

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH**

CP (IB) NO. 3932 OF 2019

**APPLICATION BY OPERATIONAL CREDITOR TO INITIATE
CORPORATE INSOLVENCY RESOLUTION PROCESS UNDER
THE INSOLVENCY AND BANKRUPTCY CODE, 2016.**

*(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)*

In the matter of

**All Access Events & Promotions
Private Limited.**

Robin Nazareth

Advocate for Applicant

4th Floor, Cambatta Building, East Wing,
above Eros Cinemas, 42, M.K. Marg,
Churchgate, Mumbai- 400 020.

.....Operational Creditor]

Versus

**Interspace Connect Private Limited.
(Formerly known as Interspace
Solution Private Limited).**

Registered Office: 65, Murzban Road,
Fort, Mumbai – 400 001.

.... Corporate Debtor

Order delivered on: 21.09.2021

Coram: Hon'ble H.V. Subba Rao, Member (Judicial)

Hon'ble Chandra Bhan Singh, Member (Technical)

Appearance:

For the Petitioner: None.

For the Respondent: Adv. Dinesh Jadhvani,

Per: H.V. Subba Rao, (Judicial Member)

ORDER

1. The above Company Petition is filed by M/s All Access Events & Promotions Private Limited., (hereinafter called as “Operational Creditor”) seeking to set in motion the Corporate Insolvency Resolution Process (CIRP) against Interspace Connect Private Limited (hereinafter called as “Corporate Debtor”) alleging that the Corporate Debtor has committed default in making payment of Rs. 11,79,009/- to the Operational Creditor under the invoices raised by them upon the Corporate Debtor, by invoking the provisions of Section 9 of Insolvency and Bankruptcy Code (hereinafter called the “Code”) read with Rule 6 of Insolvency & Bankruptcy (Application to Adjudicating Authority) Rules, 2016.

2. **The brief facts of the petition are as follow:-**

The Operational Creditor provided service for the Event management/ Campaign to Corporate Debtor for the following Events/Campaign.

- i. Purchase Order No. IS/PO/2016-17/12/0009. Invoice No: M:005: Ray Oil Pune Exhibition.
- ii. Purchase Order No. IS/PO/2016-17/12/0010: Invoice No: M:006: Ray Oil Mumbai 1: Exhibition.
- iii. Purchase Order No. IS/PO/2016-17/12/0008. Invoice No: M:007: Ray Oil Mumbai 2: Exhibition.
- iv. Purchase Order No. IS/PO/2016-17/12/0007. Invoice No: M:008: Ray Oil Mumbai 3: Exhibition.
- v. Purchase Order No. IS/PO/2016-17/12/0011: Invoice No: M:026: Karen Anand Pune Ray Exhibition.
- vi. Purchase Order No. IS/PO/2016-17/01/0027: Invoice No: M:027: Ray Oil Upper Crust Mumbai.
- vii. Purchase Order No. IS/PO/2016-17/01/0025: Invoice No: M:028: Ray Oil Mayfair Meridian Fun N Fair Show – Mumbai.

- viii. Purchase Order No. IS/PO/2016-17/03/0010. Invoice No: M:031: Ray MTO Activity.

Dates When amounts fell due.

- ix. The invoices in relation to Event Management/Campaign Stated the payment terms as 60days from the date of receipt of the Invoices. The final invoices raised were as follows:

a) Invoices No: M-005, M-006, M-007, M-008: Date: 26.12.2016. Amounting to INR: (91,684+87,992+53,331+71,294) = 3,04,301,00. Due date for the above Invoice: 24.02.2017. On 18.01.2017 Payment of 6,00,000.00 was made by the Corporate Debtor.

b) Invoice No: M-026, M-027, M-028, M-031: Dated of Invoice submitted on 03.04.2017. Amounting to INR: (30,820+87,377+4,255+18,52,256) = 19,74,708.00. Due date for the above Invoice: 02.06.2017. On 28.11.2017 payment of 5,00,000.00 was made by the Corporate Debtor. Thus, the amount became payable as on the above dates. Total of the Invoices for all the above Eight Service/Campaign is: INR: 22,79,009.00 Out of which INR 11,00,000.00 was paid. The Balance of INR 11,79,009.00 is still pending to be paid.

Hence, the Operational Creditor filed above company petition.

