NATIONAL COMPANY LAW APPELLATE TRIBUNAL
PRINCIPAL BENCH, NEW DELHI

Comp. App. (AT) (Ins) No. 328 of 2025

IN THE MATTER OF:

Parkash Cotton Pressing Factory **...Appellant(s)**

Versus

Allahabad Bank & Ors. **...Respondent(s)**

Present:

For Appellant(s) : Mr. Vaibhav Gaggar Sr. Adv. with Mr. Sajal Dhanija, Mr. Gaurav Sehgal, Mr. Ketan Saraf, Mr. Prince Assal & Mr. Deepak Kapoor, Advocates

For Respondent(s) : Mr. Atul V. Sood, for Liquidator
Ms. Himanshi Garg, Advocate for R-3

O R D E R
(Hybrid Mode)

[Per: Justice Mohd. Faiz Alam Khan, Member (Judicial)]

Instant Appeal has been filed against impugned order dated 02.01.2025 passed by the Ld. National Company Law Tribunal, Chandigarh Bench (Adjudicating Authority) passed in IA No. 739/2019, moved by the Appellant in CP(IB) No. 67/CHD/PB/2017, whereby the Ld. Adjudicating Authority (AA) has dismissed the said I.A. preferred by the Appellant for direction to the Resolution Professional/Liquidator to release the payment of dues on account of interest due towards the applicant and other operational creditors including employees, accrued during the period of Corporate Insolvency Resolution Process (CIRP) of the Corporate Debtor(CD).

2. Brief facts necessary for disposal of this Appeal are that the CD was in the business of manufacture and production of fabric and textile goods. CD was admitted into the CIRP vide order dated 29.09.2017 passed by the Adjudicating Authority in CP (IB) No.67/CHD/PB/2017 under Section 7 of the Insolvency and Bankruptcy Code,2016(Code). The appellant is the Operational Creditor and supplier of cotton to

the CD, which is the raw material for CD and his claim of Rs.3,01,90,402/- was duly admitted by the RP in relation to CIRP of the Corporate Debtor pertaining to the supplies made during pre-CIRP period. The CD was a going concern and was maintained as such by the RP post-admission of the CIRP. RP requested appellant to continue to supply cotton for continuous manufacturing process of CD. The supplies to be made was to be treated as CIRP cost and timely payments of such supplies was assured. Appellant continued to supply raw material during the CIRP period i.e., from 29.09.2017 to 08.08.2018. The liquidation process of the CD was initiated vide order passed on 08.08.2018.

3. It is claimed by the Appellant that the last supply to the CD was made on 28.09.2018, on which date after getting the audit conducted, Rs.6,95,24,683/- was found to be due and payable by the CD to the Appellant. In the CA No.739/2019 moved by the appellant before Adjudicating Authority it is claimed that the Corporate Debtor owed an amount of Rs.7,19,65,695/- towards the supply of raw material by the Applicant during the of CIRP period besides the admitted amount of claim as Operation Creditor of Rs.3,01,90,402/-. The Appellant claimed to have supplied raw materials worth Rs.3,34,48,392/- during the liquidation. The appellant was paid, Rs.2,00,00,000/- towards the raw materials supplied during the CIRP process and Rs.1,40,00,000/- towards the raw materials supplied during the liquidation process and the CD owed Rs.5,19,65,695/- on account of the pending CIRP costs of raw materials supplied during the CIRP and Rs.1,94,00,000/- on account of the raw materials supplied during the liquidation process and Rs. 2,29,56,480.20/- on account of interest.

