

IN THE NATIONAL COMPANY LAW TRIBUNAL

NEW DELHI COURT-III

IB – 242(ND)/2025

Order 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:

M/s. R.J. PACKWELLS PVT. LTD.

Having Its Registered Office at:

F-303, Balmiki Mohalla,
Village Tughlakabad,
North East Delhi - 110019

Also at:

Plot No. 112, Udyog Kendra, Extension-1,
Ecotech-III, Greater Noida,
Uttar Pradesh – 201306

... APPLICANT/OPERATIONAL CREDITOR

VERSUS

M/s. MAURYA PRINTERS PVT. LTD.

Having Its Registered Office at:

First Floor A-103,
Okhla Industrial Area,
Phase-2, New Delhi – 110020

... RESPONDENT/ CORPORATE DEBTOR

Order Pronounced On: 03.11.2025

CORAM:

**SHRI BACHU VENKAT BALARAM DAS,
HON'BLE MEMBER (JUDICIAL)**

**DR. SANJEEV RANJAN,
HON'BLE MEMBER (TECHNICAL)**

APPEARANCES

For the Applicant : Mr. Satish Rai, Mr. Lakshay Aggarwal, Ms. Shatakshi Sharma, Mr. Iswar Mohapatra, Mr. Satim, Advs.

For the Respondent : Mr. Rachit Mittal, Mr. Parish Mishra, Mr. Kanishk Raj, Mr. Adarsh Srivashtawa, Mr. Abhishek Sinha, Advs.

ORDER



PER: BACHU VENKAT BALARAM DAS, MEMBER (JUDICIAL)

1. This Application has been filed by M/s. R.J. Packwells Pvt. Ltd., the Applicant/Operational Creditor, before this Adjudicating Authority, under Section 9 of the Insolvency and Bankruptcy Code, 2016 (“IBC” or “Code”) r/w Rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016, (“Adjudicating Authority Rules”), for initiating the Corporate Insolvency Resolution Process (“CIRP”), declaring moratorium and for appointment of Interim Resolution Professional (“IRP”), against M/s. Maurya Printers Pvt. Ltd., the Respondent/Corporate Debtor on the ground that the Corporate Debtor has defaulted/failed to clear the outstanding amount of ₹2,20,241,983/- (Rupees Two Crore Twenty Lakhs Two Hundred Forty One Thousand Nine Hundred and Eighty Three Only) excluding the interest at the rate of 15% p.a. on the said outstanding amount till date of payment.

SUBMISSIONS OF THE APPLICANT:

2. The Applicant, in the ordinary course of business, supplied goods to the Respondent from time to time against orders placed by the Respondent. The Applicant raised invoices and corresponding e-way bills for each supply of goods, and the said goods were duly received and accepted by the Respondent through transport without any objection or dispute.
3. The Applicant maintained a running account of the Respondent in its books of accounts. As per the said account, a total sum of ₹2,20,41,983/- remains outstanding towards the price of goods and materials supplied by the Applicant to the Respondent, along with interest at the rate of 15% per annum after the due date, as per the revised rate mentioned in the invoices raised by the Applicant. Despite several reminders and follow-ups, the Respondent failed to pay the said dues.
4. The ledger accounts of both the Applicant and the Respondent were duly reconciled as on 31.03.2023 and 31.03.2024, and the reconciliation



resulted in identical balances in the books of both parties. As per the reconciled position, the outstanding balance stood at ₹2,31,26,983/- as on 31.03.2023 and ₹2,20,41,983/- as on 31.03.2024, thereby confirming that the amount shown as due by the Applicant was also reflected as payable by the Respondent.

