NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH COURT VI

Item No. P-2

C.P.(IB)/654(MB)2026

CORAM

SHRI SAMEER KAKAR
HON'BLE MEMBER (TECHNICAL)

SHRI NILESH SHARMA
HON'BLE MEMBER (JUDICIAL)

ORDER SHEET OF HEARING DATED **07.07.2026**

NAME OF THE PARTIES **:** **Mr R Srikant Ayyer**

Vs

Neogreen Agriculture Llp

Under Section 7 of the IBC, 2016.

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)

//SS//

IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH-VI

C.P. (IB)/654/MB/2026

[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:

Mr. R. Srikant Ayyer

C-606, Lotus Building, Ansal Vihar,

Shimpoli Road, Borivali (West), Mumbai - 400092

... Financial Creditor

V/s

Neogreen Agriculture LLP

LLPIN: AAX-2889

401, B Wing, Kohinoor Square, N. C. Kelkar Marg,

Opp. Shiv Sena Bhavan,

Dadar, Mumbai - 400028

...Corporate Debtor

Pronounced: 07.07.2026

CORAM:

HON'BLE SHRI NILESH SHARMA, MEMBER (JUDICIAL)

HON'BLE SHRI SAMEER KAKAR, MEMBER (TECHNICAL)

Appearances: Hybrid

For Applicant: Adv. Mr. Ashwin Shanker/Adv. Ms. Keyna Bhavsar

For Respondent: None present

ORDER

[PER: CORAM]

1. BACKGROUND

1.1 This C.P. (IB)/654/MB/2026 (Application) was filed on 04.06.2026 by Mr. R. Srikant Ayyer, the Financial Creditor (FC) under Section 7 of the Insolvency and Bankruptcy Code, 2016 (IBC), seeking initiation of Corporate Insolvency Resolution Process (CIRP) against M/s. Neogreen Agriculture LLP, the Corporate Debtor (CD), having [Identification No.: AAX-2889].

1.2 Perusal of the Part III reveals that the Applicant has named Mr. Nitin Om Kothari, 3A/303, Whispering, Palm, Lokhandwala Township, Kandivali East, Mumbai 400101 Email ID: cakotharico@gmail.com having IP Registration No. IBBI/IPA-001/IP-P02310/2020 2021/13477 as the IRP. The proposed IRP has given his consent in Form No. 2, which is appended at Page No. 92 to 95. The AFA of the proposed IRP is valid till 30.06.2027.

1.3 As per Part IV of the Application, the amount claimed to be in default is Rs. 1,02,28,590/- (One Crore Two Lakhs Twenty-Eight Five Hundred and Ninety Rupees Only.) being the principal amount of ₹50,00,000/- and interest of ₹ 52,28,590/- calculated at 25% per annum. The date of default is mentioned as **30.04.2026**.

2. CONTENTIONS OF APPLICANT

2.1 It is stated by the Financial Creditor that he was employed as a Consultant/ Marine Engineer by the Corporate Debtor since November 2016.

2.2 Further, it is stated that Neogreen Agriculture LLP ("Corporate Debtor") and Neogreen Ventures Limited (formerly "Neogreen Ventures Private Limited") operate collectively as a single economic entity under the "Corporate Debtor Group," engaged in bio-dynamic farming, cattle raising, and hydroponic projects. The operations, management, and corporate communications of both entities are entirely intertwined, being routed through common directors and personnel. By virtue of their unified economic operation and shared control, the Corporate Debtor and Neogreen Ventures Limited are jointly and severally liable for the entire claim amount due to the Financial Creditor.

2.3 It is stated that in/around 2023, the Financial Creditor was approached by one, Mr. Rajmohan Waldia, Director of Neogreen Ventures Limited (formerly known as Neogreen Ventures Private Limited) with an investment opportunity in the business of the Corporate Debtor and Neogreen Ventures Limited against consideration for time value of money.

2.4 it is stated that the Financial Creditor and the Corporate Debtor entered into an Investment Agreement dated 05.12.2022 (the 'Investment Agreement') whereby the Financial Creditor lent an amount of Rs. 20,00,000/- to the business of the Corporate Debtor vide NEFT No. KARBR52022120100551604 dated 01.12.2022, for a period of 5 years under a '25% yearly return scheme with Principal Return '. The interest payments were to commence from December 2022.

