

IN THE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU BENCH

[Through Physical hearing/ VC Mode (Hybrid)]

**ITEM No.05
CP (IB) No.29/BB/2025**

IN THE MATTER OF:

Kritikal Solutions Pvt Ltd ... Petitioner
Vs
Byju's K3 Education Pvt Ltd Respondent

Petition under Section 9 of the I & B Code 2016

Order delivered on: 15.10.2025

CORAM:

**SHRI. SUNIL KUMAR AGGARWAL
HON'BLE MEMBER (JUDICIAL)**

**SHRI. RADHAKRISHNA SREEPADA
HON'BLE MEMBER (TECHNICAL)**

PRESENT:

For the Petitioner : Shri Sanjeet.P

ORDER

1. Heard the Ld. Counsel for the Petitioner.
2. **Vide separate order** the **petition is allowed** and Respondent/Corporate Debtor is admitted to undergo CIRP.
3. List the case on **08.12.2025 awaiting for IRP/RP report.**

-Sd-

**RADHAKRISHNA SREEPADA
MEMBER (TECHNICAL)**

-Sd-

**SUNIL KUMAR AGGARWAL
MEMBER (JUDICIAL)**

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IN THE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU BENCH
*(Exercising powers of Adjudicating Authority under
the Insolvency and Bankruptcy Code, 2016)
(Through Physical Hearing/ VC Mode (Hybrid))*

CP (IB) No. 29/BB/2025

(U/s. 9 of the IBC, 2016 read with Rule 6 of the IBC (AAA) Rules, 2016)

IN THE MATTER OF:

KRITIKAL SOLUTIONS PRIVATE LIMITED

H. No. 1/4527, Kali Dass Marg,
Ram Nagar Extension, Hanuman Mandir,
East Delhi, Delhi 110 032

.... Operational Creditor

Versus

BYJU'S K3 EDUCATION PRIVATE LIMITED

IBC Knowledge Park, 4/1, 2nd Floor,
Tower D, Bannerghatta Main Road,
Bangalore, Karnataka – 560029

.... Corporate Debtor

Order delivered on: 15.10.2025

CORAM: Shri Sunil Kumar Aggarwal, Hon'ble Member (Judicial)
Shri Radhakrishna Sreepada, Hon'ble Member (Technical)

COUNSELS: Shri Sanjeet Paliwal with Ms. Rimika Chauhan

O R D E R

1. This petition was filed on 06.01.2025 under section 9 of the Insolvency and Bankruptcy Code, 2016 (“IBC/Code”), read with Rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules 2016, by **KRITIKAL SOLUTIONS PRIVATE LIMITED** (“Operational Creditor/Applicant”) seeking to initiate Corporate Insolvency Resolution Professional Process (“CIRP”) against **BYJU'S K3 EDUCATION PRIVATE LIMITED** (hereinafter referred as “Corporate Debtor/Respondent”) on the ground that the Corporate Debtor has committed a default in payment of total outstanding undisputed amount of **Rs. 1,76,71,832.74** (Rupees One Crore Seventy-Six Lakh Seventy-One Thousand

Eight Hundred Thirty-Two and paise Seventy-Four only) despite service of Demand Notice dated 31.07.2024 with date of default being 05.12.2022.

