

IN THE NATIONAL COMPANY LAW TRIBUNAL
JAIPUR BENCH

CORAM: MS. REETA KOHLI,
HON'BLE JUDICIAL MEMBER

MS. KAVITA BHATNAGAR
HON'BLE TECHNICAL MEMBER

IA No. 251/JPR/2023

CP No. (IB)- 11/10/JPR/2023

IN THE MATTER OF:

M. D. SUITINGS PVT. LTD.

...Corporate Applicant

VERSUS

STATE BANK OF INDIA & ORS.

... Respondent

MEMO OF PARTIES

IA No. 251/JPR/2023

STATE BANK OF INDIA

*State Bank Bhawan, Madame
Cama Road, Mumbai,
Maharashtra-400021*

*Branch Office: -State Bank of India
Branch, Biliya Industrial Area,
RIICO Industrial Area, Bhilwara,
Rajasthan-311001*

... Applicant

VERSUS

M. D. SUITINGS PVT. LTD.

*G-120, RIICO Industiral Area, Biliya,
Phase-II, Bhilwara, Rajasthan-311001*

...Non- applicant / Corporate Debtor

sq

sq

For the Applicant : Shivangshu Naval, Adv.
Jaya Sharma, Adv.

For the Respondent : ~~Abhishek Naik~~ Naik, Adv.

Order Pronounced On: 05.12.2025

ORDER

Per: - Kavita Bhatnagar, Technical Member

1. This Interlocutory Application has been filed by State Bank of India under Section 65 of the Insolvency and Bankruptcy Code, 2016 R/w Rule 11 of the NCLT Rules, 2016 against the M. D. Suitings Pvt. Ltd., seeking the following reliefs: -

- a) *Dismiss the captioned petition as fraudulent or malicious for the purposes of a section 65 of IBC and impose a penalty of INR 1 crore on the promoter- directors of the Petitioner Company.*
- b) *Direct the conducting of a detailed forensic audit of the Petitioner Company and its promoters- directors.*
- c) *Direct initiation of an investigation into the affairs of the Petitioner Company by Serious Fraud Investigation Office.*
- d) *And/or pass any such other order(s)/ directions that may be deemed fit and proper in the facts and circumstances of the case at hand.*

2. The Applicant has filed the present Application alleging the following set of facts:

2.1. At the outset it is submitted that the present Application is necessitated as a perusal of the captioned Company Petition bearing CP No. (IB)- 11/10/JPR/2023 makes it apparent that the Corporate Debtor has not approached this Hon'ble Tribunal with clean hands and has knowingly

Sd/-

IA No.- 251/JPR/2023

In

Sd/-

CP (IB) No. 11/10/JPR/2023

and deliberately suppressed and concealed material facts to mislead this Hon'ble Tribunal and obtain reliefs from it in an oblique manner. The Corporate Debtor has unlawfully and illegally sold off certain said plant & machinery that were hypothecated by it with the Applicant Bank and an FIR has been lodged by the Applicant Bank in this regard. The Corporate Debtor along with its directors and promoters has deliberately remained silent on this critical and material facts in order to surreptitiously and clandestinely obtain reliefs from this Hon'ble Tribunal. The captioned Petition is a blatant attempt of the promoters-directors of the Corporate Debtor to derail the Applicant Bank's recovery process under the SARFAESI Act, 2002 ('SARFAESI'). The process under the IBC cannot be abused or misused to subvert and frustrate legal proceedings initiated by financial creditors as per law.

2.2. The captioned Petition has been filed by the Corporate Debtor for the unlawful and illegal reasons as mentioned hereunder:

- a. To unlawfully and illegally impair the Applicant Bank from recovering its legally due and payable monies.
- b. To malafide and illegally circumvent the due process of law and frustrate the SARFAESI proceedings initiated by the Bank against the property(s) mortgaged/ hypothecated with the Applicant Bank as security(s).

