

IN THE NATIONAL COMPANY LAW TRIBUNAL
BENGALURU BENCH, BENGALURU
(Exercising powers of Adjudicating Authority under
the Insolvency and Bankruptcy Code, 2016)
(Through Physical Hearing/ VC Mode (Hybrid))

ITEM No.11
C.P. (IB)No.110/BB/2024
Application U/s. 9 of IBC, 2016
R/w Rule 6 of I&B (AAA) Rules, 2016

IN THE MATTER OF:

PVR INOX Limited

7th Floor Lotus Grandeur Building,
 Veera Desai Road opposite Gundecha
 Symphony, Andheri (West)
Mumbai – 400 053.

- Petitioner/Operational Creditor

Versus

Multi-verse Technologies Private Limited

#41/1, New No.35, Trisha Mansion,
 Second Floor Nanjappa Road, Shanthinagar,
Bangalore – 560 027.

- Respondent/Corporate Debtor

Order delivered on: 02.09.2024

CORAM: 1. Hon'ble Shri K. Biswal, Member (Judicial)
 2. Hon'ble Shri Manoj Kumar Dubey, Member (Technical)

Parties/Counsels Present:

For the Petitioner	:	Ms. Anisha Aatresh
For the Respondent	:	Shri Naman Golecha

ORDER

1. The present Petition has been filed on 30.08.2023 under Section 9 of the Insolvency and Bankruptcy Code, 2016 (for brevity 'IBC/ Code), read with Rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016, by **PVR INOX Limited** (for brevity 'Petitioner/Operational Creditor') *inter alia* seeking to initiate Corporate Insolvency Resolution Process (CIRP) against **Multi-verse Technologies Pvt. Ltd.** (for brevity 'Respondent/Corporate Debtor') on the ground that the Corporate Debtor has committed a default for a total



outstanding amount of Rs.3,18,09,979/- (Rupees Three Crore Eighteen Lakh Nine Thousand Nine Hundred Seventy-Nine Only). In Part-IV of Form No.5 filed with the Petition, the following information is given:

2.Amount claimed to be in default	Total Amount claimed: Rs.3,18,09,979/- (Rupees Three Crore Eighteen Lakh Nine Thousand Nine Hundred Seventy-Nine Only) along with interest at the rate of 18% per annum.
The Date on which the Default occurred	Erstwhile INOX Leisure Ltd: 25.07.2022 on which the 60-day period to clear invoice expired.

2. Brief facts of the case, which are relevant to the issue in question, and as narrated by the Petitioner in the Company Petition as follows:

- i. It is stated that the Operational Creditor aforetime existed as two separate legal entities namely; INOX Leisure Limited and PVR Limited, both of which recently amalgamated to form PVR INOX Limited. The NCLT Mumbai approved the scheme of amalgamation between the two entities vide order dated 12.01.2023 in Case No C.P.(CAA)/207/MB/2022 c/w C. A. (CAA)/201/MB/2022. Consequently, INOX Leisure Limited ceased to exist as on 07.02.2023, and has amalgamated into PVR INOX Limited.
- ii. The present petition is in respect of marketing services rendered by PVR Limited and erstwhile INOX Leisure Limited to the Corporate Debtor, prior to the amalgamation. In light of the amalgamation, this petition has been filed in respect of the consolidated dues of PVR Limited and erstwhile INOX Leisure Limited from the Corporate Debtor.

Erstwhile INOX Leisure Limited ("INOX");

- iii. It is stated that the Corporate Debtor issued a Purchase Order dated 24.06.2022 on INOX to undertake marketing campaigns for a period of 12 weeks from 01.07.2022-30.09.2022 in Bangalore, for an aggregate amount of INR 1,14,00,000/-. Following the marketing campaigns, INOX raised 3 (three) invoices dated 25.07.2022, 31.08.2022 and 30.09.2022 on the Corporate Debtor



for an aggregate amount of INR 1,34,52,000/-. As per the terms of the invoices, the Corporate Debtor was liable to make payment within 60 days from the date of each invoice. On 26.08.2022, the Corporate Debtor made a part payment of INR 22,42,000/- to INOX, leaving an outstanding of INR 1,12,10,000/- unpaid.