5. The Applicant served a demand notice dated 12.10.2024 in terms of Rule 5 of the Adjudicating Authority Rules upon the Respondent, which was duly received by the Respondent on 21.10.2024. Thereafter, the Respondent approached the Applicant promising to repay the amount under default. Further, the Respondent, vide reply dated 11.11.2024, admitted its liability and requested an additional 3 to 4 months to make payment due to liquidity issues. However, despite admission of debt and repeated reminders including emails dated 18.03.2025 and 21.03.2025, the Respondent failed to make payment.
6. Accordingly, the Applicant filed the present application under Section 9 of the Code before this Hon'ble Adjudicating Authority seeking initiation of Corporate Insolvency Resolution Process (CIRP) against the Respondent for default in payment of its operational debt. The total amount in default is ₹2,20,41,983/- on account of goods supplied, exclusive of interest at 15% per annum from respective due dates till payment.
7. Along with the Application, the Applicant filed copies of its Certificate of Incorporation, the master data of the Corporate Debtor, the Board Resolution authorising Mr. Vinay Goel to act as authorised signatory, a copy of the demand notice dated 12.10.2024 along with proof of delivery through postal tracking, a copy of the letter dated 07.08.2023 issued by the Respondent showing the working of computation of the outstanding amount, statement of accounts of the Respondent maintained by the Applicant for the period 01.04.2021 to 04.03.2025, confirmation of accounts as on 31.03.2022, 31.03.2023 and 31.03.2024, bank statements of the Applicant for the period 14.10.2024 to 04.03.2025, a certificate issued by the banker of the Applicant confirming non-receipt



of payment, a copy of the reply to the demand notice dated 11.11.2024, and copies of the email reminders sent by the Applicant dated 18.03.2025 and 21.03.2025.

8. The Applicant also filed affidavits under Sections 9(3)(b) and 9(3)(c) of the Code confirming that no notice of dispute was received from the Respondent prior to the issuance of the demand notice and that no payment was made after issuance of the notice. The Applicant further filed the written communication of the proposed Interim Resolution Professional, Mr. Pawan Kumar Goyal, along with his certificate of registration. Proof of dispatch of a copy of the Application to the Corporate Debtor and the Insolvency and Bankruptcy Board of India has also been filed.
9. The Applicant submitted that the Respondent has failed to pay its operational debt despite service of statutory demand notice and admission thereafter by way of the reply to the said notice. No pre-existing dispute was raised by the Respondent, and the amount of default being ₹2,20,41,983/- exceeds the statutory threshold limit prescribed under Section 4 of the Code. The Respondent is unable to pay its admitted debt and hence initiation of the Corporate Insolvency Resolution Process is warranted.
10. That vide order dated 29.04.2025 passed by this Adjudicating Authority, the Applicant was directed to file an affidavit on the maintainability of the Application filed under Section 9 of the Code. In compliance with the said order, the Applicant has filed an affidavit dated 08.05.2025 stating that the Application is maintainable under the provisions of the Code and satisfies the requirements stipulated therein.
11. In the said affidavit, the Applicant affirmed that there exists an operational debt as defined under Section 5(21) of the Code, and the Respondent has defaulted in payment of the same. The affidavit further states that the demand notice was duly served on the Respondent, which the Respondent failed to repay the debt or raise any dispute within the statutory period of ten days from the receipt of notice; that the



Application has been filed within the period of limitation as prescribed under the Limitation Act, 1963; that no notice of dispute has been received from the Respondent; and that the amount of default exceeds the threshold amount of ₹1,00,00,000/-.

12. The affidavit further confirms that payments received by the Applicant from the Respondent were made through banking channels and that the Application is non-collusive in nature. The Applicant annexed copies of its bank statement for the periods 01.10.2022 to 31.03.2023 and 01.07.2023 to 30.09.2023 reflecting payments received from the Respondent prior to default.
13. During the course of arguments, the Applicant submitted that the last payment from the Respondent was received on 07.10.2023 and the present Application was filed on 29.03.2025, and is therefore within the prescribed period of limitation. It was further argued that the Respondent, through various written communications, has repeatedly acknowledged the outstanding debt, including confirmation of account dated 01.04.2024, letter dated 07.08.2023, and reply dated 11.11.2024 to the demand notice, thereby extending the limitation period in terms of Section 18 of the Limitation Act, 1963. The Applicant further submitted that the Respondent has not produced or submitted any evidence regarding any alleged quality dispute, and the debt amount stands duly acknowledged and admitted without any objection. It was also contended that it is a settled position of law that any dispute, if existing, must be raised prior to the issuance of the demand notice. The Applicant further argued that mere existence of an arbitration clause does not bar the initiation of proceedings under the Code.
14. In view of the above, the Applicant submitted that the Application under Section 9 of the Code is complete in all respects, and the material placed on record clearly establishes the existence of an operational debt and default on the part of the Corporate Debtor. Accordingly, the Application is liable to be admitted.