FINDINGS

1. The matter was listed on board on 24.03.2021. On 24.03.2021 one Mr. Shailesh claiming to be the Director of the respondent company appeared and requested time to engage an advocate. Accordingly, a direction was given by this bench to the respondent for engaging advocate and for

filing Vakalatnama and reply by the advocate within two weeks by serving advance copy on the other side and listed the matter on on 04.05.2021 thereafter the matter could not be listed on board due to second wave of Covid-19 pandemic. The matter was listed again on board on 09.09.2021. On 09.09.2021 one Mr. Dinesh Jadhvani, advocate representing for the corporate debtor without complying the earlier direction in filing the reply again requested for further extension of time which was refused and the corporate debtor's right to file reply was forfeited.

2. Upon perusing the material available on record this bench finds that the Operational Creditor is claiming an amount of Rs. 11,79,009/- under eight invoices relating to the period 2017 for the Event Management services rendered by the Operational Creditor to the Corporate Debtor. As the Operational Creditor failed to clear the amount due under the invoices, the Operational Creditor got issued the Demand Notice on 09.09.2019 which was received by the Corporate Debtor. The Operational Creditor also filed the proof of service of Demand Notice on the Corporate Debtor along with the company petition. The Corporate Debtor having received the said notice neither paid the amount nor issued any reply as per the material available on record. Upon perusing the documents annexed to the company petition this tribunal feels that there is an existence of debt and default committed by the Corporate Debtor. The above company petition being filed on 07.11.2019 is well within three years from the date of default and well within limitation.
3. Upon perusing the above material on record this bench feels that the above company petition satisfies all the necessary

legal requirements for admission under Section 9 of the Code and is liable to be admitted

4. Accordingly, the above company petition is admitted by passing the following:

ORDER

- (a) The above Company Petition No. (IB) -3932(MB)/2019 is hereby allowed and initiation of Corporate Insolvency Resolution Process (CIRP) is ordered against the corporate debtor i.e. M/s. Interspace Connect Private Limited.
- (b) Since the Operational Creditor has not suggested the name of any person to perform the duties of the Interim Resolution Professional (IRP) in the petition, this Bench is appointing the IRP from the list furnished by the Insolvency and Bankruptcy Board of India (IBBI). This Bench hereby appoints Mr. **Javadsha Kumarpal Vasa** (jkvasaco@gmail.com), Insolvency Professional, Registration No: IBBI/IPA-001/IP-P00296/2017-18/10540 as the interim resolution professional to carry out the functions as mentioned under the Insolvency & Bankruptcy Code, 2016.
- (c) The Operational Creditor shall deposit an amount of Rs.2 Lakh towards the initial CIRP cost by way of a Demand Draft drawn in favour of the Interim Resolution Professional appointed herein, immediately upon communication of this Order.
- (d) That this Bench hereby prohibits the institution of suits or continuation of pending suits or proceedings against the corporate debtor including execution of any judgment, decree or order in any court of law, tribunal,

arbitration panel or other authority; transferring, encumbering, alienating or disposing of by the corporate debtor any of its assets or any legal right or beneficial interest therein; 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; the recovery of any property by an owner or lessor where such property is occupied by or in the possession of the Corporate Debtor.

- (e) That the supply of essential goods or services to the Corporate Debtor, if continuing, shall not be terminated or suspended or interrupted during moratorium period.
- (f) That the provisions of sub-section (1) of Section 14 shall not apply to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.
- (g) That the order of moratorium shall have effect from the date of pronouncement of this order till the completion of the corporate insolvency resolution process or until this Bench approves the resolution plan under sub-section (1) of section 31 or passes an order for liquidation of corporate debtor under section 33, as the case may be.
- (h) That the public announcement of the corporate insolvency resolution process shall be made immediately as specified under section 13 of the Code.
- (i) During the CIRP period, the management of the corporate debtor will vest in the IRP/RP. The

suspended directors and employees of the corporate debtor shall provide all documents in their possession and furnish every information in their knowledge to the IRP/RP.

- (j) Registry shall send a copy of this order to the Registrar of Companies, Mumbai, for updating the Master Data of the Corporate Debtor.

Accordingly, this Petition is allowed.

The Registry is hereby directed to communicate this order to both the parties and to IRP immediately.

Sd/-

CHANDRA BHAN SINGH
Member (Technical)

Sd/-

H V SUBBA RAO
Member (Judicial)