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- 2.3. The Applicant herein is a secured creditor and the largest stakeholder in entire set of creditors (secured and unsecured both) as per the books maintained by the Corporate Debtor. The total outstanding legally due and payable to the Applicant Bank by the Corporate as on 08.03.2023 was Rs. 15,34 68, 662.14/ -/- (Rupees Fifteen Crore Thirty-Four Lakh Sixty-Eight Thousand Six Hundred Sixty-Two and Fourteen paisa only) along with future interest (08.03.2023 onwards) at the contractual rate on the aforesaid amount together with incidental expenses/ cost, charges etc
- 2.4. The Applicant Bank had granted various credit facilities to the Corporate Debtor. In order to secure the timely repayment of the said credit facility(s) credit, the Corporate Debtor had *inter alia* created:
- Equitable mortgage(s) in respect of several property(s), thereby creating security interest in favour of the Applicant Bank.
 - Hypothecated stocks of company & book debts and other current assets of the Corporate Debtor lying in factory premises or elsewhere in the name of the Corporate Debtor by way of hypothecation of stocks and receivables in favour of the Applicant Bank.
 - Charge was created on the entire fixed assets, plant & machinery, furniture and fixture, store and spares and other miscellaneous fixed assets of the Corporate Debtor.

Sd/-

IA No.- 251/JPR/2023

In

CP (IB) No. 11/10/JPR/2023

Sd/-

2.5. The Corporate Debtor had created equitable mortgage over 3 properties in favour of the Bank namely: -

- a. Factory, land & building situated at G- 120, RIICO Industrial Area 1st and 2nd Phase, Bilia, Bhilwara, in the name of M.D. Suitings Pvt. Ltd. admeasuring 2025 sq. mts.
- b. Factory, land & building situated at G- 119, RIICO Industrial Area 1st and 2nd Phase, Bilia" Bhilwara in the name of M.D. Suitings admeasuring 1917.15 sq. mt.
- c. Residential Plot situated at 701 & 702 Seventh Floor, Evershine Tower, Plot No. F- 1 Amrapali Circle, Vaishali Nagar, Jaipur, in the name of SPNR Esolutions Pvt. Ltd.

The Applicant Bank is the first and sole and exclusive charge holder of the aforementioned mortgaged property(s) and therefore has the first and exclusive right over the same in order to satisfy its legally due and payable debts.

2.6. Notably, all the movable and immovable assets mortgaged with the Applicant Bank by the Corporate Debtor for the grant of credit facility(s) are in the name of the Corporate Debtor and that an amount of Rs. 15,34 68,662.14/- (Rupees Fifteen Crore Thirty-Four Lakh Sixty-Eight Thousand Six Hundred Sixty-Two and Fourteen paisa only) has been secured by way of creation of equitable mortgage and hypothecation respectively.

Sd/-
IA No.- 251/JPR/2023

In

CP (IB) No. 11/10/JPR/2023

2.7. Moreover, in order to further secure the repayment of credit facilities various guarantees were given as mentioned below:

a. Personal Guarantees:

i. Mr. Prashant Surolia

ii. Mr. Pradeep Surolia

iii. Mr. Pradeep Surolia and Mr. Prashant Surolia (Partners of M.D. Suitings, a partnership firm)

b. Corporate Guarantee:

i. SPNR Esolutions Pvt. Ltd., a company incorporated under the Companies Act 1956 having its registered office at 307, Apeejay House, 130 Bombay Samachar Marg, Fort, Mumbai, Maharashtra 400023.

2.8. On 03.02.2022, while the said credit facilities were continuing, the Applicant Bank carried out a routine inspection on the factory premises of the Corporate Debtor, and it was shocked to discover that the Corporate Debtor had stopped production and had sold off all the fixed assets such as the plant and machinery (affixed and movable) without taking permission from the Applicant Bank.