SUBMISSIONS OF THE RESPONDENT:

15. The Respondent/Corporate Debtor, M/s Maurya Printers Private Limited, has filed its Reply denying the contentions of the Applicant/ Operational Creditor and submitted that the Application filed by the Operational Creditor is not maintainable under the provisions of the Code and is liable to be dismissed basis the following submissions.
16. The Respondent submitted that the Application is ex facie barred by limitation as the alleged cause of action, as admitted by the Applicant, arose on 09.08.2021, whereas the Application has been filed on 24.04.2025, which is beyond the prescribed limitation period of three years. The Respondent in furtherance of the same, during the course of arguments specifically referred to Article 137 of the Limitation Act, 1963 read with Section 238A of the Code, and contended that the Application is liable to be dismissed solely on this ground.
17. The Respondent submitted that the Applicant has claimed an alleged default of ₹2,20,41,983/- towards the supply of Duplex Boards, FBB Boards, Papers and allied materials, whereas the goods supplied were defective and substandard, resulting in losses to the Respondent. The Respondent stated that such defects had been promptly communicated to the Applicant, who failed to rectify the same. It was therefore submitted that there existed a pre-existing dispute between the parties prior to the filing of the present Application, thereby disentitling the Applicant from invoking Section 9 of the Code.
18. The Respondent further submitted that a proper reconciliation of accounts is required to determine the actual liability, if any, of the Respondent, and that upon such reconciliation, the amount found payable, if at all, would be substantially lower than the inflated figure claimed and would fall below the statutory threshold of ₹1 Crore prescribed under Section 4 of the Code. It was thus submitted that the Application is not maintainable.



19. The Respondent submitted that it has been facing severe financial distress due to the COVID-19 pandemic and its aftermath, which caused disruptions in operations and cash flows. Notwithstanding these difficulties, the Respondent has been making sincere efforts to revive its business, secure funding from potential investors and financial institutions, and honour its obligations in good faith. It was submitted that initiation of the Corporate Insolvency Resolution Process at this stage would irreparably jeopardise the Respondent's revival efforts and adversely affect the interests of employees, stakeholders, and creditors.
20. The Respondent submitted that the invoices relied upon by the Applicant contain an express arbitration clause under the heading "Terms of Delivery", which provides that any dispute arising from non-payment shall be resolved through arbitration, and that the award of the Arbitrator(s) shall be final and binding on both parties. The Respondent submitted that the Applicant, however, bypassed this mandatory contractual mechanism and directly invoked insolvency proceedings, which is impermissible in law.
21. The Respondent further submitted that the invocation of arbitration is not a mere formality, but a contractual precondition to adjudication of disputes. In view of Section 8 of the Arbitration and Conciliation Act, 1996, the Respondent contended that the matter ought to be referred to arbitration, and that failure of the Applicant to invoke the arbitration mechanism renders the Application premature and not maintainable.
22. The Respondent, without prejudice to its contentions, submitted that it does not deny its obligations, subject to reconciliation of accounts, and sought reasonable time to arrange funds and discharge verified dues in accordance with law. It was however submitted that the Applicant's attempt to misuse the Insolvency and Bankruptcy Code as a recovery tool, while ignoring the contractual arbitration clause, cannot be sustained.
23. The Respondent, therefore, submitted that in view of the factual and legal position explained above, the present Application deserves to be dismissed by this Hon'ble Adjudicating Authority.

