

IN THE NATIONAL COMPANY LAW TRIBUNAL
BENGALURU BENCH

C.P. (IB) No.136/BB/2020
U/s 9 of IBC, 2016
R/w Rule 6 of I&B (AAA) Rules, 2016

Between:

M/s. Bhansali Chemicals Private Limited

Old No.77 New No:108,
Nyniappa Naicken Street,
Chennai – 600 003.

... Petitioner/Operational Creditor

And

M/s. Iconium Leather Works Private Limited

Mezzanine Floor, Sy No.62,
Site No. 13, 6th Cross, Ns Palya,
BTM Layout,
Bangalore – 560 076

... Respondent/ Corporate Debtor

Pronouncement of Order: 5th February, 2021

- Coram:**
1. Hon'ble Shri Rajeswara Rao Vittanala, Member (Judicial)
 2. Hon'ble Shri Ashutosh Chandra, Member (Technical)

Parties/Counsels Present:

For the Petitioner : Mr. N.K. Bhansali

For the Respondent : None

ORDER

Per: Rajeswara Rao Vittanala, Member (J)

1. C.P (IB)No.136/BB/2020 is filed by M/s. Bhansali Chemicals Private Limited U/s 9 of the IBC, 2016, R/w Rule 6 of the I&B (Application to Adjudicating Authority) Rules, 2016, by inter alia seeking to initiate Corporate Insolvency Resolution Process (CIRP) in respect of M/s. Iconium Leather Works Private Limited on the ground, that it has committed default for total amount of



Rs.31,34,211/- (Rupees Thirty One Lakhs Thirty Four Thousand Two Hundred Eleven Only).

2. Brief facts of the case, as mentioned in the Company Petition, which are relevant to the issue in question, are as follows:

- (1) M/s. Bhansali Chemicals Private Limited (hereinafter referred to as Petitioner/Operational Creditor) a Company registered under Companies Act with CIN No. U90001TN1996PTC039498 having its Registered Office situated at Old No.77, New no. 108, Nyniappa, Naicken Street, Chennai - 600003.
- (2) M/s. Iconium Leather Works Private Limited (herein after referred to as Respondent/Corporate Debtor) was incorporated on 31st August, 2015 having CIN: U19116KA2015PTC082587 and having its registered Office situated at Mezzanine Floor, Sy No. 62, Site No. 13, 6th Cross, Ns Palya, BTM Layout, Bangalore - 560076. Its Nominal Share Capital is Rs.8,50,00,000/- and Paid-up Share Capital is Rs.8,14,40,000/-.
- (3) The Operational Creditor has supplied chemicals between 01/10/2018 and 15/10/2019. However The Corporate Debtor failed to pay an amount of Rs.31,01,661/- towards the supplies made and Rs.4,58,579/- towards interest thereof at the rate of 18% for the delayed payment totalling to Rs.35,60,210/- In this regard, Operational Creditor issued Notice in FORM 3 to Corporate Debtor on 01/11/2019 and same was served on 04/11/2019. On receipt of the same, CD paid an amount of Rs.4,26,000/- However, the Respondent failed to pay the amount due, which given inference that the Respondent is unable to pay the amount and become insolvent. Hence, the present Petition.