4. It is further reflected that appellant moved CA No.429/2018 before Adjudicating Authority seeking direction that the dues of the Applicant classified as CIRP costs be paid by the Respondent No.2 on priority which was disposed of by the AA vide order dated 27.11.2018 directing that the dues of the appellant will have

priority over the dues of any Financial Creditor. However, when the dues were not paid despite the order of the Adjudicating Authority, the appellant moved CA No. 606/2018 before Adjudicating Authority seeking recovery of his dues. It is also claimed that the Liquidator had been duly deducting TDS on the interest due and the Form 26AS till 31.03.2018 and therefore on account of non-payment of the dues, interest due has accumulated to the tune of Rs.2,29,56,480.2/-

5. It is further reflected that when the payment was delayed, appellant again filed I.A. No. 606 of 2018 seeking direction to the RP/Liquidator to release the payment of the dues for the period of liquidation and comply with the earlier order dated 27.11.2018. Thereafter, I.A. No.739 of 2019 was filed by the appellant claiming interest on the amount which was due on account of delay in making payment of supplies during CIRP/liquidation period. Another I.A. No.968 of 2022 was filed by the appellant seeking release of payment of dues towards the appellant during CIRP period. Writ Petition CWP No. 18204 of 2022 was also filed before the Hon'ble High Court which was allowed vide order dated 24.08.2022 whereby the direction was given to the AA to dispose of I.A. No. 606 of 2018 within 3 months.

6. It is also reflected that an I.A. No. 574 of 2021 was filed by the Financial Creditor seeking audit of the expenditure incurred during the CIRP period and vide order dated 28.09.2022 passed by the Adjudicating Authority the same was allowed and the Auditor was appointed who submitted its report dated 14.02.2023 and final Audit report was prepared on 04.05.2023, which was filed along with I.A. No.1323 of 2023 by the Liquidator, whereby the amount payable to the appellant was certified by the Auditor as Rs.6,95,24,683/-.

7. It is further reflected that vide order dated 06.12.2023, I.A. No. 606 of 2018 filed by the appellant for release of pending payment was allowed whereby it was held that the Appellant is entitled to receive Rs.6,95,24,683/- against the material supplied to the Corporate Debtor, however the I.A. No.739 of 2019 seeking payment

of interest for delayed period was rendered as infructuous. The Appellant challenged the said order before this Appellate Tribunal and vide order dated 05.07.2024 the matter was remanded to the Adjudicating Authority for decision on merits. The Adjudicating Authority however by passing the impugned order dismissed the said application and aggrieved by the same appellant has preferred this appeal.

8. We have heard Ld. Counsels for the parties and have perused the record as well the written submissions filed by the parties.

9. Learned Counsel for the appellant submits that amount of Rs. 69,524,683.35/- was due since 27.11.2018, when the Adjudicating Authority had directed that the material supplied by the appellant to the CD shall be treated as CIRP costs, which was released after a delay of five years on 8th December 2023, and therefore the appellant is entitled for the interest of this period.

10. It is further submitted that the appellant had supplied essential raw material and therefore the dues with regard to the same was CIRP / liquidation cost and was payable on accrual and since the last supply was made on 28.09.2018, the appellant is entitled for the interest of these five years. Reliance in this regard has been placed on **Abhijit Guhathakurata versus AGC Networks Limited, 2023 SCC Online, NCLAT 1109, and Shailesh Verma versus Maharashtra State Electricity Distribution Company Limited, 2022 SCC Online, NCLAT 4321.**

11. It is further submitted that claim of the interest by the appellant is consequential to delayed payment and in the past also the delayed payment interest was actually paid by the Resolution Professional during CIRP where the TDS was also deducted and deposited upon such interest for the invoice dated 23.08.2017 and 31.03.2018 and the payment and TDS also reflected in form 26 AS for the invoice date 23.08.2017. Reliance is also placed on a circular issued by the Indian Cotton Association which provides interest at the rate of 1.40 % per month for delayed payment on supplied cotton.

12. It is vehemently submitted that the undertaking which has been made the basis of the rejection of the application moved by the appellant has been given under coercion and financial duress and therefore the same is required to be ignored.

13. It is further submitted that the reliance on the undertaking could also not be placed for the reason that NCLAT while remanding the matter to the Adjudicating Authority has taken cognizance of the undertaking and even thereafter had directed the Adjudicating Authority to dispose of the application moved by the appellant afresh. Therefore, there was no reason for the Adjudicating Authority to have hold that the undertaking filed by the appellant was in financial duress.