ANALYSIS AND FINDINGS:



24. We have heard the arguments and perused the documents on record put forth by the Ld. Counsel appearing for the Applicant and Respondent.
25. The undisputed position is that the Applicant, M/s R.J. Packwells Pvt. Ltd., supplied goods, including Duplex Boards, FBB Boards, Papers, and allied materials, to the Respondent, M/s Maurya Printers Pvt. Ltd., against duly raised invoices and corresponding e-way bills. The goods were accepted by the Respondent without any objection, and the Applicant maintained a running account of supplies and payments. The reconciled accounts as on 31.03.2023 and 31.03.2024 reflect outstanding amounts of ₹2,31,26,983/- and ₹2,20,41,983/- respectively, which are consistent in the financial books of both the parties.
26. The Applicant issued a demand notice in Form 3 under Rule 5 of the Adjudicating Authority Rules on 12.10.2024, which was received by the Respondent on 21.10.2024. The Respondent, through its reply dated 11.11.2024, admitted the liability and requested additional time for payment due to liquidity constraints. Subsequent reminders by the Applicant, including emails dated 18.03.2025 and 21.03.2025, went unheeded, establishing non-payment despite admission of the debt.
27. The Applicant has filed requisite affidavits under Sections 9(3)(b) and 9(3)(c) of the Code confirming that no notice of dispute was received prior to the demand notice and that no payment was made thereafter. The Application, accompanied by bank statements, ledger accounts, correspondence, and proof of service of demand notice, establishes the existence of an operational debt of ₹2,20,41,983/- exclusive of interest at 15% p.a., exceeding the statutory threshold of ₹1 crore under Section 4 of the Code.
28. The Respondent contends that the Application is barred by limitation, asserting that the cause of action arose on 09.08.2021, whereas the Application was filed on 29.03.2025. It is noted, however, that the last payment was received on 07.10.2023, and the Respondent, through various communications including confirmation of account dated 01.04.2024, letter



dated 07.08.2023, and reply to the statutory demand notice dated 11.11.2024, clearly acknowledged the debt and promised repayment. Such acknowledgments operate to extend the period of limitation under Section 18 of the Limitation Act, 1963. Accordingly, the contention of limitation is untenable and the Application is within time.

29. It is evident from the record that the Respondent, in its reply to the statutory demand notice under Section 8 of the Code, admitted its liability and requested additional time to make payment due to liquidity constraints. Despite such admission, and despite repeated reminders from the Applicant, the Respondent has failed to discharge its obligation. The reconciled accounts of the parties further confirm the outstanding amount, establishing default on part of the Corporate Debtor.
30. The Respondent claims the existence of a pre-existing dispute concerning the quality of goods supplied. However, no substantive documentary evidence has been produced to show that such a dispute existed prior to the issuance of the demand notice or that it was formally communicated to the Applicant within the statutory period. It is well-settled that any dispute must be communicated to the Applicant before the issuance of the Section 8 notice to preclude the filing of an Application under Section 9. Mere assertions of defects or alleged losses, without formal notice to the Applicant prior to the demand notice, cannot be treated as a pre-existing dispute under the Code.
31. The Respondent also relies on an arbitration clause contained in the supply agreement. It is trite in law that the mere existence of an arbitration clause does not bar initiation of proceedings under the Code. Unless a formal dispute is raised prior to issuance of the statutory demand notice, reliance on an arbitration clause cannot preclude filing of an Application under Section 9.
32. Considering the material on record, it is evident that the Applicant has demonstrated the existence of an operational debt, default in payment, service of a statutory demand notice, admission of the debt by the Respondent, absence of any pre-existing dispute, and that the amount in



default exceeds the statutory threshold under Section 4 of the Code. The Application is, therefore, complete and maintainable in accordance with the provisions of the Code and the Adjudicating Authority Rules.

33. Prima facie, the Applicant has made out a case for initiation of the Corporate Insolvency Resolution Process against the Respondent. The Application is, accordingly, liable to be admitted, and further steps including declaration of moratorium and appointment of Interim Resolution Professional are warranted.

ORDER:

34. In view of the above facts and circumstances and the foregoing discussion, we are satisfied that the present Application fulfils the criteria laid down under Section 9 of the Code. It is accordingly, ordered as follows: -

- a) The Application, **(IB)-242(ND)/2025** filed by the Applicant under Section 9 of the Code read with Rule 6 of the Adjudicating Authority Rules for initiating CIRP against the Respondent hereby ***stands admitted***.
- b) We declare a moratorium in terms of Section 14 of the Code. The necessary consequences of imposing the moratorium flow from the provisions of Section 14(1)(a), (b), (c) & (d) of the Code. Thus, the following prohibitions are imposed:
 - i. *“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;*
 - ii. *Transferring, encumbering, alienating or disposing of by the corporate debtor any of its assets or any legal right or beneficial interest therein;*
 - iii. *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;*
 - iv. *The recovery of any property by an owner or lessor, where such property is occupied by or in the possession of the corporate debtor.*



