

**NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH, COURT- V**

C.P. 907/IB/MB/2021

Under Section 9 of the Insolvency and Bankruptcy Code, 2016 read with Rule 6 of the Insolvency and Bankruptcy (Application to Adjudication Authority) Rule 2016)

In the matter of

**M/s. Pallav Chemicals and Solvents
Private Limited**

253, Shivshakti Industrial Estate, M. V.
Road, Marol, Andheri (E) Mumbai,
Maharashtra - 400058

**..... Operational Creditor/
Petitioner**

Vs

M/s. Multi-Flex Lami-Print Limited

D-54-55 MIDC, Mahad, Tal. Mahad, Dist.
Raigad, Maharashtra – 402301.

..... Corporate Debtor

Order Pronounced On: 31.03.2023

Coram:

Hon'ble Shri. Kuldip Kumar Kareer, Member (Judicial)

Hon'ble Shri. Prabhat Kumar, Member (Technical)

Appearances (via Videoconferencing)

For the Petitioner: Adv. Avinash R Khanolkar

For the Respondent: None appeared

Per: Shri. Kuldip Kumar Kareer, Member (Judicial)

ORDER

1. The above Company Petition is filed by **M/s. Pallav Chemicals and Solvents Private Limited** hereinafter called as the ("**Operational Creditor**") seeking to initiate Corporate Insolvency Resolution Process (**CIRP**) against **M/s. Multi Flex-Lam-Print Limited** hereinafter referred to as the ("**Corporate Debtor**") by invoking the provisions of Section 9 Insolvency and Bankruptcy code (hereinafter called "**Code**") read with Rule 6 of the Insolvency & Bankruptcy (Application to Adjudicating Authority) Rules, 2016 for a Resolution of Operational Debt of Rs. 3,91,08,585/-.
2. The Operational Creditor is a manufacturer/ supplier of chemicals and solvents which are used in the printing and allied businesses.
3. The Petitioner Company claims to have supplied goods to the Corporate Debtor from March 2012 to October 2013 through invoices attached with the Petition as Annexure-3.
4. The Petitioner has further claimed that the Respondent has against the said invoices, the Corporate Debtor made certain payments and after adjusting the said payments, an amount of Rs. 3,91,08,585/- was still outstanding against the Corporate Debtor. The Operational Creditor has been requesting the Corporate Debtor time and again to make the entire payment but to no avail. Eventually, a demand notice dated 25.02.2021 was served upon the Corporate Debtor who filed reply dated 04.02.2021 whereby the owed amount was not disputed. It has further been stated in the reply that the unit of the Corporate Debtor was shut since November 2013 and efforts were being made to revive the same. In this manner, the liability of Rs. 3,91,08,585/- stands admitted on the part of the Corporate Debtor. Since the Corporate Debtor has failed to pay the outstanding amount due on account of supply of material the Petition under Section 9 of the Code is liable to be admitted.
5. No reply was filed on behalf of the Corporate Debtor though many opportunities were given to the Corporate Debtor to file the reply.



Findings: -

6. We have heard the Counsel for the Petitioner and have gone through the records.
7. The Petitioner has placed on record the copy of the invoices (Annexure-3) vide which goods were supplied to the Corporate Debtor from March 2012 to October 2013. The Petitioner has further placed on record the balance confirmation issued by the Corporate Debtor from time to time which are Annexure 4 of the Petition whereby the Corporate Debtor has been admitting the liability from time to time, more particularly, from 01.04.2014 to 31.03.2019.
8. In view of the acknowledgments made by the Corporate Debtor, the Petition is well within the period of limitation. Even otherwise in reply dated 04.02.2021 to the demand notice, the Corporate Debtor has candidly admitted its liability to pay the claimed amount in toto towards the Petitioner/Operational Creditor.
9. Therefore, it stands proved on record that the Corporate Debtor owed an Operational Debt of more than Rs. One Crore to the Operational Creditor which it has failed to pay despite a valid demand notice was issued.
10. No other points have been raised.
11. As a result of the foregoing discussion, we are of the considered view that the Petition has been able to establish that there is existence of "**debt**" and "**default**" committed by the Corporate Debtor in this case.
12. Accordingly, the above Company Petition is '**admitted**' by passing the following:

ORDER

- A. The above Company Petition No. (IB) 907 of 2021 is hereby allowed and initiation of Corporate Insolvency Resolution Process (CIRP) is ordered against **M/s. Multi-Flex Lami-Print Limited.**
- B. Since the Operational Creditor has suggested the name of IRP to perform the duties of the Interim Resolution Professional (IRP) in the petition, this Bench hereby appoints **Mr. Subhash Laxminarayan Nathuramka**, Insolvency Professional, Registration No: IBBI/IPA-001/IP-P00472/2017-18/10815, having Email id snathuramka@gmail.com 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) Lakhs towards the initial CIRP costs by way of a Demand Draft drawn in favour of the Interim Resolution Professional appointed herein, immediately upon communication of this Order. The IRP shall spend the above amount only towards expenses and not towards his fee till his fee is decided by COC.
- 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.
- K. Accordingly, the C.P.(IB) 907 of 2021 is **admitted**.
- L. The Registry is hereby directed to communicate this order to both the parties and to IRP immediately.

Sd/-
PRABHAT KUMAR
MEMBER (TECHNICAL)

Sd/-
KULDIP KUMAR KAREER
MEMBER (JUDICIAL)