2.9. The Corporate Debtor and its promoters- directors knowing the fact that the plant & machinery and the other fixed assets are already hypothecated to the Applicant Bank, knowingly and deliberately sold them off and defrauded the Applicant Bank. The Corporate Debtor has breached and violated the terms of the Agreement to Hypothecate/ Hypothecation Agreement. The said unlawful and illegal act(s) and/

Sd/-

IA No.- 251/JPR/2023

In

Sd/-

CP (IB) No. 11/10/JPR/2023

or omission(s) have been done to defraud the Applicant Bank and misappropriate the public monies.

2.10. After conducting the inspection and a preliminary enquiry, the Applicant Bank lodged an FIR dated 14.12.2022 inter alia against the Corporate Debtor through its promoters- directors namely Mr. Prashant Surolia and Mr. Pradeep Surolia and SPNR Esolutions Pvt Ltd for criminal breach of trust and misappropriation of funds/ monies under Section 406 and 420 of the Indian Penal Code, 1860. The Section 10 application was filed on 25.01.2023 and FIR was filed before that on 14.12.2022 (Refer Pg. No. 33 of the I.A. No. 251/IPR/2023 filed under Section 65 of the Code by SBI, vide dairy No. 1147/2023). It is submitted that a closure report dated 31.12.2024 (Refer affidavit filed by the CD in compliance of the order dated 06.11.2023 / 15.11.2023, Pg. No. 26, Annex- A29), in respect of the FIR No. 0979 has been filed by the police authorities in such a haste without even carrying out proper investigation. The Police authorities have filed a final report merely stating that since the matter is pending before this Tribunal, hence the matter is of civil dispute. There is no observation of police authorities that the hypothecated assets were not sold by the Borrower but merely the police authorities have considered the matter to be of civil nature. The Bank has already filed its protest report before the Ld. Chief Judicial Magistrate, Bhilwara, Rajasthan

which is pending adjudication. (Refer Pg. No. 36 to 40 of the counter affidavit filed vide diary No. 1912 of 2024 on 09.08.2024 by SBI).

2.11. The Corporate Debtor and its directors- promoters had absolutely no right to deal with the said plant & machinery, already hypothecated to the Applicant Bank for securing the credit/ financial facility(s). Further, this fact has deliberately not been disclosed by them in their Petition before this Hon'ble Tribunal. The proceeds of the hypothecated machines sold by it have not been utilized toward repayment of outstanding loan to SBI, but seems to have been utilized by it for its personal purpose. In fact, it was supposed to purchase new machinery from proceeds of the said machinery (as mentioned in letter dated 30.10.2021, Page no 21 of the reply to I.A. no 251 filed by the CD), however no new machinery was purchased nor SBI's loan has been repaid.

2.12. The captioned Application is nothing but a mischievous attempt to hoodwink this Hon'ble Tribunal into believing that the Corporate Debtor is an honest and *bona fide*. The Corporate Debtor has not approached this Hon'ble Tribunal with clean hands or with the intention of insolvency resolution rather for misleading and defrauding this Hon'ble Tribunal into passing an order, thereby granting *de facto* protection from all the claims, (actionable or otherwise), investigation into the finances and management and affairs

of the Corporate Debtor and forensic audit of the Corporate Debtor and its promoters- directors. This certainly cannot be permitted in the guise of a Section 10 Petition like the one that has been presented before this Hon'ble Tribunal by the Corporate Debtor.

2.13. In this regard, it would not be out of place to mention that the Petitioner Company is an MSME entity and as per the applicability of Section 240-A of IBC, MSME entities have been granted a special status from the applicability of Section 29-A of IBC. Thus, the Corporate Debtor would not be barred from presenting its own Resolution Plan and unlawfully and illegally undercut share of the Applicant Bank in the assets of the Corporate Debtor. The Corporate Debtor has also suppressed from this Tribunal that it has been declared as a wilful defaulter by the State Bank of India on 20.03.2024. The Bank conducted a forensic audit of the accounts of the CD in which there have been various observations of diversion of funds of the CD to personal accounts of the director, non-co-operation by the Borrower in providing books of accounts, sale of machinery without obtaining an NOC from the Bank, repayment of unsecured loans in preference to repayment to the financial creditor, diversion of funds by the directors, loan from other financial institutions, routing of funds, suspicious transaction with various parties, simultaneous trading transactions with its sister concern Shivram Synthetics Pvt. Ltd.,

discrepancy in stock statements, serious irregularities in last stock available audit report etc.