2. Brief relevant facts of the case as narrated by the Applicant are as follows:

- a) The Applicant is a private limited company incorporated under the Companies Act, 1956, having its registered office at East Delhi, and is engaged in the business of research and development and engineering services, including development of various products and solutions in Vision Systems, Artificial Intelligence, and related technological areas. The Applicant provides specialized services tailored to client requirements across multiple projects.
- b) The Respondent is a private limited company incorporated under the Companies Act, 2013, and is part of the Byju's group engaged in the education technology sector. The Respondent avails various engineering and R&D-related services from third-party service providers in furtherance of its business operations.
- c) The Applicant and Respondent had entered into a Master Services Agreement (MSA) dated 07.10.2022, which was made effective from 20.08.2020. The MSA set out the detailed scope of services, terms of payment, deliverables, and obligations of both parties, and was duly signed by authorized representatives of both entities. The Applicant commenced provision of services in accordance with the MSA and the requirements communicated by the Respondent from time to time.
- d) In pursuance of the said arrangement, the Applicant commenced rendering services to the Respondent from 20.08.2019, and raised invoices at periodic intervals corresponding to the services delivered. Payments were released by the Respondent from time to time against such invoices, after deduction of applicable taxes including TDS.
- e) For following invoices raised between 30.06.2021 and 30.11.2021, though the gross invoice amounts were paid by the Respondent after deducting TDS, the corresponding TDS credits have not been reflected in the Applicant's Form 26AS.

- i. Invoice No. GST/21-22/062 dated 30.06.2021 for Rs.11,35,000/- (TDS Rs.1,13,500/-)
- ii. Invoice No. GST/21-22/063 dated 30.06.2021 for Rs.1,46,000/- (TDS Rs.14,600/-)
- iii. Invoice No. GST/21-22/064 dated 30.06.2021 for Rs.4,81,000/- (TDS Rs.48,100/-)
- iv. Invoice No. GST/21-22/246 dated 30.11.2021 for Rs.4,24,000/- (TDS Rs.1,400/-)

The Applicant has thus claimed that Rs.1,74,800/- of TDS amount remains uncredited in its tax records.

- f) In continuation of the ongoing engagement, the Applicant had rendered various services between September 2022 and November 2022, for which the following invoices were raised and duly shared with the Respondent:
 - i. Invoice No. GST/22-23/223 dated 14.09.2022 for Rs.79,17,379.92
 - ii. Invoice No. GST/22-23/258 dated 12.10.2022 for Rs.74,92,467.82
 - iii. Invoice No. GST/22-23/285 dated 07.11.2022 for Rs.37,74,453.02
 The total value of these invoices amounts to Rs.1,91,84,300.76 (exclusive of TDS).
- g) Out of the total invoiced amount, the Applicant received a part payment of Rs.61,480.02 on 03.03.2023 against Invoice No. GST/22-23/223. The Applicant states that, after adjusting the said payment, a balance sum of Rs.1,76,71,832.74 remains due and payable.
- h) The Applicant has annexed ledger accounts, copies of invoices, and bank statements evidencing payments received and outstanding amounts. It has also submitted a Chartered Accountant's certificate issued by CA Rahul Mukhi (Partner, Ajay Sardana Associates), certifying the amount outstanding from the Respondent as of the date of filing.
- i) Despite multiple follow-ups through emails, WhatsApp messages, and telephonic communications, the outstanding amounts remained unpaid. Copies of correspondence exchanged between 08.02.2023 and 10.04.2024 have been annexed to demonstrate attempts made by the Applicant to amicably resolve the issue and secure payment.

- j) On account of non-payment of dues, the Applicant issued a Demand Notice in Form 3 dated 31.07.2024 under Section 8(1) of the Code, demanding payment of Rs.1,76,71,832.74. The said notice was dispatched via email and Speed Post, and was delivered on 05.08.2024, as evidenced by the postal tracking report and email delivery confirmation.
- k) It is placed on record that the Respondent has not filed any reply, representation, or objection in response to the said demand notice, and no pre-existing dispute regarding the invoices or the services rendered has been brought to the notice of the Applicant. Affidavit under section 9 (3)(b) of IBC has been filed in this behalf.
- l) The Applicant has also filed Form 2 containing the written consent of the proposed IRP, and has complied with the requirements of Section 9(3)(a), (b), and (c) of the Code. The Applicant submits that the MSA continues to be in force and has not been terminated, as per Clause 9.1, which provides that the agreement shall remain valid and subsisting unless terminated earlier in accordance with its terms.
- m) Based on the above facts, the Applicant asserts that the Respondent has defaulted in payment of operational debt amounting to Rs.1,76,71,832.74, and therefore prays for initiating CIRP against the Respondent company.

