



IN THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD
COURT – 2

ITEM No.301
C.P.(IB)/158(AHM)2026

Proceedings under Section 9 IBC

IN THE MATTER OF:

Naksh Steel Limited
V/s
Gujarat Toolroom Limited

.....Applicant

.....Respondent

Order delivered on: 30/09/2026

Coram:

Mrs. Chitra Hankare, Hon'ble Member(J)
Dr. Velamur G Venkata Chalapathy, Hon'ble Member(T)

ORDER

This case is fixed for pronouncement of order

The order is pronounced in open court vide separate sheet

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DR. V. G. VENKATA CHALAPATHY
MEMBER (TECHNICAL)

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CHITRA HANKARE
MEMBER (JUDICIAL)



IN THE NATIONAL COMPANY LAW TRIBUNAL

AHMEDABAD BENCH, COURT - II

CP (IB) No. 158 of 2026

(Filed under Section 9 of the Insolvency & Bankruptcy Code, 2016 read with Rule 6 of the Insolvency & Bankruptcy (Application to Adjudicating Authority) Rules, 2016)

In the Matter of:

Naksh Steel Limited

(CIN: U28110GJ2021PLC121820)

Registered Office: Block No. 225,

Vehlala Bahiyal Road,

Nr. Ramnagar Chokdi, Kadadara,

Dehgam, Gandhinagar, Gujarat-382305

...Applicant/
Operational Creditor

V/s.

Gujarat Toolroom Limited

(CIN: L46207GJ1983PLC006056)

21A Space House, 61, Srimali Soc, Navarangpura,

Navrangpura, Ahmedabad, Ahmadabad City,

Gujarat, India, 380009

...Respondent/
Corporate Debtor

Order pronounced on 30.09.2026

Coram:

MRS. CHITRA HANKARE

HON'BLE MEMBER (JUDICIAL)

DR. V. G. VENKATA CHALAPATHY

HON'BLE MEMBER (TECHNICAL)

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**Present:**

For the Applicant : Ms. Kriti Kothari, Adv.
Mr. Rajiv Chawla Adv.
For the Respondent : Mr. Dhruv Chaudhri. Adv.

JUDGEMENT

1. The Application is filed 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 by the Naksh Steel Limited the Operational Creditor against the Corporate Debtor being Gujarat Toolroom Limited, for having defaulted of an amount of Rs. 26,20,56,668/- The default had occurred on and from 20.01.2025.
2. The Applicant/Operational Creditor states that it was earlier incorporated as a private limited company and was subsequently converted into a public limited company under the Companies Act, 2013, which conversion was intimated to the Corporate Debtor vide letter dated 19.01.2025. The Corporate Debtor, M/s. Gujarat Toolroom Limited, is a public limited company, originally incorporated as Gujarat Toolroom Pvt. Ltd. on 25.03.1983 under the name of Pirnmatic Engineering Pvt. Ltd., and its name was

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subsequently changed to Gujarat Toolroom Ltd. on 11.09.1991.

3. The Applicant is engaged in the business of steel manufacturing, trading of building materials and supply of infrastructure and building products. Pursuant to the Supply Agreement dated 16.12.2024, the Applicant supplied various products to the Corporate Debtor, which were to be shipped to M/s. Reliance Industries Ltd. at Meghpar Padana Gagva, Gujarat. The Applicant effected supplies during the period from 16.01.2025 to 20.01.2025 and raised corresponding invoices for the consignments supplied. According to the Applicant, an amount of Rs.26,20,56,668/- remains due and payable by the Corporate Debtor. Despite repeated requests and reminders, the Corporate Debtor failed to discharge the outstanding operational debt.
4. It is further stated that the Applicant issued a demand notice under Section 8 of the Insolvency and Bankruptcy Code, 2016, in Form-3 and Form-4 dated 20.01.2026, demanding payment of the outstanding operational debt. Despite receipt of the said notice, the Corporate Debtor failed to make payment. The Corporate Debtor, vide letter dated

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20.02.2026, requested the Applicant not to initiate proceedings under the Code and stated that it was ready to make payment of the outstanding amount. The Applicant has also stated that GST pertaining to the supplies was duly discharged and the relevant GSTR-1 and GSTR-3B were filed.

5. Part-III of the Form-5 reveals that the Operational Creditor has proposed the name of Shri Madhusudan Rao Gonugunta having registration IBBI/IPA-001/IPP00181/2017-18/10360 email Id: madhucs1@gmail.com under section 13 (1)(c) of the Code to act as Interim Resolution Professional (IRP).

