



**IN THE NATIONAL COMPANY LAW TRIBUNAL
BENGALURU BENCH, BENGALURU**

**(Exercising powers of Adjudicating Authority under
The Insolvency and Bankruptcy Code, 2016)
(Through Physical Hearing/ VC Mode (Hybrid))**

CP (IB) No. 163/BB/2024

U/s. 9 of the IBC, 2016

R/w Rule 6 of the IBC (AAA) Rules, 2016

IN THE MATTER OF:

PAN OCEANIC SEED SOLUTIONS PRIVATE LIMITED

First Floor, No. 92 B1 Type SFS, 6B Cross,
Yelahanka New Town, Bangalore, Karnataka-560064

- Operational Creditor

Versus

CAMSON SEEDS LIMITED

Sy. no. 113, Sadahalli Village,
Opp SLK Green Park Devanahalli Taluk,
Bangalore Rural, Karnataka-562110

- Corporate Debtor

Order delivered on: 09.04.2025

CORAM:

Hon'ble Shri Sunil Kumar Aggarwal , Member (Judicial)

Hon'ble Shri Radhakrishna Sreepada, Member (Technical)

ORDER

1. The present petition is filed on 27.03.2024 under section 9 of the Insolvency and Bankruptcy Code, 2016 (for brevity 'IBC'/Code), r/w. Rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules 2016, by **PAN OCEANIC SEED SOLUTIONS PRIVATE LIMITED** (for brevity 'Operational Creditor/Petitioner') inter



alia seeking to initiate Corporate Insolvency Resolution Professional Process ("CIRP") against **CAMSON SEEDS LIMITED** (hereinafter referred as 'Corporate Debtor'/Respondent) on the ground that the Corporate Debtor has committed a default for a total outstanding amount of Rs. 1,08,09,250/- (Rupees One Crore, Eight Lakh Nine Thousand Two Hundred and Fifty only) .The first default mentioned in the Part IV of Form 5 is 24.07.2017. In Part IV of Form No.5 filed with Petition, the following information is given:

PART-IV		
Particulars of Operational Debt		
1	Total amount of Debt. Details of Transactions on account of which debt fell due.	Rs 1,08,09,250/- First invoice debt fell due on 24.07.2017 and for the rest of the invoices debt fell due is mentioned in Annexure –C to the petition.
2	Amount claimed to be in Default and date on which the Default occurred (Attach the workings for computation of amount and dates of Default in Tabular Form	Rs. 1,08,09,250/- (Rupees One Crore, Eight Lakh Nine Thousand Two Hundred and Fifty only) First default occurred on 24.07.2017.

2. It is also submitted that Affidavit U/s 9(3) (b) is placed at page 26 of the petition, while Demand Notice under Section 8(1), Form 3 is attached at **Annexure N**. It is further stated that the Record of Default in Form D issued by NESL is attached as **Annexure V colly** of the Petition.
3. Brief facts of the case, which are relevant to the issue in question, and as narrated by the Petitioner are as follows:
 - a) The Petitioner/Operational Creditor is engaged in trading seeds, researching in products such as bioinsecticides, biofungisides,



plant growth stimulants, bio fertilizers,market gardening, horticulture ,growing of crops etc. and the Respondent/Corporate Debtor is an entity incorporated under the Companies Act, 2013 by name **CAMSON SEEDS LIMITED** is also engaged in production,cultivation, processing or otherwise creation and supply of quality seeds.

- b) In 2017, the Corporate Debtor, Camson Seeds Limited, approached the Operational Creditor with a proposal to purchase certain biotechnology agricultural products. The Operational Creditor accepted the proposal upon the assurance of the Corporate Debtor to make timely payments for the supplied products.
- c) Pursuant to multiple purchase orders, the Operational Creditor supplied various seeds, including Watermelon Seeds (IVWM, IBWM), Ridge Gourd (RG02), Chilly (GCH07, GCHO3), Okra (OKR02), Tomato (TMTH09, TMTH01), Bitter Gourd (BTGO02), and Bottle Gourd (BOTGO1). Invoices were duly raised against the Corporate Debtor for the supplied products. Copies of the invoices are annexed as **Annexure-C**.
- d) The invoices raised are as follows:

SI No.	Invoice Date	Invoice No.	Amount (INR)
1	25.05.2017	PAN/2017-18/65	24,66,800
2	25.06.2017	PAN/2017-18/72	25,39,600
3	25.06.2017	PAN/2017-18/76	24,98,100
4	12.04.2018	PAN/2018-19/15	45,07,300
Total			1,20,11,800

- e) On 08.11.2017, the Corporate Debtor requested the Operational Creditor to take back certain products, contending that unordered products had been delivered. The Operational Creditor, in good faith, agreed and issued a Credit Note dated



14.11.2017 for INR 1,03,000. Copies of the request letter dated 08.11.2017 and Credit Note dated 14.11.2017 are enclosed as **Annexures-D and E**, respectively.

