

## ICSI - MOOT COURT - 2026

Sunset India Pvt. Ltd. (shortly 'Sunset') is a company incorporated on 22.04.2015 and having its registered office at Nagpur, Maharashtra whose primary business is manufacturing and supply of iron and steel and having its factories at Vijayawada, Andhra Pradesh and Kharagpur, West Bengal. The company has an Average Annual turnover of 60 Crores and having close to 250 employees in the company. The company was regularly obtaining raw materials from various suppliers including a Company 'KVT excel Pvt. Ltd.' (shortly 'KVT'). The said company has its registered office at Bangalore which is in the business of supplying Oils and scraps which are required for manufacturing iron and steel. KVT has been supplying goods to Sunset since the year 2017 and regularly raising invoices towards the supply of goods and payments are also promptly made by Sunset.

As per the agreement between the parties the payment must be made within 60 days from the date of receipt of invoices and in the event of any dispute the parties can refer the issues before a Sole Arbitrator to be appointed by both the parties jointly. During the financial year 2019-2020 KVT supplied goods to Sunset and in respect of which 4 invoices were issued to Sunset and they are as follows:

1. Invoice no. 1 - dt. 06.07.2019 - Amount due is Rs. 32,01,985/-
2. Invoice no. 2 - dt. 22.10.2019 - Amount due is Rs. 45,46,113/-
3. Invoice no. 3 - dt. 03.01.2020 - Amount due is Rs. 26,52,897/-
4. Invoice no. 4 - dt. 29.03.2020 - Amount due is Rs. 19,44,623/-

Rs. 1,23,45,618/-

Sunset though had received invoices within 3 days from the date of invoice no payment was made to KVT hence KVT decided to stop supply of any goods further and also to initiate Corporate Insolvency Resolution Process against Sunset therefore filed a petition under Section 9 of IBC before NCLT, Mumbai on 02.09.2023 after issuing a demand notice on 11.08.2023.

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When the petition came up for admission before NCLT, Mumbai Bench, Sunset challenged the same on the ground of delay and also that the goods supplied were not as per the specifications hence there is defect in goods though it was only partly consumed for production. On the other hand, KVT claimed that no reply was sent to the demand notice issued to Sunset and for the first time such a defence was taken in the counter filed by Sunset to the Sec. 9 application filed by KVT. As a rebuttal, Sunset also argued that in this regard a notice for initiating arbitration was issued by Sunset to KVT on 28.08.2023 to which no reply has been received from KVT till date.

As a counsel for 'Sunset' and 'KVT' put forth your legal arguments in support of the judgments relied upon and also based on any additional points if any.