IN THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI SPECIAL BENCH (COURT – II)
IN
CP (IB)-612/ND/2025

IN THE MATTER OF CP(IB)-612/ND/2025
(Under Section: 9 of IBC, 2016)

Kannodia Technoplast Ltd.
A-54 Wazirpur Industrial Area,
New Delhi, India, 110052 **... Petitioner/ Operational Creditor**

Versus

Kay Pee Khaini Pvt. Ltd.
229/15 Plot No. 9 Ground Floor (Shop) Gali No. 2,
Railway Colony, Mandawali,
New Delhi, 110092 **... Respondent/ Corporate Debtor**

Order delivered on: 21.07.2026

CORAM:
SH. ASHOK KUMAR BHARDWAJ, HON'BLE MEMBER (J)
SH. BANWARI LAL MEENA, HON'BLE MEMBER (T)

PRESENT:

For the Operational Creditor	:	Adv. Rachit Mittal, Adv. Parish Mishra, Adv. Kanishk Raj, Adv. Srishti Agarwaal, Adv. Abhishek Sinha, Adv. Aayushi Kiran, Adv. Shivansh Bansal
For the Respondent	:	

ORDER

PER: SHRI ASHOK KUMAR BHARDWAJ, MEMBER (J)

The captioned application could be preferred by Kanodia Technoplast Ltd. (Applicant) initiating CIRP qua Kay Pee Kahini Pvt. Ltd. (Respondent) espousing that since the Respondent could commit default in paying the operational debt, insolvency process need to be ordered to be commenced against it. The amount of debt allegedly defaulted to be paid has been mentioned in Part-IV of the application. The case as stated in the application is that the operational creditor is engaged in the business of manufacturing integrated flexographic packaging material and other related products, while the CD is engaged in the business of manufacturing tobacco products, including but not limited to various forms of processed and pacakaged tobacco intended for commercial distribution and sale. According to Applicant, the CD approached it for providing packaging material and pouches for the product i.e. printed plastic laminate in pouch form and the OC delivered the goods. The default in payment of consideration for the goods supply as alleged in the application pertains to financial year 2022-23, 2023-24 and 2024-25. Part-IV of the application reads thus:-

Part-IV

PARTICULARS OF OPERATIONAL DEBT		
1	Total amount of debt, details of transactions on account of which debt fell due, and the date from	₹ 1,59,71,720/- (Rupees One Crore Fifty Nine Thousand Seventy One Thousand Seven Hundred and Twenty Only), excluding interest rate. The Operational Creditor is engaged in the business of manufacturing integrated flexographic packaging materials. Its product range includes, Cast Polypropylene (CPP) films, metallized films and paper, polyethylene (PE) films, and holographic security films. Operational Creditor provides packaging materials and related products to clients operating within the Fast-Moving Consumer Goods (FMCG) sector and

	debt fell due	other industrial sectors, thereby catering to a diverse range of commercial and industrial applications. The Corporate Debtor is engaged in the business of manufacturing tobacco products, including but not limited to various forms of processed and packaged tobacco intended for commercial distribution and sale. The Corporate Debtor had approached the Operational Creditor for providing the packaging materials and pouches for the product, i.e. printed plastic laminate in pouch form and in pursuant to the same the Operational Creditor time and again delivered the goods to the Corporate Debtor. The Operational Creditor had been supplying goods to the Corporate Debtor against duly raised invoices commencing from the year 2020. In Financial Year 2021-22, the Operational Creditor supplied goods in the ordinary course of business and raised invoices aggregating to a sum of ₹ 35,21,575/-. The said liability was duly acknowledged by the Corporate Debtor and discharged in entirety through 6 separate tranches of payment. During the Financial Year 2022-23, the Operational Creditor duly raised invoices against the supplied goods aggregating to a sum of ₹ 30,46,117/-. Against the said liability the Corporate Debtor made part payments to the tune of ₹ 7,39,864/- in three tranches. Consequently, a principle sum of ₹ 23,06,253/- remained outstanding and unpaid. During the Financial Year 2023-24, the Operational Creditor duly raised invoices against the supplied goods aggregating to a sum of ₹ 1,30,31,124/-. Against the said liability the Corporate Debtor made part payments to the tune of ₹ 25,45,207/- in 2 tranches and ₹ 3,446/- was adjusted for TDS. Consequently, a principle sum of ₹ 1,27,88,724/- remained outstanding and unpaid. The debt has accrued during the financial years 2022–23, 2023–24, and 2024–25, as evidenced from the ledger accounts maintained in the ordinary course of business. Despite repeated reminders, the Corporate Debtor has failed to discharge the said liability.