14. It is further submitted that Section 33(5) of the Code does not automatically bar an application moved under Section 60(5) arising from liquidation as the appellant is not seeking a fresh claim after liquidation, and it is only requesting the claim which had already arisen during the CIRP and liquidation period.

15. It is further submitted that corporate debtor's own ledger reflects that amount payable to the applicant had remained deposited and had actually earned interest, therefore, it is the duty of the liquidator to pay the interest as mentioned in the circular for the period of five years after the last supply made by the appellant.

16. Learned Counsel for the appellant in support of his submissions has relied on following case laws: -

(i) *Abhijit Guhathakurta v. AGC Networks Ltd. National Company Law Appellate Tribunal 2023 SCC OnLine NCLAT 1109*

(ii) Shailesh Verma v. Maharashtra State Electricity Distribution Company National Company Law Appellate Tribunal 2022 SCC OnLine NCLAT 4321

(iii)M/s Associated Construction v. Pawanhans Helicopters Ltd. (2008) 16 SCC 128

(iv)NTPC v. Reshmi Constructions, Builders & Contractors (2004) 2 SCC 663

(v)Litostroj Power D.O.O. v. IVRCL Ltd. IA No. 158/2021, NCLT Hyderabad Decided on: 17.04.2023

(vi)Amit Gupta v. Anil Kohli, Resolution Professional for Dunar Foods Ltd. 2022 SCC OnLine NCLAT 4344

(vii)State Bank of India & Ors. v. The Consortium of Mr. Murari Lal Jalan & Mr. Florian Fritsch & Anr. 2024 INSC 852: (2024) 247 Comp Cas 743: 2024 SCC OnLine SC 3187

17. Ld. Counsel for the liquidator on the other hand submits that Adjudicating Authority vide its order dated 06.12.2023 disposed of IA No. 739/2019 as has become infructuous, by noting that CA No. 739/2019 and CA No. 606/2018 are filed by the Appellant and the claim of Appellant is taken care of in CA No. 606/2018. It is also contended that the appellant had earlier filed CA No. 429/2018 and CA No.466/2018 on similar issues but the Appellant never claimed any interest on his amount due in CA No. 606/2018, CA No.429/2018 and CA No.466/2018.

18. It is also submitted that bare perusal of the Invoices attached by the Applicant shows that none of the Invoices had any provision or stipulation for interest and that suppliers had made supplies during CIRP/ liquidation period to the CD, however, the appellant in its applications was claiming amount even before the closure of CIRP/liquidation and before the realization of proceeds from the sale of assets of the Corporate Debtor.

19. It is further submitted that the Financial Creditors of the Corporate Debtor had raised various issues/ concerns regarding the costs during CIRP and liquidation and therefore, State Bank of India, one of the Financial Creditors of Corporate Debtor, had filed an IA No.574/2021 seeking appropriate directions for audit of the CIRP cost from 29.09.2017 to 31.10.2019 and the said application was allowed by the Adjudicating Authority vide Order dated 28.09.2022 and Liquidator was directed

to appoint independent Auditor. Accordingly, D. Pathak & Co., Chartered Accountants, were appointed who had submitted their report on 14.02.2023 to the Liquidator, which was then placed before the Financial Creditors in a meeting held on 22.02.2023 and before Adjudicating Authority vide IA No. 674/2023. Subsequently, due to some glitches being discovered in Audit report, an updated report was submitted by way of IA No.1323/2023 and taken on record on 01.08.2023.

20. It is further submitted that pursuant to the audit conducted Auditor did not find any amount due to the Applicant on account of interest and identified Rs. 6,95,24,683.35/- as the outstanding amount to the appellant. Thereafter the appellant executed an undertaking in terms of order dated 06.12.2023 and accepted the amount determined by the Auditor in full and final satisfaction of the dues and accordingly, the amount of Rs.6,95,24,683.35/- was paid to the appellant after receipt of aforesaid undertaking and since the appellant never pressed IA No.739/2019 it was dismissed as has become infructuous. However, only on an afterthought, and in furtherance of malafide attempt to extort money from the Corporate Debtor appeal was filed before this appellate tribunal and by passing an order therein the matter was remanded.