6. The applicant/operational creditor has relied on the following documents

- i. Copy of Supply Agreement dated 16- 12-2024
- ii. Copy of statement of Ledger
- iii. Copy of Bank statement of OC.
- iv. Copy of pending invoices dated 16.01.2025 to 20.01.2025.
- v. A copy of the demand notice in Form 3 and Form 4 a
- vi. Copy of the letter dated 20-02-2026 issued by the corporate Debtor.

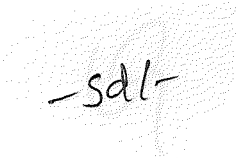
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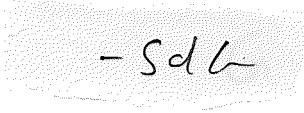


vii. Copy of Certificate of Nesl

7. The Corporate Debtor/respondent in its reply, submitted that it does not dispute the business relationship with the Applicant or the supply of goods pursuant to the Supply Agreement dated 16.12.2024, against which invoices dated 16.01.2025 to 20.01.2025 were raised. It stated that due to temporary liquidity constraints arising from outstanding receivables from its own suppliers and business counterparties, the payment to the Applicant could not be made within the stipulated time. The Respondent further submitted that, vide letter dated 20.02.2026, it had already replied to the demand notice and expressed its willingness to discharge the outstanding amount.
8. It submitted that it is a running concern and is making efforts to realise its outstanding receivables and discharge its liabilities. The Respondent prayed that initiation of CIRP may not be resorted to and that it be permitted to arrive at a mutually acceptable payment arrangement with the Applicant.
9. The Respondent submitted that, in compliance with the order dated 04.08.2026, it has filed the affidavit along with



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its latest financial statements and the statement of creditors as on 31.03.2026. It stated that, being a listed public company, it is duly complying with the applicable SEBI, stock exchange and statutory filing requirements, and that its financial results for FY 2025-26 have been duly filed with the BSE Limited. The Respondent further placed on record the statement of sundry creditors reflecting the closing balances as on 31.03.2026

10. It submitted that the Applicant is one among several creditors and that the dues are presently affected by liquidity constraints. The Respondent also stated that it continues to be a going concern and remains compliant with its statutory obligations.
11. Both parties have filed written submissions. Perused the documents on record along with written submissions of the parties.
12. Observations & Conclusions:
 - a) The total debt due as per the applicant is Rs.26,20,56,668 which have fallen due on account of invoices raised between 16.01.2025 to 20.01.2025 against a master supply agreement dated 16.12.2024. The date of default is

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reckoned as 20.01.2025. It is admitted to have not been paid due to liquidity constraints of the CD respondent.

- b) It appears from submissions that both the parties are not related to each other, the debt is due and acknowledged, invoices are raised on M/s Reliance Industries Limited as per agreement dated 20 February 2024, which has been fulfilled by the applicant. The stated invoices are raised on the respondent.
- c) There are no pre existing disputes before the notices were issued and it is accepted debt, remains unpaid due to stated liquidity constraints of the respondent CD.

13. In view of the above we pass the following order:

ORDER

- I. CP (IB) 158 of 2026 is allowed.
- II. The CIRP is ordered to be initiated against the corporate debtor – Gujarat Toolroom Limited.
- 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

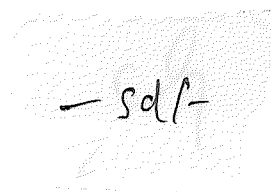
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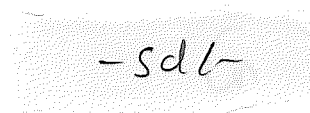


passes an order for liquidation of the corporate debtor under Section 33 of the IBC 2016, as the case may be.

- 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.
- V. We hereby appoint from the panel suggested by IBBI, Mr. Iqbalsingh Gandhi, Registered IP having IBBI registration no.IBBI/IPA-001/IP-P-02365/2021-2022/13524, Email-iqbalsingh2659@yahoo.co.in, under section 13 (1)(c) of the Code to act as Interim Resolution Professional (IRP). He shall conduct the Corporate Insolvency Process as per the Insolvency and Bankruptcy Code, 2016 r.w. Regulations made thereunder.
- VI. 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 his functions as contemplated, inter-alia, by sections 17, 18, 20 and 21 of the Code. It is



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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 co-operate 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

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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 Operational 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 till the CoC decides about his fees/expenses.
- XII. The Registry is directed to communicate this order to the Operational 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

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Application and shall forward the compliance report to the Registrar, NCLT.

- XIII. The commencement of the Corporate Insolvency Resolution Process shall be effective from the date of this order.

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DR. V. G. VENKATA CHALAPATHY
MEMBER (TECHNICAL)

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CHITRA HANKARE
MEMBER (JUDICIAL)

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