<table>
<tr><td></td><td></td><td>Again, during the Financial Year 2024-25, the Operational Creditor raised invoice aggregating to sum of ₹ 39,82,996/-. Against the said liability the Corporate Debtor only paid ₹ 8,00,000/-. Hence, a principal sum of ₹ 1,59,71,720/- remains due and payable by the Corporate Debtor.

The part payments made by the Corporate Debtor provide sufficient evidence that the invoices were duly received and acknowledged by the Corporate Debtor. Notwithstanding the lapse of over a year, the Corporate Debtor has willfully failed to discharge the outstanding amount, thereby compelling the Operational Creditor to suspend further supply of goods, in accordance with the provisions of Section 46(2) and Section 48 of the Sale of Goods Act, 1930, which delineate the rights of an unpaid seller.</td></tr>
<tr><td>2</td><td>Amount claimed to be in default and the date on which the default occurred</td><td>₹ 1,59,71,720/- (Rupees One Crore Fifty Nine Lakhs Seventy One Thousand Seven Hundred and Twenty Only), + ₹ 46,91,629/- (Rupees Fouty Six Lakhs Ninty One Thousand Six Hundred and Twenty Nine Only) = ₹ 2,06,63,353/- (Rupees Two Crore Six Lakhs Sixty Three Thousand and Three Hundred and Fifty Three Only).
The default first occurred when the Corporate Debtor failed to honor payment obligations under invoices raised on 01.05.2022 and on the last date of invoice, i.e. 30.08.2024, and continues till date.

<table>
<tr><th>Date</th><th>Vch/Bill No</th><th>Bill Amount</th><th>Interest Amount</th><th>Total Due Amount</th></tr>
<tr><td>14-07-2023</td><td>C/23-24/973</td><td>4,48,328</td><td>1,71,982</td><td>6,20,310</td></tr>
<tr><td>17-08-2023</td><td>A/23-24/14245</td><td>53,100</td><td>19,482</td><td>72,582</td></tr>
<tr><td>09-09-2023</td><td>C/23-24/1510</td><td>1,77,000</td><td>62,937</td><td>2,39,937</td></tr>
<tr><td>09-09-2023</td><td>C/23-24/1511</td><td>8,26,944</td><td>2,94,040</td><td>11,20,984</td></tr>
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</td></tr>
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28-09-2023	C/23-24/1734	12,25,548	4,24,321	16,49,869
28-09-2023	A/23-24/18897	1,77,000	61,283	2,38,283
05-10-2023	C/23-24/1813	9,74,562	3,34,067	13,08,629
07-10-2023	A/23-24/19753	1,77,000	60,499	2,37,499
19-10-2023	C/23-24/1961	10,48,194	3,52,090	14,00,284
20-10-2023	A/23-24/21385	88,500	29,684	1,18,184
11-11-2023	A/23-24/23863	88,500	28,726	1,17,226
20-11-2023	A/23-24/24606	88,500	28,335	1,16,835
30-11-2023	C/23-24/2386	10,19,874	3,21,511	13,41,385
30-11-2023	A/23-24/25671	88,500	27,899	1,16,399
06-12-2023	A/23-24/26174	88,500	27,638	1,16,138
28-12-2023	C/23-24/2649	12,64,134	3,81,105	16,45,239
28-12-2023	A/23-24/28051	88,500	26,681	1,15,181
09-01-2024	A/23-24/28466	88,500	26,158	1,14,658
21-01-2024	A/23-24/29229	88,500	25,636	1,14,136
27-01-2024	C/23-24/2954	12,48,204	3,57,887	16,06,091
27-01-2024	A/23-24/29717	88,500	25,375	1,13,875
07-02-2024	A/23-24/30400	88,500	24,896	1,13,396
17-02-2024	A/23-24/31187	88,500	24,461	1,12,961
01-03-2024	C/23-24/3238	11,57,934	3,12,642	14,70,576

01-03-2024	A/23-24/32363	88,500	23,895	1,12,395
09-03-2024	A/23-24/32736	88,500	23,547	1,12,047
12-03-2024	A/23-24/32813	88,500	23,416	1,11,916
21-03-2024	C/23-24/3357	9,51,906	2,47,652	11,99,558
04-04-2024	A/24-25/311	88,500	22,477	1,10,977
09-04-2024	C/24-25/045	8,59,158	2,16,084	10,75,242
11-04-2024	C/24-25/061	88,500	22,171	1,10,671
21-04-2024	C/24-25/143	88,500	21,735	1,10,235
21-04-2024	C/24-25/144	88,500	21,735	1,10,235
07-05-2024	C/24-25/263	10,48,194	2,49,154	12,97,348
07-05-2024	A/24-25/2495	88,500	21,036	1,09,536
24-05-2024	C/24-25/386	3,67,806	84,343	4,52,149
31-05-2024	A/24-25/3876	70,800	15,991	86,791
26-06-2024	A/24-25/5187	67,260	14,329	81,589
29-06-2024	C/24-25/630	9,79,306	2,07,184	11,86,490
28-07-2024	A/24-25/6807	47,082	9,287	56,369
30-08-2024	A/24-25/8680	1,00,890	18,260	1,19,150
TOTAL		**₹ 1,59,71,724**	**₹ 46,91,629**	**₹ 2,06,63,353**

