

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
MUMBAI BENCH, COURT-I**

**CP (IB) 2963/MB/2019**

Under section 9 of the Insolvency and Bankruptcy  
Code, 2016

**RIPPLE IP SEREVICES LLP**

**[CIN: U93091DL2006PTC155308]**

Having Office at A-20, First Floor, Guptas,  
Geetanjali Enclave, Near Aurobindo College,  
New Delhi -110017

...Operational Creditor/Applicant

Versus

**REDIFF.COM INDIALIMITED**

**[CIN: U22100MH1996PLC096077]**

Reg. Office- 1<sup>st</sup> Floor, Mahalaxmi Engineering Estate,  
L. J. First Cross Road, Mahim (West)  
Mumbai - 400016

...Corporate Debtor/Respondent

**Order Delivered on 25.11.2022**

***Coram:***

Hon'ble Member (Judicial) : Justice P.N. Deshmukh (Retd.)

Hon'ble Member (Technical): Mr. Shyam Babu Gautam

***Appearances:***

For the Operational Creditor : Adv. Kantawala a/w Adv. Amaya M.  
Nair

For the Corporate Debtor : Sr.Adv. J.P.Sen a/w Adv. Monika  
Tanna & Adv. Dhara Modi

**ORDER**

***Per: Shyam Babu Gautam, Member (Technical)***

1. This Company Petition is filed under section 9 of the Insolvency and Bankruptcy Code, 2016 (IBC) by **Ripple IP Services Private Limited,**

**("the Operational Creditor")**, seeking to initiate Corporate Insolvency Resolution Process (CIRP) against **Rediff.com India Limited ("the Corporate Debtor")**.

2. The Corporate Debtor was incorporated 09.01.1996 under the Companies Act, 1956. The Registered Office of the Corporate Debtor is situated at 1<sup>st</sup> Floor, Mahalaxmi Engineering Estate, L. J. First Cross Road, Mahim (West), Mumbai – 400016. Therefore, this Bench has jurisdiction to deal with this petition.

**Brief Facts of the case:**

3. The Operational Creditor is engaged in providing various intellectual property (IP) solutions including patent research, patent preparation and prosecution, competitive analytics, IP process and other support services.
4. The present petition was filed on 06.08.2019 before this Adjudicating Authority (AA) on the ground that the Corporate Debtor failed to make payment of a sum of INR 15,83,857/- (Rupees Fifteen Lakhs Eighty-Three Thousand Eight Hundred and Fifty-Seven Only). The amount comprises of principal amount of INR 12,04,474/- (Rupees Twelve lakhs Four thousand Four hundred and Seventy-Four only) and interest of Rs.3,79,403/- calculated @18% p.a. The date of default is 01.04.2017.

**Submissions made by Operational Creditor:**

5. It is submitted that the Operational Creditor pursuant to formal engagement terms signed and agreed between the parties vide email dated 03.05.2013, rendered various IP services to the Corporate Debtor for the period from 12.06.2013 till 31.01.2017. Copy of the said email dated 03.05.2013 is annexed as Annexure – II-C (page 86-87) to the Petition. In lieu of the said services rendered to the Corporate Debtor,

the Operational Creditor raised 12 invoices from time to time upon the Corporate Debtor amounting to INR 12,04,454/-. Out of the said invoices, the Corporate Debtor failed to clear the invoices dated 01.03.2017 amounting to INR 12,04,454/- which became due and payable on 01.04.2017. The Copies of unpaid Invoices dated 01.03.2017 with details are annexed as Annexure – II – D (pages 88 – 102) to the Petition.

6. The Operational Creditor sent a reminder email for due payment of the unpaid invoices dated 01.03.2017 which was replied by the Corporate Debtor through its emails dated 11.06.2018 & 12.06.2018 wherein the Operational Creditor was assured that the payment would be released in some time. The Corporate Debtor sent another email dated 13.06.2018 requesting the Operational Creditor to schedule a meeting about the dues of operational debt. The Operational Creditor agreed to meet the Corporate Debtor vide its email dated 31.06.2018, however, the said meeting did not happen. Copies of abovementioned email letters annexed as Annexure – II – E, F, G, H & I (pages 103-108) to the Petition.
7. Having failed to realise the payment under the unpaid invoices, the Operational Creditor issued Demand Notice under Section 8 of the Insolvency & Bankruptcy Code, 2016 dated 31.01.2019 demanding the unpaid operational debt of INR 12,04,454/- along with interest calculated at the rate of 18 percent amounting to INR 3,79,403/- towards delay in payment. Copy of Demand Notice dated 31.01.2019 is annexed as Annexure – I (pages 24-58) to the Petition.
8. The Corporate Debtor sent reply to the said Demand Notice vide letters dated 08.02.2019 and 22.02.2019. The Operational Creditor submits that the Corporate Debtor neither gave any notice of pre-existing dispute nor

