

IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH

C.P. (IB) 1328/2019

Under section 9 of the IBC, 2016

In the matter of

Shri Krishna Enterprises

Shop No. 17, Urmila CHS Ltd., Koldongri

Road No. 1, Off Sahar Road, Andheri (East),

Mumbai - 400069

....Petitioner

v/s.

Paramount Wheels Private Limited

51, Marol Co-Operative Industrial Estate,

Andheri-Kurla Road, Andheri (East), Mumbai

- 400059

....Corporate Debtor

Order delivered on: 29.05.2019

Coram: Hon'ble Shri Bhaskara Pantula Mohan, Member (Judicial)

Hon'ble Shri V. Nallasenapathy, Member (Technical)

For the Petitioner: Mr. Nithish Bangera, Practising Company Secretary.

For the Respondent: Ms. Bijal Gandhi, Advocates i/b Jaykar & Partners.

Per: V. Nallasenapathy, Member (Technical)

ORDER

1. This Company Petition is filed by Shri Krishna Enterprises (hereinafter called "Petitioner") seeking to set in motion the Corporate Insolvency Resolution Process (CIRP) against Paramount Wheels Private Limited (hereinafter called "Corporate Debtor") alleging that the Corporate Debtor committed default on 27.12.2018 in making payment to the extent of Rs. 24,59,310/- by invoking the provisions of Section 9 of Insolvency and Bankruptcy Code (hereinafter called "Code") read with Rule 6 of Insolvency & Bankruptcy (Application to Adjudicating Authority) Rules, 2016.
2. The Petitioner submits that they have provided labour services to the Corporate Debtor from 12.12.2018 to 27.12.2018 and raised invoices to the extent of Rs. 51,25,802/-. The Petitioner received Rs. 26,66,492/- from the Corporate Debtor against the total outstanding of Rs. 51,25,802/- and there is a balance of Rs. 24,59,310/-. On account of non-payment of the outstanding balance, the Corporate



Debtor issued a demand notice on 20.03.2019 under Section 8 of the Code demanding a sum of Rs. 24,59,310/- from the Corporate Debtor. The Corporate Debtor failed to respond to the demand notice and the Petitioner has filed an affidavit under section 9(3)(b) of the Code stating that no notice of the dispute has been received from the Corporate Debtor.

3. The counsel for the Corporate Debtor, during the hearing of the petition, accepted the liability and default. The reply filed by the Corporate Debtor also reveals that the amount claimed in the petition remains unpaid due to severe financial difficulty experienced by the Corporate Debtor.
4. This Bench having been satisfied with the Petition filed by the Operational Creditor which is in compliance of provisions of section 9 of the Insolvency and Bankruptcy Code admits this Petition declaring moratorium with the directions as mentioned below:
 - (a) 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.
 - (b) 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.
 - (c) 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.
 - (d) That the order of moratorium shall have effect from 29.05.2019 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.
 - (e) That the public announcement of the corporate insolvency resolution process shall be made immediately as specified under section 13 of the Code.



(f) That this Bench hereby appoints Mr. Prakash Naringrekar, office at 503-A, Blue Diamond CHS Ltd., Chincholi Bunder/Link Road Junction, Malad (West), Mumbai - 400064; email id - prakash03041956@gmail.com; having Registration No. IBBI/IPA-002/IP-N00270/2017-2018/10783 as an interim resolution professional to carry the functions as mentioned under the Insolvency & Bankruptcy Code.

5. Accordingly, this Petition is admitted.

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

SD/-
V. Nallasenapathy
Member (Technical)

SD/-
Bhaskara Pantula Mohan
Member (Judicial)



Certified True Copy
Copy Issued "free of cost"
On 30-05-19

Assistant Registrar

National Company Law Tribunal-Mumbai Bench