2.14. The Forensic Audit report (Refer Pg. No. 41, Annexure-3, of Rejoinder cum counter Affidavit filed vide Dairy No. 1912/2024 on 09.08.2024), clearly reveals the fraud played by the Borrower on the Bank and clear diversion of funds. Besides, the conduct of the Borrower is not inspiring any confidence as it did not co-operate with the Bank officials by not providing the requisite documents for conducting stock audit, concurrent audit and audited and provisional financial statements or any related information to the Bank. This further proves that the CD has not approached this Tribunal with clean hands.

2.15. Further, it is relevant to mention that this Ld. Court Order dated 02.05.2025, after hearing the argument of counsel for SBI, stated that "keeping in view of totality of facts and contentions raised by the Ld. Counsel for the applicant, we are prima facie of the opinion that the present petition is merely to thwart the applicant bank's attempt to get his dues."

2.16. Therefore, the Application under Section 65 ought to be admitted and penalty may be imposed on the CD for malicious and fraudulent initiation of CIRP by filing Section 10 Petition. Hence, Section 10 petition deserves to be dismissed by this Ld. Court for the reasons stated above.

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- 2.17. The Applicant Bank has also stated that as recent as in August 2024 the CD sold its solar panels installed on its factory premises. The entire machinery in name of the Borrower was hypothecated with the Bank as per the hypothecation agreement dated 16.11.2015 annexed with the Section 65 Application filed by the Bank. The machinery sold by the promoters were admittedly in the Borrower's.
3. The Respondent filed its Reply, vide Dairy No. 2417/2023 dated 06.10.2023 wherein stated the following: -
- 3.1. It was submitted that the Corporate Debtor has provided all the information / documents as sought/ required in Form 1 as well as in the rules and regulations framed under the code, and nothing has been suppressed / hidden from this Hon'ble Tribunal in any manner whatsoever. Further, as per the practice and procedure adopted by NCLTs, the financial creditor(s) ought to be heard prior to passing any order / direction for initiation of CIRP, hence the allegations of the Applicant Bank are completely misplaced and without any basis.
- 3.2. The Applicant Bank admittedly has initiated SARFAESI action for 'recovery' of its debt whereas the corporate Debtor has filed the Insolvency Application for initiating the process for 'resolution' of its debts and revival of the corporate Debtor. The question is also no more *res integra* that the initiation of SARFAESI action does not act as an estoppel for maintaining an Insolvency Application. Moreover, the only

action so far under SARFAESI that has been undertaken by the Applicant Bank is of issuance of Section 13(2), SARFAESI Act, 2002 demanding payment, hence the question of derailing any process is just moonshine and frivolous.

- 3.3. Contrarily, the Applicant Bank is acting in most selfish manner is objecting to the Insolvency Application with the sole intention to recover its own debt only whereas the Corporate Debtor, vide the Insolvency Application seeks to resolve the debt of all the creditor (s) including the Applicant Bank. The Applicant bank assertion that the Corporate Debtor is misusing the Code is an unfortunate assertion which is mis founded and made with an ill intent.
- 3.4. The Applicant bank has asserted that the promoters / directors has sold off certain plant and machineries of the Corporate Debtor allegedly mortgaged to the Applicant is without any basis. Further, the Bank has not stated the details of the allegedly mortgaged plant & machineries sold. Nevertheless, for convenience and clarity, to the best of the knowledge of the Corporate Debtor, the Applicant refers to the machinery namely 51 Sulzer Looms (22 Nos. of Single width & 29 Nos. of Double width). ("subject Machinery") which was sold by the Corporate Debtor through private sale with prior intimation to the Applicant Bank.