- f) The Corporate Debtor acknowledged its debt and made partial payments amounting to INR 12,02,550 in different tranches, as detailed below:

SI No.	Payment Date	Reference No.	Amount (INR)
1	14.11.2017	CR/2017-18/12	1,03,000
2	21.08.2017	Payment Received	6,03,700
3	26.02.2018	Payment Received	3,00,000
4	08.11.2019	R&D/19-20/069	17,850
5	16.12.2019	R&D/19-20/093	1,00,000
6	22.01.2020	R&D/19-20/108	78,000
Total			12,02,550

- g) Despite repeated reminders through telephonic and email correspondence, the Corporate Debtor failed to clear the outstanding dues. The Corporate Debtor acknowledged the outstanding debt multiple times, as reflected in the following letters:

SI No.	Date of Acknowledgement	Outstanding Payment (INR)
1	20.12.2018	1,10,05,100
2	10.02.2019	1,10,05,100
3	10.11.2020	1,08,00,000
4	22.03.2021	1,19,00,000
5	28.01.2022	1,08,00,000



- h) Copies of these letters are annexed as **Annexure-F**. The Operational Creditor issued a Demand Notice on 13.04.2018 for INR 74,00,000, calling upon the Corporate Debtor to clear outstanding dues. A copy of the Demand Notice is enclosed as **Annexure-G**.
- i) On the same day, i.e., 13.04.2018, the Corporate Debtor issued a reply letter acknowledging the receipt of goods and undertaking to clear the pending amount of INR 74,00,000. A copy of this letter is annexed as **Annexure-H**.
- j) Subsequent demand notices and letters issued by the Operational Creditor on 05.05.2018, 10.02.2019, 10.11.2020, 22.03.2021, and 28.01.2022 were met with further acknowledgments from the Corporate Debtor, but no payments were made.
- k) On 21.08.2023, the Operational Creditor issued a Demand Notice of Default in Form-3 under Rule 5 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016, notifying the Corporate Debtor of the default. The Corporate Debtor failed to respond or make payments. A copy of the Demand Notice and postal acknowledgment is annexed as **Annexure-N**.
- l) The Operational Creditor obtained a Certificate from its banker, Bank of India, dated 20.02.2024, confirming that no payments had been received against the invoices. A copy of this certificate, along with the Statement of Accounts for the period 01.01.2017 to 13.02.2024, is annexed as **Annexure-P**.
- m) Despite multiple acknowledgments and assurances, the Corporate Debtor has failed to clear its dues, making it liable under Section 9 of the Insolvency and Bankruptcy Code, 2016.



Accordingly, the Operational Creditor submitted this petition to initiate the Corporate Insolvency Resolution Process against the Corporate Debtor.

4. On 13.11.2024, the Respondent filed its statement of objection, vide Diary No: 6383 and contended as under:
 - a) It is submitted that the Applicant has relied on certain letters exchanged between the parties, but these letters do not amount to an unequivocal admission of liability. Instead, they were issued to explain the Respondent's inability to clear dues due to reasons beyond its control and were never intended to be used as a basis for legal proceedings.
 - b) The Counsel for the Respondent further stated that the initiation of the present application is unjustified as the letters exchanged were solely for the purpose of business continuity and not an acknowledgment of operational debt under the IB Code, 2016. The Respondent contends that these communications were made in good faith to maintain business relations and avoid disruptions. Furthermore, it is emphasized that any admissions in these letters were made under commercial pressure, particularly due to the Applicant's continuous threats to discontinue business dealings.
 - c) It was further submitted that the Respondent has been facing severe financial distress, particularly due to the outbreak of COVID-19, which significantly affected its liquidity position. The inability to make payments arises from financial constraints rather than any willful default. The Respondent contends that mere financial distress and partial non-payment do not justify the initiation of CIRP, especially when there was no clear intent to default but rather an attempt to balance accounts.
 - d) Additionally, the Counsel for the Respondent argued that partial payments made by the Respondent prove that there was no



deliberate default and that the Applicant's claims are premature. The Respondent has remained transparent in its dealings, and its conduct does not warrant the initiation of CIRP. The reconciliation of accounts was still in progress, and there was no legitimate reason to file the present application.