3. Heard **Shri. Sanjeet Paliwal**, Advocate, Learned Counsel for the Petitioner and carefully perused the material on record.

4. Pursuant to order dated 05.03.2025 by this Tribunal, the Applicant has served notice along with the copy of the Petition through email and through post and the Affidavit for the same has been filed.

5. The Insolvency and Bankruptcy Code, 2016 is a beneficial legislation enacted to consolidate and amend laws relating to insolvency resolution of corporate persons in a time-bound manner. The Hon'ble Supreme Court in **Swiss Ribbons Pvt. Ltd. v. Union of India, (2019) 4 SCC 17**, held that the primary objective of the Code is resolution of insolvency and maximisation of value, and not mere recovery of dues. The Authority is therefore guided by the legislative intent that genuine and

undisputed claims must not remain unpaid, as doing so would undermine commercial discipline.

6. It is noted that the Applicant rendered research, development, and engineering services to the Respondent under a duly executed Master Services Agreement where the invoices raised correspond to services rendered in the ordinary course of business. The consideration is definite and quantifiable. Under Section 5(21) of the Code, a claim arising out of provision of services constitutes an operational debt. In *Col. Vinod Awasthy v. AMR Infrastructure Ltd.*, (2017) SCC OnLine NCLT 261, it was held that unpaid dues for services rendered fall within the scope of “operational debt”. Hence, the amount claimed qualifies as an operational debt within the meaning of the Code.
7. The invoices forming the basis of the claim have fallen due and remain unpaid beyond their respective due dates. The Applicant had issued a statutory demand notice dated 31.07.2024 under Section 8(1) of the Code, which was duly served upon the Respondent on 05.08.2024. Despite such service, no payment was made. In terms of Section 3(12), “default” means non-payment of debt when it becomes due and payable. The Respondent has not raised any dispute or objection within the statutory period of ten days prescribed under Section 8(2) or till date. The Hon’ble Supreme Court in *Macquarie Bank Ltd. v. Uttam Galva Metallics Ltd.*, 2023 SCC OnLine SC 1472, reiterated that failure to respond to a duly served demand notice entitles the operational creditor to file an application under Section 9. Hence, the procedural pre-condition for filing stands satisfied. Further it has been held in *Innoventive Industries Ltd. v. ICICI Bank*, (2018) 1 SCC 407, that once debt and default are established and no dispute exists, the Adjudicating Authority is bound to admit the petition. Accordingly, the Tribunal is satisfied that a default has occurred.
8. The Applicant has categorically stated that no dispute was raised by the Respondent either before or after issuance of the demand notice. The communications placed on record demonstrate repeated requests for payment but no protest/reservation regarding the quality, quantity, or nature of services had been raised by the respondent. The Respondent has also not filed any reply to the

present petition. In *Mobilox Innovations Pvt. Ltd. v. Kirusa Software Pvt. Ltd.*, **(2018) 1 SCC 353**, It was held that only a “pre-existing and plausible” dispute can bar admission. Since none is raised in this case, the petition is to proceed.