21. It is further submitted that there are no purchase orders or supply contracts relied upon by the Appellant to claim interest from the Corporate Debtor. He has not produced any document to show that the Corporate Debtor agreed to pay interest on account of delayed payment of the invoices, especially for the period of CIRP/ liquidation and otherwise also the interest is not payable as a matter of right for the period of CIRP/ liquidation, because the same will also disturb the distribution in terms of Section 53 of the Code.

22. It is further submitted that the Liquidator has also received a GST Show Cause Notice dated 30.07.2024 for Corporate Debtor, from the Principal Commissioner,

Central GST Commissioner ate, Ludhiana, in relation to illegal availing of ITC based on goods-less fake and non-existing/ non-operational suppliers, including the appellant. It is also therein that the appellant is also a fake/ non-existing/ non-operational supplier and also that the firm in the name of M/s Parkash Cotton Pressing Factory could not be found and no such factory had ever worked at the given address.

23. It is further submitted that as per the Audit Report, amount of Rs.39,62,86,850/- was paid to the Applicant during the CIRP and Liquidation period and after adjustment of which Rs.6,95,24,683/- was remaining, which was also paid in furtherance of Order dated 06.12.2023. However, the GST Notice shows that an amount of Rs.40,25,99,229/- relating to the appellant is based on goods-less sale, thus the amount already paid to appellant is required to be refunded back to the Corporate Debtor under regulation 43 of Liquidation Process Regulations, 2016.

24. It is further submitted that the reliance of the appellant on a circular issued by the Indian Cotton Association is also misconceived and has been rightly discarded by the Adjudicating Authority because the ICA is a private body and is not a regulatory authority and therefore any circular issued by the same is not having binding force, moreover, the circular is not bearing any date or signature.

25. It is also submitted that the Learned Adjudicating Authority has rightly held in the impugned judgment that Section 5(13) of the Code defines CIRP cost which does not include interest on supplies made during CIRP which is further fortified by Regulation 31 of CIRP Regulations, 2016 and the ratio of Shailesh Verma, Supra and South Eastern Coalfields Limited Supra is also not applicable because these were the case laws on the peculiar facts and circumstances of their facts.

26. We at the outset notice that on an appeal filed by the appellant before this Appellate Tribunal (Company Appeal (AT)(INS) No. 137 of 2024) against the order dated 06.12.2023 passed in IA number 739 of 2019 which was filed by the appellant

requesting to pay the interest on the delayed payment and was found infructuous by the Adjudicating Authority, this Appellate Tribunal vide order dated 05.07.2024 directed the Adjudicating Authority to decide the aforesaid IA afresh. The relevant part of the said order is reproduced as under:

> *"4. Learned counsel for both the parties have raised various contentions in support of their submissions. We are of the view that since the Adjudicating Authority has not decided the application and dismissed it as infructuous it is appropriate that the IA No. 739 of 2019 may be heard afresh and decided after hearing both the parties. It is made clear that we are not expressing any opinion on the claim of either of the parties.*
>
> *Appeal is disposed of accordingly".*

27. We also notice that Ld. Adjudicating Authority in paragraph 9 of the impugned order, has reproduced the relevant part of the order dated 06.12.2023 (wrongly written as 06.12.2024 in the impugned order), whereby the IA No. 739 of 2019 was disposed of as infructuous. Relevant part of this order is reproduced as under: -

> *"9. It is noted in the minutes of the 16th meeting of the financial creditors on 28.08.2023, that these issues have been discussed in detail and the relevant part of the same is extracted as under:*
>
> .....
>
> .....
>
> *Financial Creditors ratified the revised audit report and unanimously concluded that all the creditors shall be paid the claims falling under CIRP/ liquidation cost strictly as per the figures arrived at in the revised audit report as per the waterfall mechanism provided in the Code."*

