

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL  
BENGALURU BENCH**

C.P(IB) No.13/BB/2019  
U/s 9 of the I&BC, 2016  
R/w Rule 6 of the I&B(AAA) Rules, 2016

**In the matter of:**

**M/s.Mangrove Organics**

119, Sri Ruby Gardens,  
Sengodampalayam, Thindal Post,  
Erode, Represented by its  
General Power of Attorney

- Petitioner/Operational Creditor

**Versus**

**M/s. Flair Garments Private Limited**

65-71 & 183 Thandya Industrial Area,  
Thandavapura Karnataka  
Najungud – 560 048

- Respondent/Corporate Debtor

**Date of Order: 19<sup>th</sup> September, 2019**

**Coram:** 1. Hon'ble Shri Rajeswara Rao Vittanala, Member (Judicial)  
2. Hon'ble Dr. Ashok Kumar Mishra, Member (Technical)

**Parties/Counsels Present:**

For the Petitioner : Shri Sagar.N a/w  
Shri Vinay Kumar Singh

For the Respondent : Shri T.R.Sundaram

**ORDER**

Per: Shri Rajeswara Rao Vittanala, Member (J)

1. C.P(IB)No.13/BB/2019 is filed by M/s.Mangrove Organics, (Petitioner/Operational Creditor) U/s 9 of the I&BC, 2016, R/w Rule 6 of the I&B(AAA) Rules, 2016, by inter alia seeking to initiate the Corporate Insolvency Resolution Process (CIRP) in respect of M/s.Flair Garments Private Limited, (Corporate Debtor), on the ground that the



Corporate Debtor has committed a default of Rs.36,74,928/- (Rupees Thirty Six Lakhs Seventy Four Thousand Nine Hundred and Twenty Eight Only).

2. The case is listed for admission on various dates viz. 04.01.2019, 10.01.2019, 29.01.2019, 06.03.2019, 24.04.2019, 28.05.2019, 13.06.2019, 28.06.2019, 15.07.2019, 24.07.2019, 14.08.2019, 16.08.2019, 04.09.2019 & 19.09.2019 and it was adjourned on these dates at the request of parties, on one ground, or the other.
3. Heard Shri Sagar.N along with Shri Vinay Kumar Singh, learned Counsel for Petitioner and Shri T.R.Sundram, learned Counsel for Respondent. We have carefully perused the pleadings of both the parties and provisions of Code and the law on the issue.
4. The Learned Counsel for the petitioner prayed the Tribunal to permit the petitioner to withdraw the Company Petition with a liberty to file fresh Company Petition, in case the Respondent has failed to adhere to the terms and conditions as mentioned in the Memo of Settlement dated 19.09.2019. They have filed a Memo of Settlement dated 19.09.2019 (which is taken on record), which reads as under:

*"The Respondents state that the hearing dated 14.08.2019, this Tribunal suggested that if any settlement, the same may be reported in the hearing today.*

*The Respondent in pursuance to the said directions, had given the written proposal to the Applicant/Operational Creditor herein offering to pay a sum of Rs.26,50,000/- in full and final settlement as detailed below:*



1) Rs.6,62,500/- will be paid within 10 days of your acceptance of the proposal/order.

2) Rs.19,87,500/- will be paid within 6 months from the acceptance of the 1<sup>st</sup> instalment i.e. on or before 19.03.2020.

The Respondent is placing the copy of the proposal for kind consideration and thus render justice.

5. Since the parties have settled the issues between themselves and the case is not yet admitted by the Adjudicating Authority, we are inclined to permit the petitioner to withdraw the instant petition with a liberty to file a fresh Company Petition, in case, the Petitioner is aggrieved by non-implementation of settlement issues.
6. Hence, C.P(IB) No. 13/BB/2019 is disposed of as withdrawn by directing the Respondent to strictly adhere to the terms and conditions as mentioned in the Memo of Settlement dated 19.09.2019 without fail, failing which the Petitioner is at liberty to file a fresh Company Petition in accordance with law. No order as to costs.

  
**(ASHOK KUMAR MISHRA)**  
**MEMBER, TECHNICAL**

  
**(RAJESWARA RAO VITTANALA)**  
**MEMBER, JUDICIAL**

Raushan