paid any unpaid operational debt. Pursuant to non-receipt of payment of operational debt from the Corporate Debtor, the Operational Creditor compelled to initiate CIRP against the Corporate Debtor. Copy of Proof of receipt of Demand Notice by Corporate Debtor on 04.02.2019 is annexed as Annexure – II-J (page 109) to the Petition.

9. The Corporate Debtor sent a letter through its Counsel dated 08<sup>th</sup> February 2019 requesting therein not to initiate Corporate Insolvency Resolution Process against the Corporate Debtor. Copy of the said letter is annexed as Annexure–II-K (page 110) to the Petition. The Corporate Debtor sent another letter through its Counsel dated 22.04.2019, copy of which is annexed as Annexure – II-L (pages 111-116) to the Petition wherein the Corporate Debtor has made averments as to the existence of dispute without substantiating the same with any proof of record of pending suit and/or arbitration in relation to the operational debt/claim.
10. The Operational Creditor has annexed copy of its Ledger Extract for the calendar year 01.01.2017 to 31.12.2019 as Annexure – III (Pg.117-149) to the Petition.

**Submissions made by Corporate Debtor by way of affidavit in Reply:**

11. The Corporate Debtor submitted its reply vide Affidavit dated 09.12.2019 denying each and every allegation submits that the Petition filed under Section 9 of IBC, 2016 by the Operational Creditor is not maintainable and deserves to be rejected in view of the following grounds:
  - (a) The Operational Creditor has misrepresented the true facts deliberately and has concealed the misdeeds and wrongs done by the Operational Creditor.

- (b) The invoices raised by the Operational Creditor are fabricated and unjustifiable. All the invoices raised by the Operational Creditor are dated 01.03.2017. As per Part IV paragraph 1(4) of the Company Petition it is stated that the invoices raised by the Operational Creditor are between 01.07.2015 and 30.04.2016. It clearly shows the malafide intentions of the Operational Creditor by fabricating and tampering of the invoices to claim baseless debt amount from the Corporate Debtor. That no prudent commercial enterprise would process such invoices without seeking corroboration of the fact that the purported work was authorized and approved and done.

<b>INVOICES WITH NO ALPHA NUMERIC NO.</b>					
Invoice No.	Case No.	Amount	Date	PG No.	
482016		17250	01.03.2017	95	
482016 R		44470	01.03.2017	96	
502016 R		137340	01.03.2017	101	Only in Petition
502016.R		137340	01.03.2017	102	Same Entry
	Total	336400			

- (c) The Operational Creditor failed to provide all the invoices prior to the demand notice. Only the first six invoices i.e. Invoice No. 442016, Invoice No.442016.R, Invoice No.452016, Invoice No.452016.R, Invoice No.462016, Invoice No.462016.R, were issued to the Corporate Debtor, the remaining invoices came as a surprise element when the remaining were annexed with the

Demand Notice. The abovesaid Invoices are annexed as Exhibit – B to this Affidavit in Reply.

(d) Pre-existing dispute between parties:

The Corporate Debtor had engaged Operational Creditor for IP services such as patent filings and prosecution in India and abroad to provide its services from June 12, 2013 to January 31, 2017. For said services, Corporate Debtor had paid Rs.12,30,110/- since July 2010. Copies of particulars of amount paid by the Corporate Debtor to the Operational Creditor are annexed as Exhibit – C to this Affidavit in Reply.

The Corporate Debtor states that on receiving unseen and unfounded claims for further sums, reviewed the correspondences and documents exchanged earlier and discovered discrepancies in the same. Hence, Corporate Debtor vide its email dated 24.01.2018 corresponded with Operational Creditor asking for clarification and supporting documents for reimbursement of expenses as claimed totalling to Rs.7,95,984/- and copies of missing invoices totalling to 4,08,470/-. Copy of email dated 24.01.2018 is annexed as Exhibit – D to this Affidavit in Reply.

