

IN THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD SPECIAL BENCH
COURT - 1

ITEM No.11
CP(IB) 143 of 2019

Order under Section 9 IBC

IN THE MATTER OF:

Kerman & Co LLP

.....Applicant

V/s

Narendra Emporis Ltd

.....Respondent

Order delivered on ..16/03/2022

Coram:

Madan B. Gosavi, Hon'ble Member(J)
Ajai Das Mehrotra, Hon'ble Member(T)

PRESENT:

For the Applicant :

For the Respondent :


ORDER

The case is fixed for pronouncement of order.

The order is pronounced in open court vide separate sheet.



AJAI DAS MEHROTRA
MEMBER (TECHNICAL)



MADAN B GOSAVI
MEMBER (JUDICIAL)

**BEFORE THE ADJUDICATING AUTHORITY
THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD BENCH
AT AHMEDABAD
COURT-1**

CP(IB) No. 143/NCLT/AHM/2019

In the matter of:

[An application under Section 9 of the Insolvency and Bankruptcy Code, 2016]

Through:

Kerman & Co LLP

200 Starnd London WC2R 1DJ

United Kingdom

(Authorized Signatory: Mr. Rohit Lalwani,

AMLEGALS-Attorneys & Advisors,

206, Advait, Besides Sandesh, Vastrapur,

Ahmedabad, Gujarat-380015

....Operational Creditor

In the matter of:

NARENDRA EMPORIS LIMITED

(Earlier known and Narendra Cotton Ginning & Pressing Co. Pvt. Ltd.)

4th Floor, Vrundavan Apt,

Behind Pojara Telecom, Astron Chowk,

Rajkot, Gujarat, India-360001

....Corporate Debtor

Order reserved on : 02.03.2022

Order delivered on : 16.03.2022

**Coram: MADAN B. GOSAVI, MEMBER (JUDICIAL)
AJAI DAS MEHROTRA, MEMBER (TECHNICAL)**

Appearance:

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For the Applicant : Ld. Adv. Mr. Anandodya Mishra

For the Respondent : Ld. Adv. Ms. Noopur K. Dalal

ORDER

[PER: BECH]

1. The instant petition is filed on 04.02.2019 by Mr. Rohit Lalwani, the authorized signatory of M/s. Kerman and Company LLP, under section 9 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as the **“IBC, 2016”**) to initiate the Corporate Insolvency Resolution Process (hereinafter referred to as the **“CIRP”**) against the Corporate Debtor, namely, M/s. Narendra Emporis Ltd for the default of £ 11,987.45 equal to the Rs. 11,03,745.75 (as per conversion date @ Rs. 92.052) as on 16.11.2018) along with the interest @ 18% per anum.
2. The Operational Creditor has submitted that the Corporate Debtor entered into an agreement with the Operational Creditor through a retainer letter dated 12.11.2014 for providing the legal services to the Corporate Debtor in one dispute with M/s. GGK Investments Ltd. (“GGK”) upon failure to settle invoice raised by the Corporate Debtor.
3. The Operational Creditor has further submitted that four invoices were raised after rendering the services to the

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Corporate Debtor viz on 05.01.2015 for £ 3,758.70, on 13.07.2015 for £ 5,671.10, on 06.10.2015 for £ 1,835 and on 31.03.2016 £ 1382.30 all the four invoice are of £ 11,987.45. All these invoices are accepted by the Corporate Debtor without any dispute or objection. It is also stated that the Corporate Debtor also acknowledged the debt on 05.01.2016.

4. The Operational Creditor also stated that the Corporate Debtor failed to pay the outstanding amount even after several reminders and requests, thereupon in compelling circumstances, the Operational Creditor sent a demand notice on 16.11.2018 to the Corporate Debtor for payment of £ 11,987.45 but the Corporate Debtor neither paid the said outstanding amount nor replied. Hence, this present application is to initiate the CIRP against the Corporate Debtor.
5. The Corporate Debtor appeared before this Adjudicating Authority and filed its reply on 14.08.2019 wherein the Corporate Debtor denied all the averments made in the petition by the Operational Creditor on the ground that this is an armed twisting tactic of the Operational Creditor.



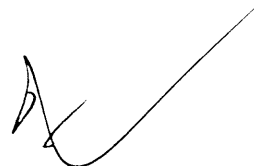
6. The Corporate Debtor submitted that there is a pre-existing dispute in respect to the services rendered by the Operational Creditor. The Operational Creditor was not updating properly the status of litigations filed against GGK, due to complexcity with GGK, the U.K. based company, and also were not replying properly to the email of the Corporate Debtor.
7. The Corporate Debtor further submitted that the Operational Creditor has not approached this Adjudicating Authority with clean hands. The Operational Creditor has suppressed a material fact in its petition. Prior to filing of this petition, the Operational Creditor had approached one Sterling Debt Recovery of London, U.K (hereinafter referred to as **“Sterling”**). One e-mail dated 07.09.2016 was received from Sterling on behalf of the Corporate Debtor wherein the Sterling has discussed to start proceeding of winding up against the Corporate Debtor. The Corporate Debtor on the same day replied to email of Sterling and stated that the Operational Creditor did not work properly as per the instructions given, because of which the payment has been withheld. The Corporate Debtor also stated in the said e-mail that it is ready to pay the outstanding amount, if the



Operational Creditor completes the litigation work of the Corporate Debtor.

8. We have heard Learned Counsel for the Operational Creditor as well as the Corporate Debtor and perused the material available on record. It appears that four invoices totalling £ 11,987.45 were raised by the Operational Creditor for legal services rendered to the Corporate Debtor. Three invoices dated 05.01.2015, 13.07.2015, 06.10.2015 are beyond the period of limitation of three years but the invoice raised on 31.03.2016 of £ 1382 (equivalent to Rs. 11, 03, 745.75) is within the limitation. Though, no reply was given by the Corporate Debtor on Demand notice dated 16.11.2018, issued by the Operational Creditor, but the Corporate Debtor has already raised the dispute in respect of the quality of services provided by the Operational Creditor through an e-mail reply in response to the email of Sterling wherein the Corporate Debtor had undertaken to pay the outstanding amount, if remaining work is completed by the Operational Creditor.
9. It is also noted that affidavit regarding no dispute is not on record, and also the proof of delivery is not on record. The

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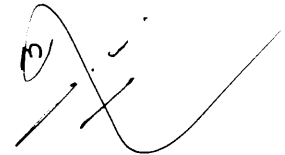


proof of delivery is required under Section 8 of the IBC, 2016. We are of the considered view that there is a pre-existing dispute in respect to the services provided by the Operational Creditor. We hereby reject the instant petition on the ground of pre-existing dispute as well as for want of proof of delivery of demand notice.

10. Accordingly, this application is rejected and disposed of.



AJAI DAS MEHROTRA
MEMBER (TECHNICAL)



MADAN B. GOSAVI
MEMBER (JUDICIAL)

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