

**IN THE NATIONAL COMPANY LAW TRIBUNAL,
DIVISION BENCH – I, CHENNAI**

IBA/913/2019 filed under Section 9 of
the Insolvency and Bankruptcy Code,
2016 r/w Rule 6 of the Insolvency and
Bankruptcy (Application to Adjudicating
Authority) Rules, 2016

In the matter of ***M/s. Canadian Crystalline Water India Limited***

NTC Logistics India (P) Ltd

"NTC Towers", No.97 (Old No. 47)
Linghi Chetty Street,
Chennai – 600 001.

... Operational Creditor

-Vs-

M/s. Canadian Crystalline Water India Limited,

No.7, Parivakkam Road,
Leelavathy Nagar, Senneerkuppam,
Poonamallee,
Chennai – 600 056.

...Corporate Debtor

Order delivered on 7th November, 2019

CORAM :

**R. VARADHARAJAN, MEMBER (JUDICIAL)
ANIL KUMAR B, MEMBER (TECHNICAL)**

*For Operational Creditor : Ms. Varsha Balasubramanian,
Counsel*

For Corporate Debtor : None appeared

ORDER

Per: R. VARADHARAJAN, MEMBER (JUDICIAL)

1. Under Adjudication is an Application that has been filed by ***M/s. NTC Logistics India (P) Ltd.*** (hereinafter referred to as '**Operational Creditor**') under Section 9 of the

Insolvency & Bankruptcy Code 2016 (in short, 'I&B Code, 2016') r/w Rule 6 of the Insolvency & Bankruptcy (Application to Adjudicating Authority) Rules, 2016 against **M/s. Canadian Crystalline Water India Limited** (hereinafter referred to as '**Corporate Debtor**').

2. Part – I of the Application being Form 5 discloses the particulars of the Operational Creditor as being represented by the Authorized Representative Mr. Mayank Lunawat, and the Operational Creditor has passed a board Resolution to this effect, which is annexed at page 15 of the typed set.

3. Part – II of the Application discloses the details of the Corporate Debtor and it is evident that the Corporate Debtor was incorporated on 20.09.1995 and the Authorized Share Capital is Rs.2,50,00,000/- and the Paid-up-capital is Rs.2,50,00,000/-. The Registered Office of the Corporate Debtor is situated as No.7, Parivakkam Road, Leelavathy Nagar, Seenerkuppam, Poonamallee, Chennai – 600 056, which co-relates with the address as disclosed and filed in the Master Data.

4. Part – III of the Application discloses the fact that the Operational Creditor has not proposed the name of the



“Interim Resolution Professional” (IRP) and left it to the discretion of this Tribunal to appoint the IRP.

4. Part – IV of the Application gives the details of the operational debt as well as the circumstances which led to the default of the operational debt by the Operational Creditor. A perusal of the same posits the fact that the Operational Creditor was engaged by the Corporate Debtor to provide services such as Transportation and Logistics Services including Customs House Agent and Freight Services. The details of the invoices which has become due and the Corporate Debtor has failed to pay is as follows;

Sl. No.	Date of Invoice	Invoice No.	Invoice Amount
1	30.11.2018	318-INV-81142051099	₹ 1,75,365
2	14.02.2019	318-INV-90242050470	₹ 2,18,943
		TOTAL	₹ 3,94,308

5. The Operational Creditor has claimed a sum of ₹3,94,308/- towards principal and interest at the rate of 24% p.a. amounting to ₹37,283 and in all claiming a total sum of **₹4,31,591/-** as outstanding due from the Corporate Debtor.

5. Several Legal notices were exchanged between the Operational Creditor and the Corporate Debtor, wherein

negotiations regarding payment of dues were discussed; however, subsequently no payments have been forthcoming.

6. The Operational Creditor has issued Demand Notice as mandated under Sec. 8 of the I&B Code, 2016 to the Corporate Debtor on 04.06.2019, demanding the Corporate Debtor to repay a sum of ₹4,31,591/- (including interest) within 10 days from the receipt of the notice, which was received by the Corporate Debtor on 04.06.2019 itself. However, after receipt of the notice, the Corporate Debtor has chosen not to reply to the Demand Notice issued by the Operational Creditor.