- iv. INOX issued a Demand Notice dated 20.01.2023 to the Corporate Debtor calling upon the company to make payment of an Outstanding Due of INR 1,12,10,000/- together with interest accrued thereon at the rate of 18% p.a. from the date of default till date of payment. The Corporate Debtor issued response dated 31.01.2023 admitting to the outstanding debt amount and delay in payment, and ensuring they would revert with a payment plan within 15 days. On 13.02.2023 the Corporate Debtor proposed to make payment of Rs.1,06,78,002/- to INOX in 10 monthly instalments commencing from 15.04.2023. However, this request was rejected by PVR INOX Limited on 28.02.2023. On 10.03.2023 the Corporate Debtor replied to letter dated 28.02.2023 reiterating its offer and requesting PVR INOX to consider the Corporate Debtor's original payment plan.

PVR Limited ("PVR"):

- v. It is stated that the Corporate Debtor issued Purchase Order dated 24.06.2022 on PVR for carrying out marketing campaigns during the period 24.06.2022 till 30.09.2022 for an amount of INR 2,00,00,000/- plus GST. Pursuant to the marketing campaigns, PVR raised 5 (five) invoices dated 03.08.2022, 09.08.2022, 22.09.2022, 03.10.2022 and 03.10.2022, amounting to an aggregate of INR 2,35,99,977/-.
- vi. PVR issued a Demand Notice dated 22.11.2022 to the Corporate Debtor demanding for payment of INR 2,35,99,977/-. Vide emails dated 14.11.2022 and 29.11.2022, the Corporate Debtor admitted its liability to PVR, and stated that they would be able to clear the dues only by the third week of January of 2023. However, the Corporate Debtor failed to adhere to its timeline. On 18.04.2023,





the Corporate Debtor made a part payment of INR 20,00,000/- to PVR and a further part payment of INR 10,00,000/- on 23.06.2023, leaving an outstanding of INR 2,05,99,977/- unpaid.

- vii. It is also stated that vide email dated 20.05.2023, PVR INOX Limited raised a consolidated demand (PVR+INOX) of INR 3,18,09,979/- on the Corporate Debtor. Subsequent thereafter, the Operational Creditor issued a Demand Notice dated 06.07.2023 under Section 8 of the Code, to the Corporate Debtor demanding for payment of the consolidated due of INR 3,18,09,979/- (Indian Rupees Three Crore Eighteen Lakh Nine Thousand Nine Hundred Seventy-Nine only). The copy of the Demand Notice is produced as **Annexure-C** to the Petition.
- viii. On 17.07.2023 the Corporate Debtor responded to the Demand Notice dated 06.07.2023 requesting the Operational Creditor to grant them 30 days to respond to the said Demand Notice. The email dated 17.07.2023 issued by the Corporate Debtor is produced as **Annexure - D** to the Petition.
3. The Corporate Debtor filed its reply vide Diary No.3995 on 09.07.2024 stating that the Corporate Debtor acknowledged and admitted to the transactions and communications as outlined in the C.P.; and there is no denial or counter argument from the Corporate Debtor regarding the said transactions and communications.
4. Heard the learned Counsels for the Petitioner and the Respondent, and perused the pleadings.
5. As stated supra, the Corporate Debtor did not dispute the debt and has requested for more time to clear the balance debt. It is clearly established that there is an outstanding debt in respect of the invoices mentioned above and the Demand Notice U/s. 8 in Form-3. It is noticed that the Petition was filed on 30.08.2023, and therefore under consideration would be the invoices pertaining to a period of within three years prior to the filing of the Petition so as to take care of limitation aspect. From the abovementioned invoices, it is abundantly clear that all the invoices fall within the limitation period. The total amount of these invoices which are



within the period of limitation is Rs.3,69,51,979.36/-, out of which payment of Rs.22,42,000/-, Rs.20,00,000/- and Rs.10,00,000/- have been made as a part payment. Therefore, the remaining outstanding amount is Rs.3,17,09,979.36/-, which meets the threshold requirement of Rs.1 crore. After considering the submission made by the Respondent/Corporate Debtor as discussed above, there is no reason to deny the Petition filed U/s.9 of the IBC, 2016.