2.5 it is stated that as per the Investment Agreement, the Corporate Debtor agreed for a 'monthly payout' of Rs. 41,667/- for a period of 5 years (i.e.

from 01.12.2022 to 01.12.2027), after which the principal amount of Rs. 20,00,000/- would be returned. In the event the Corporate Debtor defaulted in its obligation, the Financial Creditor would have the right to seize or impound and to take the lawful possession of the immovable property by the Registered Sale Deed of Agriculture Land situated in Village - Duberer, Tal. - Sinner (Nashik) area of 20 guntha. The Corporate Debtor was required to provide a land guarantee within 3 months of the execution of the Investment Agreement, which it has failed to do.

2.6 It is stated that similarly, Neogreen Ventures Limited, from the same group entity as the Corporate Debtor, approached the Financial Creditor for an investment under an alleged Compulsorily Convertible Preference Share scheme. The Financial Creditor was provided with the impression that the Compulsorily Convertible Preference Share would be registered with the Registrar of Companies pursuant to which a Compulsorily Convertible Preference Share certificate would be issued.

2.7 it is stated that vide email dated 08, February 2023, the Corporate Debtor group acknowledged the receipt of the Financial Creditor's disbursements, the details of which are set out below:- (This amount is claimed to be disbursed to Neogreen Ventures Limited towards issuance of Compulsorily Convertible Preference Shares.)

Date	**Ref No.**	**Amt**
26-01-2023	KARBN23026014326	1,00,000.00
27-01-2023	KARBN23027068853	10,00,000.00
28-01-2023	KARBN23028245877	10,00,000.00

30-01-2023	KARBN23030411458	9,00,000.00
	Total	**30,00,000.00**

2.8 it is stated that subsequently, under the Investment Agreement, the Financial Creditor received interest amounts of Rs. 37,500/- (minus TDS) for the months of December 2022 to June 2023. However, the Financial Creditor has since June 2023 not received any of the monthly pay-outs due under the Investment Agreement. The Financial Creditor received two ad-hoc payments of Rs. 69,500/- on 31st December, 2025 and Rs 41,700/- on 04 March 2026. Not only has the Corporate Debtor defaulted in timely payment of the amounts due, but it has also breached Clause I of the Investment Agreement by failing to provide the requisite land guarantee. It is submitted that the Corporate Debtor and Neogreen Ventures Limited are jointly and severally liable for the amounts disbursed by the Financial Creditor.

2.9 it is stated that similarly, under the alleged Compulsorily Convertible Preference Share scheme, Neogreen Ventures Limited implied that the following was a scheme by which the Financial Creditor would receive 'share certificates' after the requisite process with the 'Bombay Stock Exchange' was completed. It is submitted that no such scheme exists, and the Neogreen Ventures Limited is merely using the disbursed amounts as investment for its business purposes. Therefore, Neogreen Ventures Limited has had uninterrupted use of the Financial Creditor's moneys and is liable to return the same with 25% yearly return scheme with Principal Return plus interest.

2.10 it is stated that the Financial Creditor sent multiple reminders to the Corporate Debtor Group for timely payments of the interest amounts. The Corporate Debtor and Neogreen Ventures Limited (collectively, the Corporate Debtor Group) continued to make false promises of payments, however, remained in default of the Investment Agreement and the alleged Compulsorily Convertible Preference Share scheme.

2.11 it is stated that vide email dated 15 October 2025, the Corporate Debtor group assured the Financial Creditor that all the principal payments will be cleared before December 2025. However, the Corporate Debtor group has defaulted on its commitment and thereafter only part-payment of Rs. 69,500/- on 31, December 2025 and Rs.41,700 on 04 March 2026 was received.

2.12 It is stated that Financial Creditor submits that the Investment Agreement and the Compulsorily Convertible Preference Share scheme are nothing, but a fraudulent attempt by the Corporate Debtor group to receive moneys from the Financial Creditor. Multiple FIRs and cases have been registered against the Corporate Debtor and Neogreen Ventures Limited (forming part of the same group entity) for fraudulently obtaining investments by promising high returns.

2.13 it is stated that Hence, the Financial Creditor has preferred the present Company Petition to initiate Corporate Insolvency Resolution Process against the Corporate Debtor and Neogreen Ventures Limited, jointly and severally under Section 7 of the Insolvency and Bankruptcy Code, 2016.

2.14 it is stated that for the sake of brevity and full disclosure, that the Financial Creditor attempted to file a single Section 7 petition against the Corporate Debtor and Neogreen Ventures Limited as Corporate Debtor No. 1 and 2, respectively. However, the same was not accepted by the Registry. Therefore, the Financial Creditor is constrained to file two separate Section 7 Applications against the Corporate Debtor Group i.e. the Corporate Debtor and Neogreen Ventures Limited. The Financial Creditor seeks liberty to apply for tagging of the Section 7 petitions at the appropriate stage.

