

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
MUMBAI BENCH, COURT II**

**CP (IB) 1253/MB/C-II/2022**

Under section 10 of the Insolvency &  
Bankruptcy Code, 2016 r.w. Rule 7 of the  
Insolvency and Bankruptcy (Application to  
Adjudicating Authority) Rules, 2016

*In the matter of*

**M/s. Mahila Udyog Limited**  
**[CIN: U15136MH1965PLC013242]**  
Registered office No. 17 A/1A,  
Laxmanrao Kirloskar Road, Khadki,  
Pune- 411003.

...Corporate Applicant

**Order Pronounced on 30.07.2024**

***Coram:***

**Anil Raj Chellan**

**Member (Technical)**

**Kuldip Kumar Kareer**

**Member (Judicial)**

***Appearances:***

For the Corporate Applicant

: Adv. Surekha Yadav a/w Adv.  
Avinash Khanolkar

**ORDER**

***Per: Coram***

1. This Application is filed under Section 10 of the Insolvency and Bankruptcy Code, 2016 ("**the Code**") by Mahila Udyog Limited (in short,

- "**the Corporate Applicant**") for initiation of the Corporate Insolvency Resolution Process (**CIRP**) under the Insolvency & Bankruptcy (Application to Adjudicating Authority) Rules, 2016 (for brevity, I&B Rules 2016), following a default in meeting the financial obligations to its Operational Creditor amounting to Rs. 3,85,87,034/-.
2. It is submitted that the Corporate Applicant is a Private Limited Company incorporated on 25.06.1965 bearing CIN: U15136MH1965PLC013242 and having Registered office at Office No. 17 A/ 1A, Laxmanrao Kirloskar Road, Khadki, Pune 411003.
  3. Part – III of the application, discloses the details of the total amount of default of Rs. 3,85,87,034/- as on 31.03.2022.
  4. It is stated in the Application that the Corporate Applicant has received trade advance from its customer Kirloskar Industries Limited ('KIL') totaling Rs. 5,85,87,034/- as of the application date, an outstanding amount of Rs. 3,85,87,034/- in favour of KIL reflected in the books of the Corporate Applicant. Furthermore, there are no other liabilities reflected in the books.
  5. The list of documents submitted to prove the existence of debt is as follows:
    - a) Copy of the letter issued by the Corporate Applicant to Operational Creditor.
    - b) Audited Financials for FY 31.03.21-31.03.2022 and provisional financials from 1.04.2022 till 30.09.2022.
  6. The Corporate Applicant defaulted in paying an amount of Rs. 3,85,87,034/- to its Operational Creditor, and neither shareholder nor any lender is inclined to fund the Corporate Applicant to start its business

operations. Hence, the Corporate Applicant has been unable to repay the balance amount to KIL.

7. Thereafter, the Board of Directors of the Corporate Applicant in its meeting held on 30.08.2022 passed a Resolution to file an Application under Section 10 of the Code for initiation of the CIRP and Mr. Bhalchandra Kamlapurkar and Mr. Pradip Kopardekar, Directors were appointed as the authorized persons to sign the necessary application.
8. Further, the Corporate Applicant has also placed on record the Special Resolution passed by the members at the Annual General Meeting of the Corporate Applicant dated 28.09.2022 to file an Application under Section 10 of the Code.
9. The list of assets as on 30.09.2022 of the Corporate Applicant are as follows:

<b>Sr. No.</b>	<b>Particulars</b>	<b>Amount in thousand</b>
1	Other Non-Current Assets (Security Deposit)	25.73
2	Cash and Cash Balances	8,543.86
3	Other short-term loans and advances (Advance Tax Provision)	25.54
4	Other Current Assets	354.33

10. We have heard the Counsel for the Petitioner and gone through the record.
11. The Corporate Applicant is stated to have committed a default of Rs. 3,85,87,034/- in respect of the operational debt owed to Kirloskar

Industries Limited which is also reflected in the latest balance-sheet of the Corporate Applicant as on 31.03.2023. The entry in the balance sheet amounts to an acknowledgment of liability under section 18 of the Limitation Act, 1961 in view of the judgement of the Hon'ble Supreme Court in the Matter of *Assets Reconstruction (India) Limited versus Bishal Jaiswal and others*, MANU/ SC/ 0279/2021. The default of the Corporate Applicant is admittedly above the threshold limit prescribed under section 4 of the Code, and the defaults are well within the period of limitation.

12. The Corporate Applicant has claimed that date of default is 31.03.2022. A copy of the Resolution dated 30.08.2022 passed by the Board of Directors as well as the Special resolution dated 28.09.2022 passed by the shareholders and also been annexed with the application. The Applicant have further proposed the name of Shri. Haresh Babulal Shah as IRP whose consent in Form-2 has also been annexed with the Petition.
13. Keeping in view the facts and circumstances of the case we find it to be a fit case for admission under Section 10 of the Code. It is ordered accordingly in the following terms:

**ORDER**

- a. **The above Company Petition No. (IB) 1253/(MB)/2022 is hereby admitted** and initiation of Corporate Insolvency Resolution Process (CIRP) is ordered against **M/s Mahila Udyog Limited.**
- b. This Bench hereby **appoints Shri Haresh Babulal Shah, Registration No: IBBI/IPA-001/IP-**

**P00378/2017-2018/10635 as the Interim Resolution Professional having his address at Plot No. 27, Mitra Mandal Colony, Parvati, Pune-411009 Email :- [haresh.mergersindia@gmail.com](mailto:haresh.mergersindia@gmail.com) ;**  
to carry out the functions as mentioned under the Insolvency and Bankruptcy Code, 2016.

- c. The Corporate Applicant shall deposit an amount of **Rs. 2,00,000/-** (Rupees Two Lakhs Only) towards the **initial CIRP cost** by way of a Demand Draft drawn in favour of the Interim Resolution Professional appointed herein, immediately upon communication of this Order.
- 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 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

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 concerned Registrar of Companies, Mumbai for updating the Master Data of the Corporate Debtor.

**14. Accordingly, Company Petition No. 1253 of 2022 is admitted.**

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

**Sd/-**

**Anil Raj Chellan**  
**Member (Technical)**

**Sd/-**

**Kuldip Kumar Kareer**  
**Member (Judicial)**