

**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH, COURT- 5**

C. P. No. 636/I&B/2021

Under section 8 & 9 of the
Insolvency and Bankruptcy
Code, 2016

In the matter of

Sajeel Gupta

Proprietor of
Uncommon Spaces, Fairlink
Centre, A-409, Plot No. B-64,
Near Oberioi Springs, Off Andheri
Link Road, Andheri West,
Mumbai – 400 053

.... Petitioner

v/s

**IGL Industries Limited
(formerly known as Indsur Gears
Limited)**

31-P, MIDC, Industrial Area,
Chikalthana, Aurangabad – 431 210

.... Corporate Debtor

Order delivered on: 10.08.2021

Coram:

Hon'ble Smt. Suchitra Kanuparthi, Member (Judicial)

Hon'ble Shri. Shyam Babu Gautam, Member (Technical)

Appearance (through video conferencing):

For the Petitioner: Mr. Harsh Gokhale, Advocate.

For the Corporate Debtor: Mr. Vinod Sharma, Advocate.

Per: Shyam Babu Gautam, Member (T)

ORDER

1. This Company Petition is filed by Sajeel Gupta (hereinafter called "Petitioner") seeking to set in motion the Corporate Insolvency Resolution Process (CIRP) against IGL Industries Limited (formerly known as Indsur Gears Limited) (hereinafter called "Corporate Debtor") alleging that Corporate Debtor committed default on 01.12.2019 in making payment to the extent of Rs. 15,00,000/- with interest of Rs. 2,25,000/- @ 10 % p.a. aggregating to Rs. 17,25,000/- by invoking the provisions of Sections 8 & 9 of I & B Code (hereinafter called "Code") read with Rule 6 of Insolvency & Bankruptcy (AAA) Rules, 2016.

2. The brief facts of the case are that the Petitioner states that in January 2019 the Corporate Debtor approached the Petitioner, proprietor of Uncommon Spaces and expressed its desire to design its commercial space at 31-P, MIDC, Industrial Area, Chikalthana, Aurangabad.

3. Accordingly, on 15.01.2019, the Petitioner issued an appointment letter and allowed the Corporate Debtor to engage the professional services of the Petitioner to carry out the interior design at the company site. On 18.01.2019, the Corporate Debtor vide an acceptance letter appointed the Petitioner to carry out the interior designing work at the company site and accepted the terms of the appointment letter.

4. Thereafter on 20.01.2019, the Petitioner started the interior work at the company site. In accordance with the appointment letter, by 25.10.2019, the Petitioner completed the work assigned

to him and delivered the same to full satisfaction of the Corporate Debtor.

5. After that the Petitioner requested the Corporate Debtor to visit the company site and take inspection of the same. On 30.10.2019 the Corporate Debtor took the inspection of the company site.

6. After being satisfied with the work carried out by the Petitioner, the Corporate Debtor issued a letter dated 30.10.2019, confirming the completion of work best of its satisfaction.



7. After receipt of the inspection and confirmation letter, the Petitioner raised an invoice bearing no. IG/10/2019 dated 31.10.2019 for a sum of Rs. 15,00,000/- on Corporate Debtor and delivered the same on 02.11.2019.

EXHIBIT "D"

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Uncommon
S P A C E S

ARCHITECTS
INTERIOR DESIGNERS
REAL ESTATE CONSULTANTS
REAL ESTATE DEVELOPERS

Regd. No. 7182
EXPIRY DATE
5-11-2023

I N V O I C E

To:	Indsur Gears Limited	DATE : 31.10.2019
Registered Address :	31 - P, MIDC, Industrial Area, Chikalthana, Aurangabad - 431210	INVOICE NO. : IG/10/2019
Site Address:	31 - P, MIDC, Industrial Area, Chikalthana, Aurangabad - 431210	Kind Attn: Mr. Ankur Lodha

BILL FOR INTERIOR WORK

SR NO	PARTICULARS	TOTAL (in INR)
1	Designing & Supervision charges for interior work	15,00,000.00
Total :		15,00,000.00

Total Amount in Words :
Fifteen Lakh only.

Remarks :

Notes :
Payment to be credited within one month from the date of receipt of the invoice

Please issue the cheque in favour of 'Uncommon Spaces'.

2/11/19

8. As per the terms of the invoice, the Corporate Debtor was under legal obligation to make the payment of the invoice within one month from receipt of the invoice. Hence, the invoice was due and payable by 01.12.2019. However, the Corporate Debtor breached the terms of the appointment letter as well as of the invoice to clear the outstanding amount due and payable to the Petitioner.

9. After the lapse of considerable period of time, since the Corporate Debtor did not clear the Invoice, the Petitioner followed up with the Corporate Debtor and requested the Corporate Debtor

to clear the same at the earliest. After several requests and reminders the Corporate Debtor in January 2020 informed the Petitioner that they are facing some hardships to generate revenue but assured the Petitioner to clear the invoice by end of the month.

