CP(IB)/21(MP)2025

[Under Section 7 of the Insolvency and Bankruptcy Code, 2016, read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016]

IN THE MATTER OF:

Central Bank of India Ltd.

(CIN: U99999MH1911PTC000337)

Address: Mid Corporate Branch, 160-161, PU4,
2nd Floor, Scheme No.54, A.B. Road, Indore -
452 001(M.P.)

E-mail ID: agmindoo3827@centralbank.co.in

**...Applicant/
Financial Creditor**

Versus

Narmada Extrusions Ltd.

(CIN: U25202MP1984PLC002532)

Registered Address: Plot No. 71, Industrial Area
No. 1, Pithampur, Dhar-452001 (M.P.)

Branch Address: 403, Rajani Bhawan, Indore-
452001 (M.P.)

E-mail: n.extrusions@gmail.com

**...Respondent/
Corporate Debtor**

CORAM:

SHRI. BRAJENDRA MANI TRIPATHI, HON'BLE MEMBER (JUDICIAL)

SHRI. MAN MOHAN GUPTA, HON'BLE MEMBER (TECHNICAL)

APPEARANCE:

For the Applicant: Advocate Shantanu Chourasia

For the Respondent: Advocate Rohit Dubey



ORDER

Delivered on: 13.03.2026

1. This Company Petition has been filed by Central Bank of India (“Financial Creditor”), seeking to initiate Corporate Insolvency Resolution Process (CIRP) against Narmada Extrusion Limited (“Corporate Debtor”) under Section 7 of the Insolvency and Bankruptcy Code, 2016 (IBC) read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 for having committed a default in payment of its financial debts amounting Rs. 95,31,92,434/- (Rupees Ninety-Five Crores Thirty-One Lakhs Ninety Two Thousand Four Hundred Thirty Four only) as on 14.11.2024.
2. Perusal of **Part-I of the Form-1** indicates that the Financial Creditor is Central Bank of India. The Branch Office of the Financial Creditor is situated at Mid Corporate Branch, 160-161, PU4, 2nd Floor, Scheme No. 54, A.B., Indore – 452001(M.P.), through its Assistant General Manager, Mr. Nishant Rajan being authorised by Letter of Authority dated 18.03.2025 which is annexed at **‘Annexure-1’**.
3. On perusal of **Part-II of the Form-1** reveals that the Corporate Debtor is **Narmada Extrusion Limited** having CIN No. U25202MP1984PLC002532, a private limited company incorporated on 14.08.1984 under the Companies Act, 1956. The Corporate Debtor is having registered office at Plot No.71 Industrial Area No.1 Pithampur,



Dhar - 452 001 (M.P.) and Branch Add: 403, Rajani Bhawan, Indore – 452001 (M.P.) and e-mail ID: n.extrusions@gmail.com and with an authorized share capital of Rs. 4,00,00,000/- and paid-up share capital of Rs. 2,70,30,000/-, as per the Master Data available on the website of the Ministry of Corporate Affairs which is annexed with the Petition as '**Annexure-3**'.

4. On perusal of **Part-III of the Form-1** revealed that, the Applicant/Financial Creditors has proposed the name of **Mr. Kuldeep Tank having** Registration No. IBBI/IPA-001/IP-P-02776/2022-2023/14255 (AFA valid till 30.06.2026), having address: 14 Om Vihar, Indore Madhya Pradesh – 452005, e-mail: cakuldeeptank@gmail.com under section 13(1)(c) of the Code to act as Interim Resolution Professional (IRP). He has filed his written communication Form-2, which is annexed with the Petition as '**Annexure-4**' as per the requirement of Rule 9(1) of the Insolvency and Bankruptcy (AAA) Rules, 2016.
5. On perusal of **Part IV of Form-1**, it is revealed that the total amount in default is claimed to be **Rs. 95,31,92,434/-**, including interest till 14.11.2024. The applicant has stated that there are several dates of default the first date of default is 30.11.2023 and the last date of default is 30.03.2024.