Sr. No.	I.A. / C.A. No.	Name of Applicant	Amount claimed in Application		Amount Payable as per Audit Report			Match / Tally	
			CIRP	Liquidation	CIRP	Liquidation	Total		
.....									
2	606/2018	Prakash Cotton Pressing Factory	5,19,65,695	1,94,00,000	6,95,24,683.35		6,95,24,683.35	slight variation	
.....									
31	739/2019	Prakash Cotton Pressing Factory		Linked with CA 606/2018, therefore this is infructous					

> *10. A chart containing the IA-wise claims and the amount payable as per the audit report is as under:*
>
> *11. We note that CA No.739/2019 and CA No.606/2018 are filed by the same party, i.e., Prakash Cotton Pressing Factory. And, the amounts outstanding as per the audit report mentioned at serial No. 2 in the table above. Thus, no separate processing of the claims made in CA No.739/2019 is warranted. In the result, CA No.739/2019 is rendered infructuous and disposed of accordingly.*
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> *.....*
>
> *17.In view of the above discussion, IA No. 739/2019 is dismissed as infructuous and all the other bunch applications are allowed and disposed of accordingly."*

28. We also notice that, vide order dated 06.12.2023, Learned Adjudicating Authority has disposed of various applications which were filed by the operational creditors for their payment on account of supply of the raw material to the corporate debtor during the period of CIRP /liquidation. This order was evidently passed after considering the report of the auditor which was appointed by the RP on the directions of Learned Adjudicating Authority.

29. It is also reflected that the learned adjudicating authority, while passing order dated 6.12.2023 also considered the minutes of the 16th meeting of the financial creditors held on 28.08.2023. The said minutes has been reproduced by the Learned Adjudicating Authority in the aforesaid order, and we also, for the sake of convenience, place the relevant part of the same as under: -

> *"6. The liquidator further informed the participants that Adjudicating Authority, NCLT vide their orders dated 04.08.2023 has directed the liquidator to share the revised audit report with the financial creditors in a meeting to seek their opinion on the revised audit report.*
> *7. A copy of the revised audit report along with annexure has already been sent to all the financial creditors along with notice of this meeting.*
> *11. Thereafter, liquidator sought views of different participants on revised audit report. Sh. Shailender Kumar; DGM, State Bank of India initiated the discussions. He wanted to know the reasons for variation in amount of claim*

of creditors certified by the auditor in these 2 reports. Liquidator clarified that auditor in their report dated 10.05.2023 have already clarified that due to technical glitch: in their system, some data in their two files was corrupted and due to this reason there was variation in claim of some creditors. Further member banks wanted to know if the revised claims would be acceptable to creditors or there can be objections from some creditors. It was clarified by the liquidator that during the last hearing, counsels of all the creditors were present and they were agreeing to distribution as per audit report. Thereafter, all participants concluded that distribution may be made by liquidator as per the revised audit report, provided the same is allowed by AA NCLT.

12. The liquidator requested to FCs to deliberate and decide further course of action for dealing claims of such parties/creditors who have not responded to auditor communications. After detailed discussions Jed by DGM, SB/, it was unanimously agreed by all the participants that since an extensive exercise of determining the CIRP liquidation cost by way of the audit has been carried out, a prayer may be made before AA NCLT through liquidator to treat claim of these parties as NIL and no distribution may be made to such parties who failed to respond to auditor communication and public announcements. Financial Creditors ratified the revised audit report and unanimously concluded that all the creditors shall be paid the claims falling under CIRP/Liquidation cost strictly as per the figures arrived at in the revised audit report as per the waterfall mechanism provide in the Code."

30. We also notice that in paragraph no. 10 of this order, a chart containing the IA-wise claims and the amount payable as per the audit report have been shown and at serial number 2 of the same IA No. 606 of 2018 filed by the appellant has been shown wherein the amount claimed by the appellant is shown as Rs.51965695/- with regard to the material supplied during CIRP and amount of Rs.19400000/- pertaining to the material supplied during liquidation has been shown and as per the audit report, the amount payable to the appellant is found as Rs. 6,95,24,683.35/-.