[Explanation.- For the purposes of this sub-section, it is hereby clarified that notwithstanding anything contained in any other law for the time being in force, a licence, permit, registration, quota, concession, clearance or a similar grant or right given by the Central Government, State Government, local authority, sectoral regulator or any other authority constituted under any other law for the time being in force, shall not be suspended or terminated on the grounds of insolvency, subject to the condition that there is no default in payment of current dues arising for the use or continuation of the license, permit, registration, quota, concession, clearances or a similar grant or right during the moratorium period;]

- c) It is made clear that the provisions of moratorium shall not apply to transactions which might be notified by the Central Government or the supply of the essential goods or services to the Corporate Debtor as may be specified, are not to be terminated or suspended or interrupted during the moratorium period. In addition, as per the Insolvency and Bankruptcy Code (Amendment) Act, 2018 which has come into force w.e.f. 06.06.2018, the provisions of moratorium shall not apply to the surety in a contract of guarantee to the corporate debtor in terms of Section 14(3)(b) of the Code.
- d) Section 9(4) of the Code does not mandate the Operational Creditor to propose the name of a Resolution Professional along with the application to act as the Interim Resolution Professional (IRP) for the Corporate Debtor.
- e) Therefore, this Adjudicating Authority appoints **Mr. Surinder Babbar** as the IRP of the Corporate Debtor from the available list of the Panel of Resolution Professionals as maintained by the IBBI. The details of the IRP are as follows:

Registration No. : IBBI/IPA-001/IP-P-02534/2021-2022/13878

Address : C-13/54, 2nd Floor, Sector 3, Rohini,
North West, NCT of Delhi ,110085

Contact No. : +91 9910212024

E-mail : ip.surinderbabbar@gmail.com



- f)** The appointed IRP is further directed to submit a valid Authorization for Assignment along with Written Consent in Form-2 and a copy of Registration Certificate within 3 days of the pronouncement of this order.
- g)** In pursuance of Section 13(2) of the Code, we direct the IRP, as the case may be to make a public announcement immediately with regard to the admission of this application under Section 9 of the Code. The expression immediately means within 3 (three) days as clarified by Explanation to Regulation 6(1) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.
- h)** During the CIRP period, the management of the Corporate Debtor shall vest in the IRP/RP, in terms of Section 17 of the IBC. The officers and managers of the Corporate Debtor shall provide all documents in their possession and furnish every information in their knowledge to the IRP within one week from the date of receipt of this order, in default of which coercive steps will follow. There shall be no future opportunity given in this regard.
- i)** The IRP is expected to take full charge of the Corporate Debtor's assets, and documents without any delay whatsoever. He is also free to take police assistance and this Adjudicating Authority directs the Police Authorities to render all assistance as may be required by the IRP in this regard.
- j)** The Operational Creditor is directed to deposit a sum of ₹2,00,000/- (Rupees Two Lakhs only) with the IRP to meet out the expenses to perform the functions entrusted to him. However, this amount shall be subject to adjustment by the Committee of Creditors, based on the accounts maintained by the IRP upon the conclusion of the CIRP.
- k)** The IRP/RP is further directed to submit periodic progress reports to this Adjudicating Authority at the conclusion of each quarter.



- l)** In accordance with the provisions of the Code, the Registry is directed to communicate a copy of the order to the Operational Creditor, the Corporate Debtor, the IRP and the Registrar of Companies, NCT of Delhi and Haryana, by Speed Post and by email, at the earliest but not later than seven days from today.

The Registrar of Companies shall update his website by updating the status of the Corporate Debtor and specific mention regarding admission of this application must be notified.

- m)** The Registry is further directed to send a copy of this order to the IBBI for their record.

No order as to costs.

Sd/-

**DR. SANJEEV RANJAN
MEMBER (TECHNICAL)**

Sd/-

**BACHU VENKAT BALARAM DAS
MEMBER (JUDICIAL)**