6. The Financial Creditor has placed the facts through this Petition along with supporting documents in the following manner: -

(i) It is stated that loan was granted on various dates under various heads as mentioned below:

Type of Loan	Account No.	Loan Amount
Cash Credit	1374220514	40,00,00,000/-
Term Loan – Cent GECL 2.0 Corporate	3880338954	7,00,00,000/-
Term Loan – Cent GECL 2.0 Corporate Extension	5205868491	3,50,00,000/-
Letter of Credit	3249132546	40,00,00,000/-
Bank Guarantee	3249133038	9,00,00,000/-

(ii) It is respectfully submitted that, most recent enhancement in credit facilities extended to account of Corporate Debtor was done vide sanction letter no. MCB/CREDIT/2022-23/268 dated 22.09.2022, which is at '**Annexure- 14**' at page 383 of the petition.

(iii) Despite repeated discussions and reminders by the Financial Creditor, the Corporate Debtor failed to regularise its account. The account had become overdrawn due to the devolvement of Letters of Credit (LC) and the Corporate Debtor did not clear the outstanding dues. Consequently, the account of the Corporate



Debtor was classified as **Non-Performing Asset (NPA) on 28.02.2024.**

- (iv) It is respectfully submitted that thereafter the Financial Creditor issued a notice dated **02.03.2024 under Section 13(2) of the SARFAESI Act, 2002.** Subsequently, considering the long-standing business relationship, the Corporate Debtor requested the Financial Creditor to grant another opportunity. After due deliberation, the Financial Creditor granted a **last opportunity vide letter no. MCB/Credit/2024-25 dated 29.06.2024,** permitting the Corporate Debtor to operate the account under **holding-on operations.** However, the Corporate Debtor once again failed to comply with the terms and conditions of the said arrangement.
- (v) It is further submitted that, subsequently another notice dated 14.11.2024 under Section 13 (2) of SARFAESI Act was issued to Corporate Debtor demanding repayment of entire loan outstanding, however, the Corporate Debtor has categorically failed to repay the due and outstanding amount. The same is annexed with the Petition as **'Annexure-6'**.
- (vi) It is respectfully submitted that particulars of unpaid debt is as:

Type of Loan	Credit Amount (₹)	Due Amount as on 14.11.2024 (₹)
Cash Credit	₹40,00,00,000/-	₹82,82,15,432/-



Term Loan – Cent GECL 2.0 Corporate	₹7,00,00,000/-	₹3,55,74,897/-
Term Loan – Cent GECL 2.0 Corporate Extension	₹3,50,00,000/-	₹3,66,77,395/-
Letter of Credit	₹40,00,00,000/-	₹3,90,36,024/-
Bank Guarantee	₹9,00,00,000/-	₹1,36,88,686/-
Total	₹99,50,00,000/-	₹95,31,92,434/-

(vii) The Applicant submits that the Corporate Debtor has become a stressed asset and is not carrying out substantial manufacturing activities, and is only casually engaged in business operations. It is submitted that the financial condition of the Corporate Debtor is very poor and deteriorating, as reflected from the audited balance sheet for the financial year ending 31.03.2024, and that the Corporate Debtor does not have any regular source of income. Due to this financial condition, the Corporate Debtor has defaulted in repayment of the amounts borrowed from the Financial Creditor and is not in a position to repay the same.

(viii) It is further submitted that the failure of the Corporate Debtor to repay the principal amount and interest in terms of the loan conditions raises serious doubts regarding its financial soundness. According to the Applicant, the Corporate Debtor does not possess sufficient liquid assets to discharge the financial liabilities owed to the Financial Creditor and is therefore unable to meet its debt obligations.



(ix) The Applicant further submits that the Corporate Debtor is indebted to the Financial Creditor for a sum of ₹95,31,92,434/-, which remains unpaid. It is also submitted that the said liability has been acknowledged by the Corporate Debtor through its acknowledgments and balance sheets, and therefore the debt stands admitted.

(x) The Applicant also refers to the audited balance sheet of the Corporate Debtor as on 31.03.2024, wherein the liabilities of the Corporate Debtor are reflected as follows:

- Long-term borrowings – ₹68,23,00,000/-
- Short-term borrowings – ₹87,13,00,000/-
- Trade payables – ₹23,82,00,000/-

(xi) The total liabilities amount to ₹179,18,00,000/-. It is submitted that against these liabilities, the Corporate Debtor has tangible assets worth only ₹12,26,00,000/-, thereby indicating a substantial gap between the assets and liabilities of the Corporate Debtor.

