

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
DIVISION BENCH, CHENNAI**

**CP/714/IB/2018**

*Under Section 9 of the IBC, 2016*

**In the matter of M/s. Dexin Medi Solutions Private Limited**

M/s. CASTLE LINE ORGANICS LIMITED

**---Operational Creditor**

V/s

M/s. DEXIN MEDI SOLUTIONS PRIVATE LIMITED

**---Corporate Debtor**

**Order delivered on: 12.11.2018**

**Coram:**

**B. S.V. PRAKASH KUMAR, MEMBER (JUDICIAL)**

**S. VIJAYARAGHAVAN, MEMBER (TECHNICAL)**

For the Operational Creditor: *Mr. S. Karthik, Advocate*

*For Arun C. Mohan, Advocate*

For the Corporate Debtor: *Mr. S. Satish, Advocate*

**ORDER**

**Per: B. S.V. PRAKASH KUMAR, MEMBER (JUDICIAL)**

**Oder pronounced on: 12.11.2018**

Under Consideration is a Company Petition filed by M/s. Castle Line Organics Limited (in short, '**Petitioner/Operational Creditor**') against M/s. Dexin Medi Solutions Private Limited (in short, '**Respondent/Corporate Debtor**') under section 9 of the Insolvency and Bankruptcy Code 2016 (In short, "**the Code**") r/w Rule 6 of the Insolvency

& Bankruptcy (Application to Adjudicating Authority) Rules, 2016 (for brevity, 'IB Rules 2016') on ground of respondent's inability to pay the debt, therefore sought for initiation of Corporate Insolvency Resolution Process against the Corporate Debtor.

2. **Facts in brief:** On perusal of the Company Petition, we have noticed that the Corporate Debtor is in the business of manufacturing medicines and the Operational Creditor is leading suppliers of raw material used in the process of manufacturing medicines and other allied and cognate goods. The Corporate Debtor approached the Operational Creditor and issued purchase orders PO. No.GI/1/103/17/18 dated 06.09.2017, PO No.GI/1/14/17-18 dated 09.09.2017, PO. No.GI/1/137/17-18 and PO. No.GI/1/16/17-18 dated 13.10.2017 and PO. No.GI/1/141/17-18 dated 16/10/2017 for purchase of various raw materials like Cephalexin Monohydrate Compacted, Azithromycin Dihydrate, Amisulpride and Fenofibrate etc. The terms and conditions of the purchase orders clearly state that payment would be made within 80 days from the date of receipt of raw materials. Subsequently, the Operational Creditor delivered goods to the Corporate Debtor in accordance with the purchase orders and the same were duly acknowledged by the Corporate Debtor.



3. The Operational Creditor, in lieu of the deliveries made, had raised several invoices, as mentioned above, amounting to a total sum of ₹27,25,063 (Rupees Twenty Seven Lakhs Twenty Five Thousand and Sixty Three only) and the same were acknowledged by the Corporate Debtor.
4. Despite several reminders, the Corporate Debtor failed to pay towards various invoices raised by the Creditor and the interest of ₹1,30,790 at the rate of 21% accrued over the money payable by the debtor, the total amount due and payable as January 2018 has become ₹28,55,853.
5. Thereafter when the Creditor on 19.03.2018 issued section 8 notice demanding payment of the amount aforementioned, failing which, to initiate CIRP against the debtor, the Debtor received that notice on 20.03.2018, but it did not pay the dues, nor sent reply disputing the claim made by the Petitioner, therefore, the Petitioner filed this Petition along with authorization given by the Petitioner, copies of the invoices, Bank Statement reflecting no claim amount has been received from the Corporate Debtor and copy of the Section 8 Notice dated 09.03.2018, for initiation of CIRP against the Corporate Debtor.

6. As to the defence of existence of dispute, since the Debtor has not raised any such defence and there being no material on record before this Bench showing existence of dispute between the parties or at least reply either to Section-8 Notice or to the case of the Creditor.
7. On seeing such material proving existence of debt and default, we hereby hold that the Creditor proved existence of debt and default and there being no dispute between the parties, this Bench hereby admits this Company Petition for initiation of CIRP against the Corporate Debtor Company.
8. Since the Creditor has not provided the name of Interim Resolution Professional, we have taken out the name of Mrs. Malathi Gopi from the IBBI panel as Interim Resolution Professional to discharge the functions of IRP as enunciated under the Code.
9. In view of the reasons mentioned above, this Bench hereby admits this petition filed u/s 9 of the Code, declaring moratorium with consequential directions as mentioned below:
  - I. 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.

- II. 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.
- III. That the provisions of Section 14 (1) of the Code shall not apply to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.
- IV. That the order of moratorium shall have effect from 02.11.2018 till completion of corporate insolvency resolution process or until this Bench approves the resolution plan u/s 31 (1) of the Code or

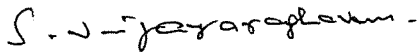
passes an order for liquidation of corporate debtor u/s 33 of the Code, as the case may be.

V. That public announcement of corporate insolvency resolution process shall be made immediately as specified u/s 13 of the Code.

VI. That this Bench hereby appoint Mrs. Malathi Gopi, Reg. No. IBBI/IPA-002/IP-N00566/2017-2018/11727, Mobile No: 9840959536, E-Mail: [mala@malathiassociates.com](mailto:mala@malathiassociates.com) as Interim Resolution Professional to carry the functions as mentioned under the Code.

10. Accordingly, this Petition is admitted.

11. The Registry is hereby directed to forthwith communicate this order to the Operational Creditor and the Corporate Debtor through post and email or whatsapp.



**(S. VIJAYARAGHAVAN)**  
**Member (Technical)**



**(B. S. V. PRAKASH KUMAR)**  
**Member (Judicial)**

TJS