10. Thereafter the Petitioner informed the Corporate Debtor that if the payment of the invoice is not cleared within a month, the Petitioner will pursue legal remedies and initiate appropriate proceedings against the Corporate Debtor. However the Corporate Debtor failed to pay the debt amount to the Petitioner.

11. Since the Corporate Debtor failed to repay the outstanding dues, the Petitioner issued Demand Notice in Form-3 under Section 8 of the Code on 10.02.2020 to the Corporate Debtor demanding a payment of Rs. 17,25,000/- including interest @10% p.a., which was duly signed and stamped by the Corporate Debtor. However, the Corporate Debtor failed to repay the aforesaid dues despite receiving Demand Notice, nor replied to the notice, nor repay the outstanding amount. The affidavit under section 9(3)(b) of the code stating that no dispute was raised by the Corporate Debtor has been filed by the Petitioner.

12. The Petitioner also enclosed the statements of Bank Account showing no payment has been received by the Corporate Debtor.

13. Heard both sides and perused the records. It is the submission of the counsel appearing for the Corporate Debtor Mr. Vinod Sharma has admitted the existence of debt and default and in view of the above correspondence the debt and default in this case is establish and the above company petition is liable to be admitted. The petitioner also suggested the name Mr. Manish Motilal Jaju as Interim Resolution Professional and enclosed the consent letter

given by the proposed IRP in Form-2. The above company petition is complete in all respects.

14. The Bench also notes that the present petition is filed on 15.06.2021, and the amount is less than Rs. 1 crore. But the default occurred on 01.12.2019, hence Section 10A will not affect the present petition from getting admitted.

"2. After section 10 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as the principal Act), the following section shall be inserted, namely: —

"10A. Notwithstanding anything contained in sections 7, 9 and 10, no application for initiation of corporate insolvency resolution process of a corporate debtor shall be filed, for any default arising on or after 25th March, 2020 for a period of six months or such further period, not exceeding one year from such date, as may be notified in this behalf:

Provided that no application shall ever be filed for initiation of corporate insolvency resolution process of a corporate debtor for the said default occurring during the said period.

Explanation — For the removal of doubts, it is hereby clarified that the provisions of this section shall not apply to any default committed under the said sections before 25th March, 2020."

15. Under these circumstances, this tribunal is of the considered opinion that the above company petition is liable to be admitted and accordingly the same is admitted by passing the following:

ORDER

- a. The above Company Petition No. (IB) - 636(MB)/2021 is hereby allowed and initiation of Corporate Insolvency Resolution Process (CIRP) is ordered against IGL Industries Limited.

- b. This Bench hereby appoints **Mr. Manish Motilal Jaju** Insolvency Professional, Registration No: IBBI/IPA-001/IP/P00034/2016-2017/10087 having office at D 502, Neelkanth Business Park, Vidyavihar, Mumbai – 400 086 as the Interim Resolution Professional to carry out the functions as mentioned under the Insolvency & Bankruptcy Code, 2016.
- c. The Petitioner shall deposit an amount of Rs. 2 Lakh towards the initial CIRP cost by way of a Demand Draft drawn in favor of the Interim Resolution Professional appointed herein, immediately upon communication of this Order.
- d. That this Bench hereby prohibits the institution of suits or continuation of pending suits or proceedings against the corporate debtor including execution of any judgment, decree or order in any court of law, tribunal, arbitration panel or other authority; transferring, encumbering, alienating or disposing of by the corporate debtor any of its assets or any legal right or beneficial interest therein; 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 Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002; 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. That the supply of essential goods or services to the Corporate Debtor, if continuing, shall not be terminated or suspended or interrupted during moratorium period.

- f. That the provisions of sub-section (1) of Section 14 shall not apply to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.
- g. That the order of moratorium shall have effect from the date of pronouncement of this order till the completion of the corporate insolvency resolution process or until this Bench approves the resolution plan under sub-section (1) of section 31 or passes an order for liquidation of corporate debtor under section 33, as the case may be.
- h. That the public announcement of the corporate insolvency resolution process shall be made immediately as specified under section 13 of the Code.
- i. During the CIRP period, the management of the corporate debtor will vest in the IRP/RP. The suspended directors and employees of the corporate debtor shall provide all documents in their possession and furnish every information in their knowledge to the IRP/RP.
- j. Registry shall send a copy of this order to the Registrar of Companies, Mumbai, for updating the Master Data of the Corporate Debtor.

Accordingly, this Petition is allowed.

The Registry is hereby directed to communicate this order to both the parties and to IRP immediately.

SD/-
SHYAM BABU GAUTAM
MEMBER (TECHNICAL)

SD/-
SUCHITRA KANUPARTHI
MEMBER (JUDICIAL)