(xii) On this basis, the Applicant submits that the Corporate Debtor is financially distressed and unable to pay its debts, and therefore it is desirable that the application filed under Section 7 of the Insolvency and Bankruptcy Code, 2016 be admitted and an Insolvency Resolution Professional be appointed.



7. The Financial Creditor has relied upon the following documents: -
- i. Various Sanction Letters and latest dated 22.09.2022
 - ii. ROC charge forms Charge Certificate & Search Report
 - iii. Various Financial Contract/documents
 - iv. Loan Recall Notice
 - v. Default available with Information Utility
 - vi. Bank Statements
 - vii. Balance Sheet of the Corporate Debtor.
8. It is noted that advance notice and copy of the Petition in terms of Rule 4(3) of IB (AAA) Rules, 2016 was already served on 21.03.2025 through e-mode upon the Corporate Debtor as per proof of email service filed along-with Petition on 21.03.2025. However, despite Service of the Petition none has appeared on behalf of the Corporate Debtor on 07.04.2025.
9. Thereafter, in compliance with the direction of this Tribunal vide order dated 07.04.2025, a formal notice in the Petition was served on the corporate debtor on 17.04.2025, through e-mode and registered post, on 23.04.2025 as per the Service Report Affidavit filed on 26.04.2025. Thereafter, on various dates i.e. 07.05.2025, the time to file reply was given to the respondent. On 11.06.2025, the matter was listed, but no reply was filed by the Corporate Debtor despite the oppournity. Therefore, vide order dated 11.06.2025 the right to file the reply of the Corporate Debtor was closed.



10. The Respondent had filed an **Interlocutory Application bearing IA/268(MP)2025** against the order dated **11.06.2025** passed by this Hon'ble Tribunal whereby the right of the Corporate Debtor to file its reply to the main petition was closed and the matter was directed to proceed ex-parte. The Respondent sought recall of the said order, permission to file reply/objections to the Company Petition, liberty to file a rejoinder to any further affidavits or documents filed by the Financial Creditor and such other orders as deemed fit. The Hon'ble Tribunal vide order dated **12.08.2025** allowed the said application and directed the Corporate Debtor to deposit **₹25,000/- in the Prime Minister's Relief Fund**, which was duly complied with.

11. Submission of Respondent/Corporate Debtor:

(i) **Maintainability and Grounds of objection:** The application under Section 7 IBC is not maintainable due to an incorrect "date of default" as alleged by the applicant bank. The supposed date of default 30.11.2023 and NPA classification 28.02.2024 do not match with continued operations and subsequent permissions extended by the applicant itself.

The Corporate Debtor (CD) remains a solvent and ongoing concern, operates an active business, and maintains substantial net worth highlighted in audited financials for FY 2023 and 2024, with ongoing business operations into 2024-2025. A copy of the audited financial statement is annexed as annexure A2 of the reply filed by the CD.



(ii) **Active Operations and no Actual Default:** The bank issued a letter on 29.06.2024 granting holding on operation facility explicitly permitting the company to continue operations, contradicting any claim of crystallized default as of 30.11.2023.

The corporate debtor has complied with all the terms & condition as stated in the letter dated 29.06.2024 and also deposited a sum of Rs 5 crore in June 2024 and Rs 2.50 crore in August 2024, and bank statements (Annexure A4) show continued operations.

(iii) **Restructuring Proposals and Bank Conduct:** The Respondent CD has diligently submitted 4 restructuring proposals to the Applicant Bank in a genuine effort to revive its operations and continue as a going concern. The 4th Proposal dated submitted in the month of July 2025, followed by detailed replies to queries raised by the Applicant Bank in their letter dated 28.07.2025.

The last-submitted restructuring proposal is currently pending consideration and approval at the Bank. This demonstrates the ongoing, bona fide efforts of the Corporate Debtor to rehabilitate its business. The Respondent respectfully submits that the successful revival of the Corporate Debtor is contingent upon the grant of sufficient time by this Hon'ble Tribunal to enable acceptance of the said restructuring proposal.

Furthermore, after 29.06.2024, the Applicant Bank granted the Corporate Debtor permission for holding on operation, permitting it to continue its business activities. This confirms that the Applicant



Bank acknowledges the Corporate Debtor's operational viability and the fluidity of the financial relationship between the parties, negating any claim of a crystallized default.