31. We further notice that Learned Adjudicating Authority has noted that that CA No. 739/2019 and CA No. 606/2018 were filed by the same party, i.e., Prakash Cotton Factory and, the amounts outstanding as per the Audit Report mentioned at serial No. 2 in the table above is also with regard to the same party and felt that there is no requirement of separate processing of the claims made in CA No. 739/2019 and in this background the CA No. 739/2019 was rendered infructuous and disposed of as such. It was also noticed that these claims have been determined mostly on the inputs provided by the applicants themselves.

32. Thus, it is evident that no objection was raised by the operational creditors with regard to the amount determined by the Auditor and no objection has been filed against the same. So, it is evident that whatever amount has been determined by the Auditor has been paid to the appellant and the same has been determined mostly on the inputs provided by the Appellant and other operational Creditors themselves, nothing against the special audit has been stated before Ld. Adjudicating Authority or before us by the appellants. It is also reflected in the impugned order that Learned Adjudicating Authority has considered the methodology adopted by the auditor in preparation of its report, and it is also observed that the report has not only been prepared by considering the invoices, but also the communications held with the operational creditors of the CD was also taken into consideration. Therefore, the auditor has taken all the documents available with the CD in consideration, in order to determine the real amount payable to the operational creditors.

33. We also notice that the Learned Adjudicating Authority has held that there was no stipulation of payment of interest in the invoices and this proposition has not been denied by the appellant and the appellant has not claimed interest on the basis of any provision provided in the invoices but the interest has been claimed on account of the fact that the amount liable to be paid to the appellant and other operational creditors was lying in the bank in the shape of fixed deposit and was earning interest and the CD was also showing interest accrued on the amount payable to the operational creditors. Therefore, we do not find any fault in the conclusions drawn by the Learned Adjudicating Authority that no invoices have been produced which could show that any interest on delay payment was to be paid to the appellant and there is no existence of any separate agreement between the parties which may allow the claim of interest of the appellant.

34. We also notice that the interest is also being claimed by the appellant on the basis of a circular issued by the Indian Cotton Association Limited for the year 2018-2019 and the same has been reproduced by the Learned Adjudicative Authority at page number 76 of the impugned order. The Learned Adjudicating Authority has noted that the above circular neither contains any number or date, nor the signature of the person who has issued it, and also that the appellant has failed to show the authority of the above Association to set any practice or procedure and also the precedent in this regard, particularly if it is a legislation making body under any enactment or recognized by the IBBI or has any mention in the IBC and therefore came to a conclusion that it is not inclined to accept the above circular submitted by the Appellant in support of his claim for the interest. Having considered all

the facts and circumstances of this case and also after perusing the circular, we also do not want to take any different view what has been taken by the Ld. Adjudicating Authority and in our considered view also, the appellant cannot take any benefit of this circular, in absence of any Statutory authority conferred on the Association to issue a circular of this nature.

35. We have also considered the submissions made by the Ld. Counsel for the appellant, pertaining to the fact that the undertaking before the liquidator was submitted under compulsion and financial duress. We have perused the undertaking submitted by the authorized representative of the appellant before the Ld. Adjudicating Authority before taking the payment. The said undertaking is reproduced as under:



GSTIN : 03AADHV9572M1ZI Subject to Mansa Jurisdiction Only (M) : 98781-00047
PAN : No. AADHV 9572M

PARKASH COTTON PRESSING FACTORY

Village Road, MANSA-151505 (Pb.)

Ref. No..... Dated 08.1.2024

Undertaking of Stakeholders/Creditors

In the Matter of Supreme Tex mart Ltd.

AA NCLT Chandigarh has passed orders dated 06.12.2033 on various IAs filed by various creditors for distribution of amount due to them from Corporate Debtor under CIRP cost & Liquidation cost. As per these orders, Liquidator has been directed to distribute amount due to me/us as certified by auditors and as per list enclosed with these orders. I am entitled to receive Rs. 6,93,74,683/- (Rs. Six Crore Ninety Five Lakh Twenty Four Thousand Six Hundred Eight Three only).