3. **<u>The Applicant has attached the following supporting documents along with the Application:</u>**

i. Copy of Application under Form 1 by the Financial Creditor under Section 7 of the Insolvency and Bankruptcy Code, 2016 to initiate Corporate Insolvency Resolution process against the Corporate Debtor.

ii. Copy of Investment Agreement dated 5 December 2022 executed between the Financial Creditor and Corporate Debtor.

iii. Copy of Letter dated 26 January 2023 from Neogreen Ventures Limited.

iv. Copy of Ledger Account Statement of the Corporate Debtor from 1 April 2022 to 31 January 2024 showcasing the interest payout till June 2023.

v. Copy of emails from 30 November 2022 to 26 January 2023 between the Financial Creditor and Neogreen Ventures Limited.

vi. Copy of email dated 08 February 2023 from the Corporate Debtor group acknowledging receipt of Rs. 30,00,000/- for the alleged Compulsorily Convertible Preference Shares Investment from the Financial Creditor.

vii. Copy of email dated 28, June 2025 from the Corporate Debtor group to the Financial Creditor promising to initiate the process to clear the Financial Creditor's outstanding dues.

viii. Copy of email dated 15 October 2025 from the Corporate Debtor Group admitting the Financial Creditors debt and promising to clear all principal payments before December 2025.

ix. Copy of the workings for the Computation of Default.

x. Copy of Ministry of Corporate Affairs Report of Corporate Debtor.

xi. Copy of the record of default with IBBI.

xii. Copy of Power of Attorney.

4. <u>ANALYSIS AND FINDINGS</u>

4.1 This Application was first heard on 19.06.2026 and after hearing the Ld. Counsel for the applicant, the matter was reserved for orders on maintainability.

4.2 We have perused the documents as placed before us and heard the Ld. Counsel for the Applicant.

4.3 It is the case of the applicant that they have disbursed a sum of Rs. 20,00,000/- to the corporate debtor herein and that a sum of Rs. 30,00,000/- was disbursed by them to another associate of the corporate debtor viz.

Neogreen Ventures Limited towards subscription of Compulsory Convertible Preference Shares (CCPS).

4.4 Applicant has attached the Investment Agreement with the Corporate Debtor at page no. 31 and the principal amount of Rs. 20 Lakh is mentioned on page no. 31 of the said Agreement.

4.5 Applicant has also attached a letter dated 26/1/2023 from Neogreen Ventures Limited at page no. 36 of the application, wherein the said Neogreen Ventures Limited has acknowledged receipt of Rs. 30,00,000/- for CCPS investment.

4.6 At page no. 42 applicant has attached the copy of application form for allotment of CCPS.

4.7 Taking both the amounts disbursed i.e. Rs. 20,00,000/- to the respondent herein and Rs. 30,00,000/- to Neogreen Ventures Limited, the principal amount is stated as Rs. 50,00,000/- and applying interest on these amounts the total amount claimed in this application is Rs. 1,02,28,590/-.

4.8 It is the case of the applicant that both amounts should be clubbed together to consider the threshold as prescribed u/s 4 of IBC, 2016. Applicant has attached computation w.r.t. claim on the respondent at page no. 73 which works out to be Rs. 40,93,970/-. The claim w.r.t. Neogreen Ventures Limited is at page no. 74 and it works out to be Rs. 61,34,620/-.

4.9 The applicant is stating that the corporate debtor is in default to the applicant for the above stated amount.

4.10 It is evident from the Applicant's own pleadings that the total amount claimed to be in default from the corporate debtor herein is Rs. 40,93,970/. The first and foremost issue in this application is as to whether the application filed under Section 7 is maintainable where the Application is filed against a Corporate Debtor in respect of the dues claimed to be in default by the Corporate Debtor and it's another group Company.

4.11 The term "Corporate Debtor" is defined in Section 3 (8) of the Code as under:-

"*(8) "**corporate debtor**" means a corporate person who owes a debt to any person;"*

4.12 The threshold for initiation of CIRP is prescribed u/s 4 of IBC, 2016 and presently the same stands at Rs. 1,00,00,000/-. The said section is reproduced hereunder:

"4 Applicant of this Part-(1) --This Part shall apply to matters relating to the insolvency and liquidation of corporate debtors where the minimum amount of the default is one lakh rupees:

Provided that the Central Government may, by notification, specify the minimum amount of default of higher value which shall not be more than one crore rupees.

Provided further that the Central Government may, by notification, specify such minimum amount of default of higher value, which shall not be more than one crore rupees, for matters relating to the pre-packaged insolvency resolution process of corporate debtors under Chapter III-A."