(iv) Legal Precedents and Principles

- a.** It is respectfully submitted that the applicant bank has failed to disclose material facts essential for a fair determination of the Section 7 petition. The applicant has not brought on record its own communications permitting the corporate debtor to continue operations after the claimed date of default, nor has it disclosed substantive deposits and restructuring efforts. Courts have consistently held that suppression of such crucial facts renders a petition liable to be dismissed. *In NCLAT, Company Appeal (AT) (Ins) No. 854 of 2019, the tribunal held that concealing parallel proceedings or recovery actions while pursuing Section 7 is forum shopping and abuse of process; such conduct attracts serious consequences and may warrant invocation of Section 65 IBC for mala fide actions.*
- b.** Moreover, proceedings under the SARFAESI Act or at the DRT for the same debt, simultaneously with an IBC proceeding, *constitutes impermissible forum shopping and is discouraged by judicial precedent (Pendency of Proceedings Before DRT, SARFAESI or CIRP-NCLAT Chennai, 2022).* This is particularly egregious when the intention is not to resolve insolvency but to



extract recoveries by leveraging multiple forums, which the IBC does not endorse.

- c. The Hon'ble Supreme Court in ***Innoventive Industries Ltd. v. ICICI Bank Ltd. (2018) 1 SCC 407, as well as in Sree Metaliks Ltd. v. Union of India (2017 SCC Online Cal 210)***, clarified that the IBC is a tool of last resort, meant for insolvency resolution of genuinely distressed entities, not to function as a parallel recovery mechanism for financial creditors. The Code envisions the revival of viable businesses; where a company is solvent, making substantial payments, or engaged in negotiations/settlements with creditors, the use of insolvency proceedings to recover monies is improper.
- d. *The Hon'ble NCLAT in Company Appeal (AT) (Insolvency) No. 854 of 2019: Punjab National Bank v. Vindhya Cereals Pvt. Ltd.* has also highlighted that Section 7 is not intended to bypass civil remedies or to exact debts from companies who remain functional and have not truly defaulted in the sense required by the IBC. Judicial comity requires that NCLT/NCLAT ensure the true spirit and objectives of the Code are upheld, and not diluted by recovery-centric litigation masquerading as insolvency resolution proceedings.



(v) Suppression of Material Facts, Defective Pleadings, and Forum

Shopping:

The bank failed to disclose its own communication authorizing operations after the claimed default and omitted relevant financial and operational facts. The petition is not supported by a valid affidavit/authorization (dates in affidavit and bank approval are inconsistent), contrary to NCLT Rules.

- 12.** We have heard the submissions of the Ld. Counsel appearing for the Financial Creditor as well as the Ld. Counsel appearing for the Corporate Debtor and have carefully perused the material available on record, including the pleadings, documents placed on record, and written submissions filed by the parties.

Analysis and Findings:

- 13.** On perusal of the records, it is observed that the promoters of the Corporate Debtor had approached the Financial Creditor for availing various credit facilities and that the parties have maintained banking relations for more than four decades. Over the course of this long-standing relationship, several credit facilities were extended by the Financial Creditor to the Corporate Debtor from time to time. The most recent sanction was granted vide **Sanction Letter No. MCB/CREDIT/2022-23/268 dated 22.09.2022.**



14. It is further observed that despite repeated discussions, reminders, and follow-ups by the Financial Creditor, the Corporate Debtor failed to regularize the account. The account remained in an overdrawn position in the Cash Credit facility primarily due to the devolvement of Letters of Credit and failure on the part of the Corporate Debtor to clear the outstanding liabilities. Consequently, the loan account of the Corporate Debtor was classified as Non-Performing Asset (NPA) on 28.02.2024 in accordance with the applicable RBI Prudential Norms on Income Recognition, Asset Classification and Provisioning.
15. Following such classification, the **Financial Creditor issued a Final Recall Notice dated 02.03.2024**, recalling the entire outstanding dues and calling upon the Corporate Debtor and its guarantors to repay the outstanding amount. The said notice was duly served upon the Corporate Debtor and the guarantors. However, despite receipt of the recall notice, the Corporate Debtor failed to honour the outstanding dues.
16. The records further indicate that, subsequently, upon requests and deliberations between the parties, the Financial Creditor granted one final opportunity to the Corporate Debtor. Vide Letter No. MCB/Credit/2024-25 dated 29.06.2024, the Financial Creditor permitted 'holding-on operations' in the account of the Corporate Debtor subject to certain conditions.



