

GOVERNMENT of BIHAR
Micro and Small Enterprises Facilitation Council
Under MSMED Act, 2006
Directorate of Industries
2nd Floor, New Secretariat, Patna- 800 015

Reference No. 02/2015

M/s Pinax Steel Industries Pvt. Ltd., VII/ 1&2, Industrial Area, Patna
versus

**The Managing Director, M/s Coastal Projects Ltd., "Rajarajeshwari", 2836, 5th Main Road,
BSK 2nd, Bengaluru- 560070**

Quorum: 1. Sri Pankaj Kumar Singh, Director of Industries, Bihar, Patna- Chairman
2. Sri Jitendra Kumar, Special Secretary, Law Department, Bihar, Patna.- Member
3. Sri N.K. Thakur, Bihar Chamber of Commerce & Ind.- Member
4. Sri Nisheeth Jaiswal, Bihar Industries Association- Member

12th December, 2018

The instant case was taken up by the Micro and Small Enterprises Facilitation Council (hereinafter referred to as "Council").

Sri Surya, Advocate and Sri Prashant Kumar were present on behalf of M/s Pinax Steel Industries Pvt. Ltd., Patna. Opposite Party/ Buyer was not present.

The case of the Supplier/ Petitioner is that they have filed a complaint under Rule 18 of Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 before the Council on 06-05-2015 for a direction to ensure payment of outstanding Principal amount of Rs. 25,70,864/- for the goods supplied to the opposite party, M/s Coastal Projects Ltd., Bengaluru.


During the pendency of the instant case OP has paid Rs. 12,70,864/- and Rs. 13,00,000/- was remained unpaid.

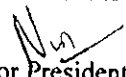
The instant case was taken up by the Council in its meeting held on 02nd June, 2017 in which the Council ordered the Respondent Buyer to pay outstanding principal amount of Rs. 13,00,000/- to the Complainant within 30 days and inform the Council for which the Opposite Party/ Buyer has sent a reply dated 20th July, 2017 to the Council stating therein that they are not at all in a situation to make payment of Rs. 13 lakhs in one go. They proposed to pay the same by 25th October, 2017. Further they have requested to reject the interest claim and suggested the Council to advice the Applicant Supplier to settle for the principal amount only. Further he has written that in case Pinax is adamant for interest amount, then we would not be able to make the principal amount also.

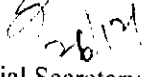
Council felt that Conciliation is not possible. The instant case was again taken up by the Council in its meeting held on 9th May, 2018 and the Applicant was directed to submit their claim duly supported by CA for Arbitration proceeding in compliance of the said direction, the Complainant/ Supplier has submitted their claim duly supported by CA.

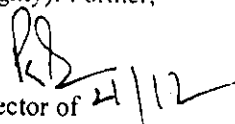
The applicant/ Supplier has reported the Council that Opposite Party, M/s Coastal Projects Ltd., Bengaluru has become insolvent and under the disposal of National Company Law Tribunal (in short NCLT). They also said that they approached the NCLT but they were told that time for making claim has been expired. They urged the Council that their claim may be protected.

After due deliberation and discussion on the record available in the Council, The Council has unanimously taken decision that Opposite Party/ Buyer is liable to pay the admitted outstanding of Rs. 13,00,000/- (Rupees thirteen lakh) plus mandatory interest of Rs. 44,68,580/- (Rupees Forty Four Lakhs Sixty Eight Thousands Five hundred Eighty) u/s 16 of the Act totaling Rs. 57,68,580/- (Rupees Fifty seven Lakhs Sixty Eight Thousands Five hundred Eighty). Further, it is resolved that a copy of the award be sent to NCLT also.


For President
Bihar Industries
Association, Patna
Member


For President
Bihar Chamber of
Commerce, Patna
Member


Special Secretary
Law Department
Bihar, Patna
Member


Director of
Industries, Bihar
Chairperson
MSEFC, Bihar

For: Nisheeth Jaiswal

P.T.O.

Memo No.-2/DI/ FC-16-05/2017- 56..... Patna, dated 3.1.19

CC: Members of MSEFC- Special Secretary, Law Department, Bihar, Patna/President, Bihar Chamber of Commerce and Industries, Khemchand Choudhary Marg, Patna/ President, Bihar Industries Association, Sinha Library Road, Patna for information.

CC: M/s Pinax Steel Industries Pvt. Ltd., VII/ 1&2, Industrial Estate, Patliputra, Patna- 800013

CC: The Managing Director, M/s Coastal Projects Ltd., "Rajarajeshwari", 2836, 5th Main Road, BSK 2nd Stage, Bengaluru- 560070

CC: PA to the Director of Industries, Bihar, Patna for information.

CC: I. T. Manager, Industries Department, Bihar, Patna for information and necessary action.

Ju 3/1/19
Joint Director of Industries
Bihar, Patna