(e) Operational Creditor failed to furnish the same. The authenticity and genuineness of the invoices were questioned much prior to the issuance of the Demand Notice. The Corporate Debtor states that it had never agreed or admitted to make any payments unless the authenticity and genuineness of the documents were proved by furnishing the original supporting documents and the invoices towards the claim by the Operational Creditor. Hence there exist disputes prior to filing of Company Petition, therefore, the Petition filed by the Operational Creditor is not maintainable.

12. With reference to the contents of Part IV (1) of Company Petition, the Corporate Debtor denies that, there is any outstanding debt. It is also denied that the Operational Creditor can claim 18% or any other sum on account of interest. The Corporate Debtor strongly denied that nothing is payable to the Operational Creditor as there was neither any order nor any clause in the invoice that specified about the interest claim of 18% or any other sum.
  
13. With reference to the contents of Part IV (1) para No.4 & 5 of the Company Petition, the Corporate Debtor states and denies that the Operational Creditor had raised invoices from July 01, 2015 to April 30, 2016 for fees towards professional services rendered. It states that all the invoices as stated in Para No.5 of the Company Petition were pertaining to March 01, 2017. Copies of invoices pertaining to March 01, 2017 are annexed as Exhibit – E to its Affidavit in reply. It is a contradictory statement that the Operational Creditor claiming that the services were rendered from July 2015 to April 2016. It is submitted that out of the total invoices annexed with the Company Petition, only the first six invoices annexed were provided to the Corporate Debtor and remaining invoices were never issued to the Corporate Debtor.
  
14. With reference to the contents of Part IV (1) paragraph No.20-22 of the Company Petition the Counsel for the Corporate Debtor submitted that the Demand Notice was duly replied vide letters dated 08.02.2019 and 22.02.2019. It is emphatically denied that the Operational Creditor is entitled to the alleged sum allegedly claimed. Copies of the replies dated 08.02.2019 and 22.02.2019 are annexed as Exhibit – G to the Demand Notice served by the Corporate Debtor.

**Findings:**

15. We have heard the submissions of the Counsel appearing for the Operation Creditor and Corporate Debtor and perused the records.
16. The amount outstanding is INR 15,83,857/- (Rupees Fifteen Lakhs Eighty-Three Thousand Eight Hundred and Fifty-Seven Only). The amount comprises of principal amount of INR 12,04,474/- (Rupees Twelve lakhs Four thousand Four hundred and Seventy-Four only) and interest of Rs.3,79,403/- calculated @18% p.a. and since the present petition was filed before the amendment increasing threshold limit, the present petition is in compliance with section 4(1).
17. The Corporate Debtor has replied to the demand notice and Application as required under the Code vide letters dated dated 08.02.2019 and 22.02.2019 respectively.
18. The main contention of the respondent is that all the invoices were raised on same date i.e. 01.03.2017 though the services were provided over period of time. This contention of respondent cannot be taken into consideration as invoices can be raised at any point of time for services provided in particular period. At the same time, we also note that invoices which were raised were never accepted by the Respondent. Therefore, it can be conferred that the Petitioner failed to establish its debt.
19. Upon perusing the records, in corroboration of admission of claim by the Respondent it is carved out that there is a pre-existing dispute between the parties. There are certain communications which indicate that there are certain issues which are to be settled by the Petitioner which is infact dispute among parties to this Petition. Moreover, the Hon'ble Supreme Court in the matter of *Rajratan Babulal Agarwal versus*



*Solartex India Pvt. Ltd. & ors. Civil Appeal No. 2199 of 2021* has observed that:

*“60. When we speak about evidence, we must not overlook the law laid down in Mobilox (supra) that the court need not be satisfied that the defense is likely to succeed. The standard, in other words, with reference to which a case of a pre-existing dispute under the IBC must be employed cannot be equated with even the principle of preponderance of probability which guides a civil court at the stage of finally decreeing a suit. Once this subtle distinction is not overlooked, we would think that the NCLAT has clearly erred in finding that there was no dispute within the meaning of the IBC.”*

20. The Petition bearing **CP(IB)2963/MB/2019** filed by **the Ripple IP Services Private Limited**, the Operational Creditor, under section 9 of the IBC read with rule 6(1) of the Insolvency & Bankruptcy (Application to Adjudicating Authority) Rules, 2016 for initiating Corporate Insolvency Resolution Process (CIRP) against **Rediff.com India Limited (CIN: U22100MH1996PLC096077)** the Corporate Debtor, is **rejected**.

Sd/-

**SHYAM BABU GAUTAM**  
**Member (Technical)**

25.11.2022  
SAM /Jenny

Sd/-

**JUSTICE P. N. DESHMUKH**  
**Member (Judicial)**