17. The said holding-on operations were permitted strictly as a temporary measure and as a last opportunity, subject to fulfillment of specific conditions stipulated in the letter, including infusion of additional funds by the promoters and regularization of overdue liabilities. However, the Corporate Debtor failed to adhere to the terms and conditions attached to the said permission.
18. As the Corporate Debtor did not comply with the stipulated conditions and failed to regularize the account, the Financial Creditor proceeded to initiate recovery action. Accordingly, **a Demand Notice dated 14.11.2024 under Section 13(2) of the SARFAESI Act, 2002** was issued to the Corporate Debtor demanding repayment of the entire outstanding loan amount. Despite service of the said notice, the Corporate Debtor failed to repay the outstanding dues.
19. The Financial Creditor has also placed on record detailed documentary evidence in support of the existence of financial debt and the occurrence of default. The documents include the statements of accounts of various credit facilities extended to the Corporate Debtor, RBI circulars governing prudential norms, internal credit policies of the bank, and other relevant records. It is pertinent to mention that the Financial Creditor sought time before this Adjudicating Authority to place on record the complete statements of accounts along with a Certificate under the Bankers' Books Evidence Act, 1891, in order to demonstrate the default committed by the Corporate Debtor in repayment of the financial facilities.



20. From the material placed on record, it is evident that the Corporate Debtor has availed financial facilities from the Financial Creditor and that the said facilities fall within the definition of **“financial debt” under Section 5(8) of the Insolvency and Bankruptcy Code, 2016.**
21. It is also evident from the account statements and other documentary evidence that the Corporate Debtor has committed default in repayment of the financial debt, and the outstanding amount claimed by the Financial Creditor is well above the minimum threshold prescribed under Section 4 of the Code.
22. The Corporate Debtor has raised certain objections with respect to the maintainability of the present petition. One of the principal submissions advanced by the Corporate Debtor is that the Financial Creditor had permitted **holding-on operations** in the loan account of the Corporate Debtor and therefore the date of default alleged by the Financial Creditor cannot be sustained.
23. In this regard, it is pertinent to note that the permission granted by the Financial Creditor vide letter dated **29.06.2024** was subject to specific conditions. The said communication clearly stipulated certain **pre-conditions**, including infusion of additional funds by the promoters and regularization of overdue interest liabilities.



24. The material placed on record indicates that the Corporate Debtor infused only **₹7.41 Crore**, whereas the stipulated condition required infusion of **₹10 Crore** by the promoters. Further, the Corporate Debtor failed to generate sufficient operational revenues or sales collections to regularize the loan account.
25. In view of the failure of the Corporate Debtor to comply with the stipulated conditions, the permission granted for holding-on operations was subsequently withdrawn by the Financial Creditor. Therefore, such temporary accommodation granted by the Bank cannot be construed as altering the **occurrence of default** or the **classification of the account as NPA**.
26. The Corporate Debtor has also questioned the **authority of the officer who has filed the present petition** on behalf of the Financial Creditor. Upon examination of the records, it is noted that the present petition has been filed through an officer of the Financial Creditor who is duly authorized to represent the Bank. The affidavit in support of the petition has been sworn by the **Assistant General Manager of the Applicant Bank's Mid-Corporate Branch**, who is competent to act on behalf of the institution.
27. Even assuming that there exists any technical defect in the authorization, the same would be merely procedural in nature and cannot invalidate the proceedings. The *Hon'ble Supreme Court in United*



Bank of India v. Naresh Kumar & Ors. (1996) 6 SCC 660 has held that when institutions act through their officers, defects in authorization are curable and petitions cannot be dismissed on such technical grounds.

28. The Corporate Debtor has also contended that proceedings have been initiated by the Financial Creditor under the **SARFAESI Act, 2002**, and therefore, initiation of insolvency proceedings under the Code is not maintainable.
29. This contention cannot be accepted. It is well settled that remedies available under the **SARFAESI Act** and the **Insolvency and Bankruptcy Code, 2016** operate in different statutory domains. Proceedings under SARFAESI are in the nature of enforcement of security interest, whereas proceedings under the Code are aimed at **resolution of insolvency of the corporate debtor as a whole**.
30. The Hon'ble NCLAT in *G. Sundaravadivelu v. Indian Overseas Bank (Comp. App (AT) (CH) (INS) No.143 of 2022)* and in *State Bank of India v. Abhijeet Ferrotech Ltd., (2024) ibclaw.in 428 NCLAT*, has held that the pendency of proceedings before the **Debt Recovery Tribunal** is not a bar to initiation of proceedings under the Code.
31. At this stage, it is also necessary to examine the scope of the jurisdiction of the Adjudicating Authority while dealing with an application under Section 7 of the Code.