5. Heard Shri Abhijit Atur and Ms. Atulya M.P., learned counsels for the petitioner. None appeared on behalf of the respondent on 19.03.2025 or thereafter to address arguments. We have carefully perused the pleadings of the parties and the relevant provisions of the Code and the Rules framed thereunder.
6. The Record of Default issued by NESL in Form D, dated 25.07.2024, mentions the Date of Default as 21.08.2023. However, vide memo dated 04.10.2024, the Counsel for the Petitioner explained the issue of limitation, relying on the part payments made by the Operational Creditor on 14.11.2017 and 22.01.2020, as well as various acknowledgments given by the Respondent from 20.12.2018 to 28.01.2022. Hence, the acknowledgment of debt on 28.01.2022 is relevant in view of the judgment dated 04.08.2021 of the Hon'ble Apex Court in ***Dena Bank vs. C. Shivakumar Reddy & Anr., Civil Appeal No. 1650 of 2020 (2021 SCC Online SC 543)***. Upon perusal of the material on record and considering the date of filing of the present petition, i.e., 27.03.2024, we are of the opinion that the issue of limitation is duly addressed.
7. The Petitioner had supplied certain Biotechnology Agricultural products to the Corporate Debtor amounting to INR 1,20,11,800/-. However, the Corporate Debtor failed to make payment of the invoices amounting to Rs. 1,08,09,250/- raised by the petitioner. Demand notice issued under Form 3 dated 21.08.2023 was duly served on the Corporate Debtor.
8. It is not in dispute that the Operational Creditor supplied goods to the Corporate Debtor and a sum of INR 1,20,11,800/- was outstanding to the petitioner against the aforesaid supply goods to the Corporate



Debtor. Moreover, the Corporate Debtor in its reply to petition has itself admitted, acknowledged and accepted the liability due to the Petitioner.

9. Further in accordance with the ratio of the judgment of Hon'ble Apex Court in ***Mobilox Innovations Private Limited v. Kirusa Software Private Limited, (2017) ibclaw.in 01 SC***, if there is no record of dispute in the information utility, nor any documents submitted to show any dispute, it cannot be held that there is a pre-existing dispute.
10. The Corporate Debtor has admitted that there is a debt and obligation to pay. The reasons for inability to pay including recovery of pending payments cannot be a valid ground for non-payment of debt and obligation to pay.
11. Accordingly, this adjudicating authority is of the considered opinion that there is no reason to deny the petition filed under section 9 of the IBC, 2016 by the Operational Creditor to initiate CIRP against the Corporate Debtor. Therefore, the instant Company Petition bearing **CP (IB) No. 163/BB/2024 is admitted** against the Corporate Debtor **CAMSON SEEDS LIMITED** and moratorium is declared in terms of Section 14 of the Code. As a necessary consequences of the moratorium in terms of Section 14 of the Code, the following prohibitions are imposed, which must be followed by all and sundry:-
 - a. The institution of suits or continuation of pending suits or proceedings against the Project of 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 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 Corporate Debtor;
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- 12. It is further directed that the supply of essential goods or services to the Corporate Debtor as may be specified, shall not be terminated or suspended or interrupted during the moratorium period.
 - 13. The provisions of Section 14(3) shall however, not apply to such transactions as may be notified by the Central Government in consultation with any financial sector regulator and to a surety in a contract of guarantee to a Corporate Debtor.
 - 14. The order of moratorium shall have effect from the date of this order till completion of the Corporate Insolvency Resolution Process or until this Bench approves the Resolution Plan under sub-section (1) of Section 31 or passed an order for liquidation of Corporate Debtor under Section 33 as the case may be.
 - 15. In Part-III of Form No.5, Mr Ramanathan Bhuvaneshwari bearing Registration IBBI/IPA-002/IP-N00306/2017-18 /10864 has been proposed as Interim Resolution Professional (IRP) and Form No.2 dated 26.02.2024 has been filed as **Annexure R** of the Petition. Based on this thebench appoints **Mr Ramanathan Bhuvaneshwari** bearing Registration No.- **IBBI/IPA-002/ IP-N00306/2017-18/10864** having registered address at #C-006, Pioneer Paradise,24th Main,7th Phase, J.P. Nagar, Bengaluru, Karnataka, 560078 , e-mail: bhoona.bhuvan@gmail.com, and Contact No.- 9945527606 as Interim Resolution Professional to carry the functions as mentioned under the IBC, the fee payable to IRP/RP shall comply with the IBBI Regulations/Circulars/Directions issued in this regard. The IRP is



directed to take the steps as mandated under the IBC, specially under Sections 15, 17, 18, 20 and 21 of IBC, 2016.

16. The Operational Creditor shall deposit a sum of Rs 2,00,000/- (Rupees Two Lakhs Only) with the IRP to meet the expenses arising out of issuing public notice and inviting claims. These expenses are subject to approval by the Committee of Creditors.
17. The Interim Resolution Professional shall after collation of all the claims received against **CAMSON SEEDS LIMITED** and the determination of the financial position of the Corporate Debtor constitute a Committee of Creditors and shall file a report, certifying constitution of the Committee to this Tribunal on or before the expiry of thirty days from the date of his appointment and shall convene first meeting of the Committee within seven days for filing the report of Constitution of the Committee. The Interim Resolution Professional is further directed to send regular monthly progress reports to this Tribunal.
18. A copy of the order shall be communicated to both the parties. The learned Counsel for the Petitioner shall deliver a copy of this order to the Interim Resolution Professional forthwith. The Registry is also directed to send the copy of this order to the Interim Resolution Professional at his email address forthwith.

-sd/-

(RADHAKRISHNA SREEPADA)
MEMBER (TECHNICAL)

-sd/-

(SUNIL KUMAR AGGARWAL)
MEMBER (JUDICIAL)