4.13 Minimum amount of default in respect of Corporate Debtors has, vide notification No. S.O. 1205(E) dated 24.03.2020, been increased to Rs. One Crore. The said notification is reproduced hereunder:-

MINISTRY OF CORPORATE AFFAIRS

NOTIFICATION

New Delhi, the 24th March, 2020

S.O. 1205(E).—In exercise of the powers conferred by the proviso to section 4 of the Insolvency and Bankruptcy Code, 2016 (31 of 2016), the Central Government hereby specifies one crore rupees as the minimum amount of default for the purposes of the said section.

[F. No. 30/9/2020-Insolvency]
GYANESHWAR KUMAR SINGH, Jt. Secy."

4.14. As per Section 7 of IBC, 2016 an Application for initiation of CIRP can be initiated by more than one Financial Creditors against a single corporate debtor by clubbing their dues for meeting the threshold of Rs. One crore, however, against two or more corporate debtors, their dues cannot be clubbed for meeting the threshold for initiating the CIRP against any or both of them Section 7 of IBC, 2016 is reproduced hereunder:

"*7. (1) A financial creditor either by itself or jointly with other financial creditors, or any other person on behalf of the financial creditor, as may be notified by the Central Government may file an application for initiating corporate insolvency resolution process against a corporate debtor before the Adjudicating Authority when a default has occurred.*
Provided that for the financial creditors, referred to in clauses (a) and (b) of sub-section (6A) of section 21, an application for initiating corporate insolvency resolution process against the

corporate debtor shall be filed jointly by not less than one hundred of such creditors in the same class or not less than ten per cent. of the total number of such creditors in the same class, whichever is less:

Provided further that for financial creditors who are allottees under a real estate project, an application for initiating corporate insolvency resolution process against the corporate debtor shall be filed jointly by not less than one hundred of such allottees under the same real estate project or not less than ten percent. of the total number of such allottees under the same real estate project, whichever is less:

Provided also that where an application for initiating the corporate insolvency resolution process against a corporate debtor has been filed by a financial creditor referred to in the first and second provisos and has not been admitted by the Adjudicating Authority before the commencement of the Insolvency and Bankruptcy Code (Amendment) Act, 2020, such application shall be modified to comply with the requirements of the first or second proviso within thirty days of the commencement of the said Act, failing which the application shall be deemed to be withdrawn before its admission."

4.15 A combined ready of above provisions makes it clear that an Application for initiation of CIRP in respect of a Corporate Debtors under Section 7 of the IBC may be initiated by one or more financial creditors when a default for an amount of Rs. One crore or more of the financial debt has been committed by a corporate debtor. The provisions do not permit clubbing the outstanding dues payable by two or more corporate debtors for the purpose of meeting the threshold and thereby initiating CIRP in respect of anyone or both of the Corporate Debtors.

4.16 The present Application has been filed against a Corporate Debtor, who has committed a default in repayment of debt of Rs. 40,93,970/-, which is less than the threshold of Rs. One crore. However, the applicant has attempted to club the alleged debt and default alleged to be defaulted by another group company of the corporate debtor, which is not permitted u/sec. 4 and section 7 of IBC, 2016. The Applicant has failed to produce any document to establish that the corporate debtor herein is liable to make payment of the dues of its group company pursuant to any guarantee deed or any other agreement/undertaking etc

4.17 As such, against a corporate debtor, a CIRP can be initiated in respect of the debt and default made by the said CD only and not in respect of the debt and default of another CD.

4.18 It is therefore safe to conclude that the present Section 7 Application has been filed by the Applicant artificially inflating the alleged debt and default through inclusion of another corporate entity's dues. Such an approach is contrary to the object and scheme of the IBC and amounts to a misuse of the insolvency process as a recovery mechanism, which has been consistently criticized by the Hon'ble Supreme Court and the Hon'ble NCLAT.

4.19 Accordingly, we hold that the Application under Section 7 of the IBC is not maintainable as the claim of the applicant against the corporate debtor herein is only is Rs. 40,93,970/-, which falls below the prescribed threshold limit of Rs. One Crore.

4.20 We make it clear that applicant is free to avail any other remedy as known to law, for the recovery of its outstanding dues. We also make it clear that we have not expressed any opinion as to the existence or otherwise of the debt(s) claimed by Applicant against the corporate debtor and its group company and have rejected this Application on the preliminary issue of not meeting the threshold of Rupees One Crore.

4.21 Accordingly, ***C.P.(IB)/654/MB/2026*** stands **rejected** being not maintainable.

4.22 A certified copy of this order may be issued by the Registry if applied for expeditiously.

Sd/-
NILESH SHARMA
MEMBER (JUDICIAL)

Sd/-
SAMEER KAKAR
MEMBER (TECHNICAL)