6. In view of the above discussion, the existence of the debt and default is established. Therefore, the present petition bearing **C.P.(IB) No.110/BB/2024** is **admitted** in respect of the Corporate Debtor **Multi-verse Technologies Pvt. Ltd.** under section 9 of the I & B Code, 2016. Accordingly, moratorium is declared in terms of Section 14 of the Code. As necessary consequences of the moratorium in terms of Section 14, the following prohibitions are imposed, which must be followed by all and sundry:

- (a) *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;*
- (b) *Transferring, encumbering, alienating or disposing of by the Corporate Debtor any of its assets or any legal right or beneficial interest therein;*
- (c) *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;*
- (d) *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) *It is further directed that the supply of essential goods or services to the Corporate Debtor as may be specified, shall not be terminated or suspended or interrupted during the moratorium period;*





- (f) The provisions of Sub- Section 14 (3) shall however, not apply to such transactions as may be notified by the Central Government in consultation with any financial sector regulator and to a surety in a contract of guarantee to a Corporate Debtor;
- (g) The order of moratorium shall have effect from the date of this order till completion of the Corporate Insolvency Resolution Process or until this Bench approves the Resolution Plan under sub-section (1) of Section 31 or passed an order for liquidation of Corporate Debtor under Section 33 as the case may be;

7. In Part-III of Form No.5, the Operational Creditor has proposed the name of Mrs. Shirley Mathew bearing Registration No. IBBI/IPA-001/IP-P01043/2017-18/11716 as the Interim Resolution Professional (IRP) in respect of the Corporate Debtor. Form-2 Written Communication by the IRP has been filed along with the C.P. is found at Page 87-89 of the Petition. However, since the Authorisation for Assignment (AFA) shown in Form-B was expired on 18.12.2023, the IRP shall file the copy of renewed AFA within one week from the receipt of this order.
8. In view of the above, we appoint **Mrs. Shirley Mathew** bearing Registration No. IBBI/IPA-001/IP-P01043/2017-18/11716 having registered address at No.23, Fifth Cross Hutchins Road, St. Thomas Town, Bengaluru-560084, Contact No.9845510322 e-mail: shirley@smathew.in as the Interim Resolution Professional to carry the functions as mentioned under the IBC, the fee payable to IRP/RP shall comply with the IBBI Regulations/Circulars/Directions issued in this regard. The IRP is directed to take the steps as mandated under Section 15, 17, 18, 20 and 21 of the IBC 2016.
9. The Operational Creditor shall deposit a sum of **Rs.2,00,000/-** (Rupees Two Lakh only) with the IRP to meet the expenses arising out of issuing public notice and inviting claims. These expenses are subject to approval by the Committee of Creditors.

The Interim Resolution Professional shall after collation of all the claims received against the Corporate Debtor and the determination of the financial position of the Corporate Debtor constitute a Committee of



Creditors and shall file a report, certifying constitution of the Committee to this Adjudicating Authority on or before the expiry of thirty days from the date of his appointment, and shall convene first meeting of the Committee within seven days for filing the report of Constitution of the Committee. The Interim Resolution Professional is further directed to send regular progress reports to this Adjudicating Authority every fortnight.

11. Registry is directed to communicate this order to both the parties and send the copy of this order to the Interim Resolution Professional at her e-mail address forthwith.
12. The learned Counsel for the Petitioner shall deliver a copy of this order to the Interim Resolution Professional forthwith.

Sd/-
(MANOJ KUMAR DUBEY)
MEMBER (TECHNICAL)

Sd/-
(K. BISWAL)
MEMBER (JUDICIAL)



CERTIFIED TO BE TRUE COPY
OF THE ORIGINAL
[Signature]
DEPUTY/ASST. REGISTRAR
NATIONAL COMPANY LAW TRIBUNAL
Bengaluru Bench