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- 3.5. It is also pertinent to mention herein that it is not the case of the Applicant Bank that the Corporate Debtor siphoned off the monies / fraudulently transacted. More so, the Applicant Bank cannot aver the same as proceeds received thereof from the purchasers namely *Shree Nagencha Textiles Pvt. Ltd. And Shivram Synthetics Pvt. Ltd.* were remitted in Cash Credit Account being A/c No. 00000061297280970 of the Corporate Debtor maintained with the Applicant Bank.
- 3.6. It is also pertinent to mention herein that the Corporate Debtor vide its letter dated 30.10.2021 sent to the Applicant Bank while withdrawing its earlier submitted restructuring proposal dated 15.07.2021, had also shared its proposal about selling the Subject Machinery, which were 25 years old. It was also made clear to the Applicant Bank that the said subject machinery was neither hypothecated with any banks / lenders including the Applicant herein and was totally funded out of the promoter's own fund. The purpose of such sale was to import new machineries (24 Air Jet Weaving Machines having 300% higher capacity) in order to enhance the manufacturing capacity of the Corporate Debtor which was lagging behind due to old machineries.
- 3.7. Further, the Corporate Debtor in response to the Applicant Bank's letter dated 11.02.2022 wherein it had alleged that the Corporate Debtor had without its approval sold the subject machinery reiterated its stand vide reply letter dated 16.02.2022 that the subject machinery was not

mortgaged with the Applicant Bank and was purchased from promoter's own funds. Thereafter vide letter dated 28.03.2022, the Corporate Debtor intimated the Applicant Bank about completion of sale and details thereof.

- 3.8. The Applicant Bank knowing very well that the issue / dispute between the Corporate Debtor and itself fell into the domain of 'civil dispute' but in order to threaten the promoters / directors and indirectly coerce them to line with it, filed a baseless and meritless FIR bearing No. 0979 dated 14.12.2022 under section 406 and 420 of Indian Penal Code, 1860.
- 3.9. It is important to mention herein that the Applicant Bank evidently was already aware of sale of subject machinery in the month of February, 2022 but filed the FIR only in the month of December, 2022 i.e. after a delay of 10 months without any reason. It is relevant to note that under the head at Sr. No. 2 at 'Occurrence of Offence' the Applicant Bank has stated period of occurrence as 01.08.2022 to 30.11.2022. Contrarily, at Sr. No.12 in "First Information Content" at Para 04, the Applicant Bank states that alleged offence was committed on 03.02.2022. The discrepancies in the FIR itself shows that the high handedness and coercive tactics opted by the Applicant Bank. Further, the FIR is nothing but an attempt to indirectly threaten the corporate Debtor and/or its promoters / directors.

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3.10. Moreover, the Applicant Bank wants this Hon'ble Tribunal to accept the registration of FIR as conviction of alleged guilt against the Corporate Debtor and its promoter /directors and the allegation made in the FIR as gospel truth although the FIR is filed with discrepancies. Nevertheless, the Corporate Debtor & its promoters / directors have already provided its reply dated 20.01.2023 to the Police Station, Bhilwara whereby all the allegations have been denied and accordingly responded to.

3.11. It is also important to mention that prior to filing of Insolvency Application, the Corporate Debtor vide letter dated 22.11.2022 requested the Applicant Bank for restructuring of its loan account. However, the same was rejected on the very next date i.e. 23.11.2022 by the Applicant Bank. Subsequently, account of the Corporate Debtor was declared as Non-Performing Asset as on 02.12.2022 and a notice under Section 13(2), SARFAESI Act, 2002 was issued against the Corporate Debtor. Left with no other option, the Corporate Debtor filed the Insolvency Application for its resolution of debts along with its revival.