Copy of computation of outstanding amount is being annexed herewith and marked as **ANNEXURE A-5.**

It is pertinent to note that in view of the judgment passed by

		Hon'ble NCLT, Mumbai Bench in the matter of ***TLG India Private Limited Vs. Puranik Builders Limited in CP(IB)-764/MB/2022***, the date of default shall be considered as 30 days from the last date of invoice. Hence, in the present case the ***Date of Default*** is ***30.09.2024***.

2. In the reply filed on behalf of the CD it has been espoused thus:-

a. The dates of default mentioned in the application are misleading. The petitioner issued a frivolous demand notice dated 22.09.2025 to the petitioner. The date of default mentioned in the notice is 30.09.2024, with reference to last invoice raised on said date. The date cannot be construed as date of default. As per the statement of account and ledger statement filed by the petitioner, the last payment of Rs. 8,00,000/- was made on 02.12.2024. Thus, the payments were made not against the invoices but were made on account. Petitioner and respondent has been engaged in business dealings since 2021, and the respondent has made all payments pertaining to FY 2021-22, as also acknowledged by the petitioner in the petition.

b. A perusal of the ledger account demonstrates that the payments were made not on a strict 30-day invoice basis, as it was consistent and established practice between the parties that the respondent made consolidated payment upon satisfactory receipt and verification of the goods supplied by the petitioner, thereby negating the existence of any term of payment to be made within 30 days.

c. The applicant cannot resort to CIRP as a debt recovery process.

d. The claim of interest amounting to Rs. 46,91,629/- (Rupess Forty-Six Lakhs Ninety-One Thousand Six Hundred and Twenty-Nine) is not sustainable for the reason that there is no bilateral contractual agreement between the parties providing for such interest as claimed by the petitioner.

e. There is no occurrence of default in terms of the provision of Section 3(12) of IBC, 2016.

3. We heard the counsels for the parties and perused the record. Indubitably, there is no purchase order issued by CD to the applicant. Similarly, no contract of supply could be entered into between the parties. In the absence of there being bilateral contract stipulating the terms of payment, on the basis of invoices issued by the creditor unilaterally, neither any default can be alleged nor the CD can claim any interest. It is seen from the averments made in the application, the applicant has alleged commission of default on expiry of 30-days from the dates of invoices. When the time limit for payment was not stipulated in any bilateral contract for supply, the unilateral mention of rate of interest and time limit for payment in invoices can be no basis to allege default. Besides, it writ large from the averments made in Part-IV of the application that the applicant himself has alleged the date 30.09.2024 as date of default contrary to his own stand regarding the same being on expiry of 30-days from the date of invoice.

4. When as per the stand taken by himself, the amount was not paid with reference to invoices raise from 01.05.2020 itself and the date of default alleged by him is 30.09.2024, we find substance in the plea raised on behalf of the respondent that the CD was making payment on account and not against invoices. One may say that CIRP could not be initiated with reference to the amount of default, if the same is less than Rs. 1 Cr. In such situation, the applicant should have taken a proper stand regarding the date of default, which could be based on some contract. A payment on account is an advance or unallocated payment made towards a running balance or future purchases before a specific invoice is generated. From the pattern of payment, as indicated in the application, it appears that the same was made towards a running balance.

5. In view of the aforementioned, we are unable to find satisfaction of requirement of Section 9 (5)(b) of the IBC, 2016, to arrive at a conclusion that unpaid amount of debt has not been paid. It is seen from Regulation 7(2), (b)(i), a contract for supply of goods and services with CD is relevant document/evidence to substantiate the official debt and default. In the wake, we are not inclined to admit the application and the same is accordingly rejected.

6. The present process being not debt recovery process, it would be open to operational creditor to resort to the process as provided under the relevant provisions of law. **Subject to aforementioned the application is disposed of.**

Sd/-
(BANWARI LAL MEENA)
MEMBER (T)

Sd/-
(ASHOK KUMAR BHARDWAJ)
MEMBER (J)