32. The Hon'ble Supreme Court in *Innoventive Industries Ltd. v. ICICI Bank Ltd.* **(2018) 1 SCC 407** has categorically held that the Adjudicating Authority is required to ascertain **whether a financial debt exists and whether a default has occurred.**
33. Once the Adjudicating Authority is satisfied that a default has occurred and that the application is complete in all respects, the application is required to be admitted.
34. The Hon'ble Supreme Court has reiterated the said principle in *M. Suresh Kumar Reddy v. Canara Bank & Ors.* **(Civil Appeal No.7121 of 2022)**, wherein it was held that the primary requirement for admission of an application under Section 7 is the establishment of **existence of debt and occurrence of default.**
35. In the present case, the Financial Creditor has placed on record **certified statements of account**, documentary evidence of loan transactions, and the **certificate issued under the Bankers' Books Evidence Act**, which clearly establish the financial transactions between the parties and the outstanding liabilities of the Corporate Debtor.
36. The Applicant has also placed on record the record of default from the Information Utility, which further corroborates the existence of financial debt and occurrence of default.



37. It is also necessary to examine whether the present application has been filed within the period of limitation. In terms of Article 137 of the Limitation Act, 1963, the period of limitation for filing an application under Section 7 of the Insolvency and Bankruptcy Code, 2016 is three years from the date of default. The Hon'ble Supreme Court in B.K. Educational Services Pvt. Ltd. v. Parag Gupta & Associates (2019) 11 SCC 633 has held that Article 137 of the Limitation Act applies to applications under the Code.
38. In the present case, the Financial Creditor has stated that the first date of default is 30.11.2023 and the account of the Corporate Debtor was classified as NPA on 28.02.2024. The present application has been filed on 21.03.2025, which is clearly within the period of three years from the date of default. Further, the Financial Creditor has also placed on record the balance sheets and acknowledgements of liability by the Corporate Debtor which further extend the limitation in terms of Section 18 of the Limitation Act, 1963.
39. Accordingly, we are satisfied that the present application has been filed well within the prescribed period of limitation.
40. The documentary evidence placed on record clearly demonstrates that the Corporate Debtor has failed to repay the financial debt which had become due and payable.



41. The amount claimed by the Financial Creditor is well above the **minimum threshold prescribed under Section 4 of the Code**, and the application has been filed **within the period of limitation**.
42. The objections raised by the Corporate Debtor regarding holding-on operations, restructuring proposals and pendency of SARFAESI proceedings do not affect the determination of existence of financial debt and default under Section 7 of the Code.
43. In view of the material placed on record and the legal position discussed hereinabove, we are satisfied that the Financial Creditor has successfully established the **existence of financial debt and occurrence of default** on the part of the Corporate Debtor.
44. Accordingly, the present application filed under **Section 7 of the Insolvency and Bankruptcy Code, 2016** deserves to be admitted.
45. Accordingly, in light of the above facts and circumstances, it is, hereby ordered as under: -
- (i) The Respondent/Corporate Debtor **Narmada Extrusions Ltd.** is admitted in the Corporate Insolvency Resolution Process (CIRP) under section 7 of the IBC, 2016.
 - (ii) As a consequence, thereof, an Interim Resolution Professional (IRP) is appointed, moratorium under Section 14 of Insolvency and



Bankruptcy Code, 2016 is declared for prohibiting all of the following in terms of Section 14(1) of the IBC, 2016.

- 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 the possession of the Corporate Debtor.
 - e. The provisions of sub-Section (1) shall however, not apply to such transactions, agreements as may be notified by the Central Government in consultation with any financial sector regulator and to a surety in a contract of guarantee to a Corporate Debtor.
- (iii) The order of moratorium under section 14 of the Code shall come to effect from the date of this order till the completion of the



Corporate Insolvency Resolution Process or until this Adjudicating Authority approves the Resolution Plan under sub-section (1) of section 31 or passes an order for liquidation of the corporate debtor under Section 33 of the IBC 2016, as the case may be.