9. Despite service of the demand notice and sufficient opportunity, the Respondent has neither replied to the notice nor appeared to contest the claim. Such inaction strengthens the presumption that the debt is not disputed. In *Neeraj Jain v. Cloudwalker Streaming Technologies Pvt. Ltd., Company Appeal (AT) (Insolvency) No. 1354 of 2019 (NCLAT)*, it was held that failure to respond to a demand notice indicates absence of any dispute and warrants admission. The Respondent’s silence, therefore, reinforces the Applicant’s case.
10. Therefore, the principles laid down in above mentioned precedents collectively establish that once an operational debt and default are shown, and there is no pre-existing dispute, the benchmark parameters of the invoked provision have been fulfilled by the Applicant. The initiation of CIRP in such circumstances aligns with the object of the Code to promote a credit-disciplined ecosystem and enable resolution of distressed entities. Accordingly, the Company Petition bearing **CP (IB) No. 29/BB/2025 is allowed** against the Corporate Debtor **BYJU'S K3 EDUCATION PRIVATE LIMITED is admitted** to undergo Corporate Insolvency Resolution Process. Simultaneously moratorium gets triggered in terms of Section 14 of the Code imposing following prohibitions/directions for being complied with by all concerned: -
 - a. The institution of suits or continuation of pending suits or proceedings against the Project of Corporate Debtor including execution of any judgment, decree or order in;
 - b. any court of law, tribunal, arbitration panel or other authority;
 - c. Transferring, encumbering, alienating or disposing of by the Corporate Debtor any of its assets or any legal right or beneficial interest therein;
 - d. Any action to foreclose, recover or enforce any security interest created by the Corporate Debtor in respect of its property including any action under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;

- e. The recovery of any property by an owner or lessor, where such property is occupied by or in the possession of the Corporate Debtor;
- f. It is further directed that the supply of essential goods or services to the Corporate Debtor as may be specified, shall not be terminated or suspended or interrupted during the moratorium period;
- g. The provisions of Section 14(3) shall however, not apply to such transactions as may be notified by the Central Government in consultation with any financial sector regulator and to a surety in a contract of guarantee to a Corporate Debtor;
- h. The order of moratorium shall have effect from the date of this order till completion of the Corporate Insolvency Resolution Process or until this Bench approves the Resolution Plan under sub-section (1) of Section 31 or passed an order for liquidation of Corporate Debtor under Section 33 as the case may be;

11. The Operational Creditor has proposed the name of **Mr. Pankaj Kumar** as Interim Resolution Professional (IRP) of the Corporate Debtor and Form No.2 dated 21.01.2025 has been filed.

12. As has been proposed by the Applicant **Mr. Pankaj Kumar**, having Registration No.- **IBBI/IPA-002/IP-N00532/2017-2018/11561** resident of - WP-509, 3rd Floor, Wazirpur Village, Ashok Vihar Phase – I, Near Airtel Store, Delhi, 110052, e-mail: **aprassociatesllp@gmail.com**, and Contact No.- 9871357353 is appointed as the Interim Resolution Professional to carry out the functions as mentioned under the IBC. The fee payable to IRP/RP shall comply with the IBBI Regulations/Circulars/Directions issued in that regard. The IRP is directed to take all the steps as mandated under the IBC, specially under Sections 15, 17, 18, 20 and 21 of IBC, 2016. **The IRP/RP shall send individual notices to all the concerned Statutory/Public Authorities.**

13. The Operational Creditor shall deposit a sum of Rs 2,00,000/- (Rupees Two Lakhs Only) with the IRP to meet the expenses arising out of issuing public notice and inviting claims. These expenses are subject to approval by the Committee of Creditors.

14. It is further directed that the Operational Creditor shall rectify the discrepancy in its address as reflected in the Petition and the MCA Master Data, to ensure consistency in the records.
15. The Interim Resolution Professional shall after collation of all the claims received against the Corporate Debtor **BYJU'S K3 EDUCATION PRIVATE LIMITED** and the determination of the financial position of the Corporate Debtor constitute a Committee of Creditors and shall file a report, certifying constitution of the Committee to this Authority on or before the expiry of thirty days from the date of his appointment and shall convene first meeting of the Committee within seven days of filing the report of Constitution of the Committee. The Interim Resolution Professional is further directed to send regular monthly progress reports.
16. A copy of the order shall be communicated to both the parties. The learned Counsel for the Petitioner shall deliver a copy of this order to the Interim Resolution Professional forthwith. The Registry is also directed to send the copy of this order to the Interim Resolution Professional at his email address forthwith.

-Sd-

(RADHAKRISHNA SREEPADA)
MEMBER (TECHNICAL)

-Sd-

(SUNIL KUMAR AGGARWAL)
MEMBER (JUDICIAL)