3. Heard Shri N.K. Bhansali, learned Counsel for the Petitioner through Video Conference. We have carefully perused the pleadings of the Petitioner, and the extant provisions of the Code, the Rules made there under, and the law on the issue.
4. Shri N.K. Bhansali, learned Counsel for the Petitioner, while reiterating various averments with regard to debt and default in question, as briefly stated supra, has further submitted that Demand Notice dated 25.10.2019 was issued to the Corporate Debtor demanding to pay the outstanding amount but failed to respond even to the Demand notice. The notice as ordered by the Tribunal was duly served on the Respondent. Therefore, debt and default in question was not disputed by the Respondent and thus urged the Tribunal to initiate CIRP as prayed for and also request to appoint a qualified Insolvency Professional as IRP to carry out the CIRP Process of Corporate Debtor.
5. The case was listed for admission on various dates viz., 15.06.2020, 26.06.2020, 13.08.2020, 26.08.2020, 14.09.2020, 21.09.2020 and 04.02.2021. The Tribunal ordered notice to the Respondent and notice was served on the Respondent by the Petitioner. Even though the Petitioner has served the notice on the Respondent, neither the Respondent nor any body appeared for the Respondent and no reply has been filed. Therefore, the Respondent is nothing to oppose the instant Petition and it is deemed to be insolvent necessitating to initiate CIRP. There are two other cases filed against the Corporate Debtor Viz C.P. (IB) No.145/BB/2020 **M/s. Bhansali Boron Derivatives Limited** and C.P. (IB) No.09/BB/2021 filed by **M/s. CEE TEE International**. U/s 9 of Code.
6. As stated supra, the Debt and Default in question are not disputed by the Respondent and the Respondent failed to avail the



opportunity given by the Adjudicating Authority. The instant Petition is filed strictly in accordance with the extant provisions of the Code. Since the Petitioner has not suggested any IRP and left the matter to the Adjudicating Authority to appoint suitable IRP, We are inclined to appoint an Insolvency Resolution Professional from among the list circulated by IBBI for Bangalore Bench, January-June 2021, namely Mr. Kondisetty Kumar Dushyantha bearing Registration No. IBBI/IPA-002/IP-N00237/2017-18/10688, who is having considerable experience in conducting insolvency proceedings, his e-mail: dushyanthak@gmail.com, Karnataka, Bengaluru. Hence, the Instant Company Petition is fit case to admit by initiating CIRP by appointing IRP, and declaring moratorium etc., in respect of the Corporate Debtor.

7. In view of the above facts and circumstances of the case, by exercising powers conferred on this Adjudicating Authority, under provisions of Section 9 of the Code and other extant provisions of the IBC, 2016, we hereby admitted **C.P.(IB)No.136/BB/2020** by initiating Corporate Insolvency Resolution Process (CIRP) in respect **M/s. Iconium Leather Works Private Limited**, the Respondent/Corporate Debtor, with the following consequential directions:

- 1) Shri Kondisetty Kumar Dushyantha bearing Registration No. IBBI/IPA-002/IP-N00237/2017-18/10688, e-mail: dushyanthak@gmail.com, Karnataka, Bengaluru, who is qualified ~~Insolvency~~ Professional, is hereby appointed as Interim Resolution Professional, in respect of the Respondent/Corporate Debtor namely M/s. Iconium Leather Works Private Limited to carry out the CIRP as mentioned under the Insolvency and Bankruptcy Code, 2016 and various rules issued by IBBI from time to time;



The Petitioner and IRP should mutual discuss and fix fee for IRP.

- 2) The following moratorium is declared prohibiting all of the following, namely:
- a) the institution of suits or continuation of pending suits or proceedings against the Respondent/Corporate Debtor 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 Corporate Debtor 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 corporate debtor in respect of its property including any action under the Securitisation 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 Corporate Debtor;
 - e) 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;
 - f) 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;
 - g) The order of moratorium shall have effect from the date of such order till the completion of the corporate insolvency resolution process;



- 3) The IRP is directed to follow all extant provisions of the IBC, 2016, and all extant rules including fees rules as framed by IBBI from time to time. The IRP is hereby directed to file progress reports to the Adjudicating Authority from time to time;
- 4) The Board of Directors and all the staff of Respondent/ Corporate Debtor are hereby directed to extend full co-operation to the IRP, in carrying out his functions as such, under the Code and Rules made by IBBI;
- 5) The Registry is directed to forward a copy of this order immediately to both the Parties and also IBBI and IRP
- 6) Post the case for report of IRP on 5th March, 2021.

**(ASHUTOSH CHANDRA)
MEMBER, TECHNICAL**

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

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