3.12. The Insolvency Application was filed before this Hon'ble Tribunal on 25.01.2023. Thereafter, a copy of the said application was served on the Applicant Bank at sbi.31525@sbi.co.in on 18.02.2023. Further, as directed by this Hon'ble Tribunal vide order dated 28.02.2023, a

physical copy of the Insolvency Application was sent vide speed post on 06.03.2023 and was delivered to the Applicant Bank on 09.03.2023 at G-120, RIICO Industrial Areas, Biliya Phase - II, Bhilwara, Rajasthan - 311001. (Pg. 1A & 3 @ Affidavit of Service dated 03.08.2023).

3.13. Notably, the Applicant Bank was well aware about the Insolvency Application filed by the Corporate Debtor at the time of issuance of another Demand Notice under Section 13(2), SARFAESI Act, 2002 notice dated 08.03.2023. It is also beyond comprehension as to how the Corporate Debtor attempts to thwart the SARFAESI action of the Applicant Bank which is very much belated.

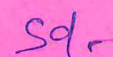
3.14. The argument of the Applicant concerning Section 240 is also misplaced as any resolution plan(s) has to be approved by Committee of Creditors which includes the financial creditors of the Corporate Debtor. In the present case, the Applicant Bank is a secured financial creditor who is going to hold the majority voting power in the Committee of Creditor if the CIRP is initiated.

3.15. Also, it is specifically and vehemently denied that the Insolvency Application filed by the Corporate Debtor is an abuse of process of law in any manner. To the contrary, the same is bona fide attempt to resolve the outstanding debts of all the creditors of the Corporate Debtor along with its revival, which is the aims and objective of the Code. The



IA No.- 251/JPR/2023

In



CP (IB) No. 11/10/JPR/2023

Corporate Debtor has invoked the provisions for the very reason it was enacted by the Parliament.

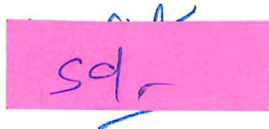
3.16. Notably, the prayer made by the Applicant is without any basis, logic and/or merits. The averments made by the Applicant Bank do not inspire any confidence in order to grant any relief concerning rejection of the Insolvency Application filed by the Corporate Debtor.

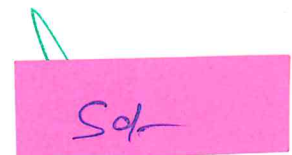
Findings & Conclusion

4 We have heard the Ld. Counsels for the parties at length and have perused the Application, Reply and the documents annexed therewith.

5 The Corporate Debtor (M/s M.D. Suitings Pvt. Ltd.) has sold its assets which were hypothecated to the Applicant Bank without prior permission of the Bank in gross violation of the Hypothecation Agreement dated 16.11.2015. The proceeds from the sale were not utilised to repay the dues of the Bank but diverted elsewhere. The sale has been admitted by the CD. The justification for same provided by the CD is unsubstantiated and not tenable. This action of the CD reeks of ill-intention and *malafide*.

5.1 The Applicant Bank had justifiably commenced recovery proceedings by issuing Demand Notice under Section 13(2) of SARFAESI Act, 2002 on 02.12.2022 and took recourse to lodging FIR with the police on 14.12.2022 in respect of unlawful sale of hypothecated assets of





the CD. The Bank has thus followed the proper course of action under the circumstances.

- 5.2 The CD filed the Petition under Section 10 for Self-Insolvency before the NCLT, Jaipur Bench on 25.01.2023. Before this the Applicant Bank had commenced recovery proceedings by issuing Demand Notice under 13(2) SARFAESI on 02.12.2022 and had lodged FIR with the police on 14.12.2022. It is therefore clear that the CD had filed Section 10 Petition only after the Bank in terms of recovery of its loans and pursuing the allegations of malafide and fraud to their logical conclusion was expressly clear to the CD.
- 5.3 We therefore find substance in the contention of the Applicant that the CD had filed Section 10 Petition to derail the recovery process of the Bank since moratorium would have been imposed if Section 10 Petition had been admitted which would have had the effect of prohibiting institution or continuation of pending suits or proceedings before any Court or Tribunal including DRT.
- 5.4 The Applicant Bank has sought dismissal of the CD's Section 10 Petition on account of it being filed to initiate Insolvency Resolution Process fraudulently and with the malicious intention of stalling the recovery proceedings of the Bank and not for genuinely seeking Insolvency Resolution Process.