7. In relation to the Corporate Debtor, it is brought to the notice of this Tribunal from the record of proceedings that on 16.09.2019, since there was no representation on behalf of the Corporate Debtor, the Counsel for the Operational Creditor was directed to send Private Notice along with the Application to the Corporate Debtor and to file the proof of service along with an affidavit. The Registry was also directed to issue notice to the Corporate Debtor. In compliance with the same, the Counsel for the Operational Creditor has filed the Affidavit of Service, in which it has been stated that in relation to the notice ordered to be sent, the cover was returned with an



endorsement "Unclaimed". However, from the records, it is evident that the Registry has sent a notice to the Corporate Debtor on 27.09.2019, which was delivered to the Corporate Debtor on 09.10.2019. In spite of receiving the notice from the Registry, there is no appearance from the Corporate Debtor despite put on notice of the proceedings and hence we are constrained to proceed with the matter in the absence of the Corporate Debtor.

8. The Operational Creditor has filed Affidavit by complying with Section 9 (3) (b) of the I&B Code, 2016, along with the typed set of document wherein under Para 4 and 5, it has been deposed that the Operational Creditor has not received any payment or notice of dispute with regard to the unpaid operational debt. The Operational Creditor in compliance of Section 9 (3) (c) of the I&B Code, 2016, has also filed a Certificate issued by Kotak Bank, to the effect that they have not received any payment by way of cheque from the Corporate Debtor for the period 04.06.2019 to 05.07.2019.

9. By taking into consideration the facts mentioned supra, we are inclined to admit the Application as has been filed by the Operational Creditor and consequently Corporate Insolvency Resolution Process is initiated. Since the



Operational Creditor has not named the Insolvency Resolution Professional, this Tribunal based on the list furnished by Insolvency and Bankruptcy Board of India appoints **Mr. B. Sathrukkanan** with Registration Number IBBI/IPA-001/IP-P00301/2017-18/10545 (Email id:- *prathyumnannan2002@yahoo.com*, Mobile No: +91 7708036906) as the "Interim Resolution Professional" subject to the condition that no disciplinary proceedings are pending against such an Interim Resolution Professional named and disclosures as required under IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 are made within a period of one week from the date of this order. As a consequence of the Application being admitted in terms of Section 9 (5) of the Code, the moratorium as envisaged under the provisions of Section 14(1) and as extracted hereunder shall follow in relation to the Corporate Debtor:

- a. The institution of suits or continuation of pending suits or proceedings against the respondent including execution of any judgment, decree or order in any court of law, tribunal, arbitration panel or other authority;



- b. Transferring, encumbering, alienating or disposing of by the respondent any of its assets or any legal right or beneficial interest therein;
- c. Any action to foreclose, recover or enforce any security interest created by the respondent in respect of its property including any action under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;
- d. The recovery of any property by an owner or lessor where such property is occupied by or in the possession of the respondent.

10. However, during the pendency of the moratorium period in terms of Section 14(2) and 14(3) as extracted hereunder:

- (2) The supply of essential goods or services to the Corporate Debtor as may be specified shall not be terminated or suspended or interrupted during moratorium period.



(3) The provisions of sub-section (1) shall not apply to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.

11. The duration of the period of moratorium shall be as provided in Section 14(4) of the Code and for ready reference reproduced as follows:

(4) The order of moratorium shall have effect from the date of such order till the completion of the Corporate Insolvency Resolution Process:

Provided that where at any time during the Corporate Insolvency Resolution Process period, if the Adjudicating Authority approves the Resolution Plan under sub-Section (1) of Section 31 or passes an order for liquidation of Corporate Debtor under Section 33, the moratorium shall cease to have effect from the date of such approval or Liquidation Order, as the case may be.

12. The Operational Creditor is directed to pay a sum of ₹2,00,000/- (Rupees Two Lakhs Only) to the Interim



Resolution Professional upon the Interim Resolution Professional filing the necessary declaration form as required under the provisions of the Code to meet out the expenses to perform the functions assigned to her in accordance to Regulation 6 of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.

13. Based on the above terms, the Application stands **admitted** in terms of Section 9(5) of IBC, 2016 and the moratorium shall come in to effect as of this date. A copy of the Order shall be communicated to the Operational Creditor as well as to the Corporate Debtor above named by the Registry. In addition, a copy of the Order shall also be forwarded to IBBI for its records. Further, the Interim Resolution Professional above named who is figuring in the list of Resolution Professionals forwarded by IBBI be also furnished with copy of this Order forthwith by the Registry.

-SD-
(ANIL KUMAR B)
MEMBER (TECHNICAL)

-SD-
(R.VARADHARAJAN)
MEMBER (JUDICIAL)

Raymond