I request liquidator of Supreme Tex Mart Ltd. to distribute the above said amount to me/us either through a cheques drawn in my favour or the amount maybe credited in my Bank account as per following details:

Name of the account Holder: Parkash Cotton Pressing Factory

Bank Account No.: 9878100047

Name of the Bank & Branch: Kotak Mahindra Bank Limited, Jawaharke

IFSC: KKBK0004068

I/We undertake that upon payment of above said amount, my dues recoveable from Supreme Tex Mart Limited for supplies made during CIRP or Liquidation will be fully settled and nothing will remain outstanding. And I will not pursue or initiate any legal proceedings (Civil or Criminal) before any Court or Forum or Authority relating to aforesaid amount and I will also not claim any damages or compensation or interest or any other sort of claim arising out of the same.

In terms of Regulation 43 of Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016, I undertake as under

I/We, shall forthwith return any monies received by me/us in distribution, which I/We are not entitled to at the time of distribution, or subsequently became not entitled to.

For Parkash Cotton Pressing Factory

Name:

Prop./Manager

Address: Parkash Cotton Pressing Factory

PAN: AADHV9572M

ntact No. : 9593347000

: pcpfmansa@gmail.com

Paid on 8/1/24
Charges ₹745 from Bank
CBI No 575747

For SUPREME TEX MART LIMITED
(In Liquidation)

Liquidator

36. Perusal of this undertaking would reveal that it has been mentioned therein that the Learned Adjudicating Authority has passed orders on 06.12.2023. On various IAs filed by various creditors for distribution of amount due from Corporate Debtor and the liquidator has been directed to

distribute the said amount as certified by the auditor. It is also mentioned therein that the appellant is entitled to receive Rs. 69524683/- and further undertake that after receiving the amount, the claim of the appellant would be fully settled and nothing will remain outstanding and he will not institute or pursue any legal proceedings before any court or forum or authority with regard to the said amount. We do not find any merit in the submissions of Learned Counsel for the appellant that this undertaking has been given either in financial duress or under any compulsion and are of the considered view that the undertaking given by the Authorized Representative of the appellant before the liquidator would operate as estopple against the appellant in claiming any amount with regard to the supplies made to the CD, other than determined by the Auditor and the same has already been paid to the appellant.

37. The Counsel for the appellant has also relied on ***Abhijit Guhathakurata*** (supra), the said case was decided on its own facts and circumstances, and the appellant due to factual difference cannot take any benefit of the same.

38. Likewise, Shailesh Verma (supra) is a case where the payment pertaining to the electricity dues was in dispute, and the Appellate Tribunal directed to pay the dues within ninety days. However, the appellant has also been given its dues and therefore cannot take any benefit of this decision.

39. The appellant has also relied on ***M/s Associated Construction and NTPC versus Resmi Constructions, Builder and Contractors (supra)***. M/s Associated Construction was with regard to a case wherein the no dues certificate in the facts of that case was issued under compulsion, which is not a case in the case at hand. Likewise, in *NTPC versus Resmi Chopra*, it was

held that when the rights and obligations of the parties are worked out, the contract does not come to an end for the purpose of determination of the disputes arising thereunder and thus the Arbitration Agreement can be invoked. We also do not have any different opinion then formulated in this precedent. However, we don't know in what manner the Appellant can get any benefit of this law.

40. Having considered all the facts and circumstances of this case, and for the reasons given herein before, we do not find any good ground to interfere in the impugned judgment passed by the Ld. Adjudicating Authority. In result we do not find any merits in the Appeal and the same is hereby **dismissed**.

41. There are no orders as to cost. The pending IAs are also disposed of.

[Justice Mohammad Faiz Alam Khan]
Member (Judicial)

[Indevar Pandey]
Member (Technical)

New Delhi
29.10.2026
sr/kam