- (iv) However, in terms of Section 14(2) to 14(3) of the Code, the supply of essential goods or services to the corporate debtor as may be specified, if continuing, shall not be terminated or suspended, or interrupted during the moratorium period. The corporate debtor to provide effective assistance to the IRP as and when he takes charge of the assets and management of the corporate debtor.
- (v) As proposed by the Financial Creditor, we appoint Mr. Kuldeep Tank Registration No. IBBI/IPA-001/IP-P-02776/2022-2023/14255, having address: 14 Om Vihar, Indore Madhya Pradesh - 452005 (e-mail: cakuldeeptank@gmail.com) under section 13 (1)(c) of the Code to act as Interim Resolution Professional (IRP). He has filed his written communication Form-2, which is annexed with the Petition as '**Annexure-4**' as per the requirement of Rule 9(1) of the Insolvency and Bankruptcy (AAA) Rules, 2016.
- (vi) The IRP shall conduct the Corporate Insolvency Resolution Process as per the Insolvency and Bankruptcy Code, 2016 r.w. Regulations made thereunder.
- (vii) The IRP so appointed shall make a public announcement of the initiation of Corporate Insolvency Resolution Process and call for



submissions of claims under section 15, as required by Section 13(1)(b) of the Code. (vii) The IRP shall perform all her functions as contemplated, inter-alia, by sections 17, 18, 20 and 21 of the Code. It is further made clear that all personnel connected with the corporate debtor, its promoters, or any other person associated with the management of the corporate debtor are under legal obligation as per section 19 of the Code to extend every assistance and cooperation to the IRP. Where any personnel of the corporate debtor, its promoters, or any other person required to assist or cooperate with IRP, do not assist or cooperate, the IRP is at liberty to make appropriate application to this Adjudicating Authority with a prayer for passing an appropriate order.

- (viii) The IRP is expected to take full charge of the corporate debtor's assets, and documents without any delay whatsoever. He is also free to take police assistance in this regard, and this Court hereby directs the Police Authorities to render all assistance as may be required by the IRP in this regard.
- (ix) The IRP shall be under a duty to protect and preserve the value of the property of the „corporate debtor company“ and manage the operations of the corporate debtor company as a going concern as a part of obligation imposed by section 20 of the Code.
- (x) The IRP or the RP, as the case may be shall submit to this Adjudicating Authority periodical report with regard to the progress of the CIRP in respect of the Corporate Debtor.



- (xi) We direct the financial creditor to pay IRP a sum of **Rs. 2,00,000/- (Rupees Two Lakh Only)** in advance within a period of 7 days from the date of this order to meet the cost of CIRP arising out of issuing public notice and inviting claims etc. till the CoC decides about her fees/expenses.
- (xii) The Registry is directed to communicate this order to the financial creditor, corporate debtor, and to the Interim Resolution Professional, the concerned Registrar of Companies and the Insolvency and Bankruptcy Board of India after completion of necessary formalities, within seven working days and upload the same on the website immediately after pronouncement of the order. The Registrar of Companies shall update its website by updating the Master Data of the Corporate Debtor in MCA portal specific mention regarding admission of this Application and shall forward the compliance report to the Registrar, NCLT. (xiii) The IRP shall also serve a copy of this order to the various departments such as Income Tax, GST (centre), State Trade Tax, Provident Fund etc. who are likely to have their claim against Corporate Debtor as well as to the trade unions/employees associations so that they are informed of the initiation of CIRP against the Corporate Debtor timely.
- (xiii) The commencement of the Corporate Insolvency Resolution Process shall be effective from the date of this order.



NCLT INDORE BENCH
CP(IB)/21(MP)2025
Order dated 13.03.2026

46. Accordingly, this Application **CP(IB)/21/MP/2025 is hereby admitted.**

A certified copy of this order may be issued, if applied for, upon compliance with all requisite formalities.

Sd/-

Sd/-

MAN MOHAN GUPTA
MEMBER (TECHNICAL)
Chandni-LRA

BRAJENDRA MANI TRIPATHI
MEMBER(JUDICIAL)