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- 5.5 The IBC, 2016 under Section 10 provides for a Corporate Debtor to initiate Insolvency Resolution Process against itself. The intention of the legislature incorporating this provision being that a Company facing financial stress and unable to pay of its debts to its creditors can itself come before the Tribunal in a *bonafide* manner and seek a resolution to its financial issues under supervision of NCLT so that it can be revived albeit under a new management and at the same time settle its dues with its creditors in the best manner possible.
- 5.6 Having determined from the above, the CD had filed Section 10 Petition to stall recovery proceedings against itself, the question now before us is whether the legally available recourse of self-initiation of Insolvency Resolution available to the CD can be exercised by it under the above circumstances and whether the ends of justice would be served if the Section 10 Petition is dismissed which would have the effect of irreversibly closing this option for the CD.
- 5.7 Here it would be worthwhile to look at Section 65(1) of IBC, 2016 which is reproduced below: -

...65 (1) If, any person initiates the insolvency resolution process or liquidation proceedings fraudulently or with malicious intent for any purpose other than for the resolution of insolvency, or liquidation, as the case may be, the Adjudicating Authority may impose upon such person a penalty which shall not be less than one lakh rupees, but may extend to one crore rupees.

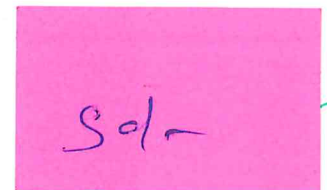
To come under the ambit of Section 65 the initiation of Insolvency Proceedings should have been done fraudulently or with malicious intent and for any purpose other than insolvency.

5.8 The following actions and conduct of the CD are noteworthy in this regard: -

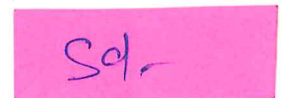
- i) Unlawful sale of hypothecated assets of the CD without prior permission of the Applicant Bank.
- ii) The proceeds of the sale of the hypothecated assets were not utilized for repayment of bank dues or purchase of new machinery, rather they were diverted for the personal purposes of the Directors and related parties.
- iii) The Forensic Audit Report reveals suspicious transactions with various parties, simultaneous trading transaction with its sister concern Shiv Ram Synthetics Pvt. Ltd., discrepancy in stock statements, serious irregularities in stock from last available audit report, repayment of unsecured loans in preference to financial creditors etc.

5.9 From the above, we are of the view that the actions of the CD were far from bonafide and it has unlawfully disposed off its assets before filing Petition under Section 10 for self-initiation of Insolvency Resolution Process. The case of the CD would squarely come within the ambit of Section 65 of IBC and therefore Section 10 Petition is liable to be dismissed as the same has been filed with malicious and fraudulent intent for purpose other than resolution of insolvency.

5.10 In terms of the above, this Adjudicating Authority allows this Application i.e. IA No. 251/JPR/2023 to the extent that the Petition of the CD i.e. CP No. (IB) 11/10/JPR/2023 under Section 10 of IBC is dismissed in limine. Further, in consequence thereof, if any other Interlocutory Application is pending in the Company Petition, the same has become infructuous and is dismissed accordingly. Moreover, a penalty of Rs. 5 lakh is imposed on the CD (M/s M.D. Suitings Pvt. Ltd.) for filing the frivolous Petition and wasting the precious time of this Adjudicating Authority. The cost is to be deposited in the Prime Minister Relief Fund within a week of passing of the order and a receipt of the same shall be filed within 3 days of the payment. The matter is posted for compliance on 17.12.2025



REETA KOHLI
JUDICIAL MEMBER



KAVITA BHATNAGAR
TECHNICAL MEMBER