



**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL  
NEW DELHI BENCH  
COURT- III**

**IB-450(ND)/2020**

**IN THE MATTER OF**

**M/s. MM Aqua Technologies Ltd.**

**...Operational Creditor**

**Vs.**

**Veda Chem Private Limited**

**...Corporate Debtor**

**Coram:**

**Shri Atul Chaturvedi**

Hon'ble Member (Technical)

**Shri Bachu Venkat BalaramDas**

Hon'ble Member (Judicial)

*Delivered on: 23.12.2022*

Appearances:

Operational Creditor : Mr. Shyam Kumar and Iqra Khan, Advocates

For the Corporate Debtor :

**ORDER**

**Per: Bachu Venkat Balaram Das, Member (Judicial)**

This is an application filed by the Applicant under Section 9 of IBC, 2016 to initiate CIRP in the matter of M/s. MM Aqua Technologies Limited.

1. The Applicant/Operational Creditor is M/s MM Aqua Technologies Ltd, a company registered under the Companies Act, 1956 and provides technologies, project management and engineering solutions covered under one roof with the products namely PVC Structured Fill Media, BIOdek, TUBEdek, Drift Eliminators, Mist Eliminators, etc. which gives a complete effluent treatment.

IB-450(ND)/2020

Date of Order :23.12.2022



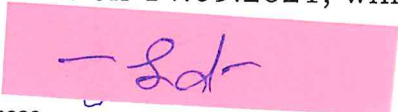
2. The Corporate Debtor is M/s Veda Chem. Private Limited, a company registered under the Companies Act, 1956.
3. On 12.09.2017, a Purchase Order (herein referred to as "PO") was placed upon the Operational Creditor for supply of TUBULAR DIFFUSER-FINE BUBBLE 66MM x 120MM, EPDM, EM- Effluclean and PVC TUBE SETTLER FS 41.50-1.0 MM BLACK, AOI-60 DEG.
4. On 15.09.2017 an Invoice of Rs. 16,62,266/- (Rupees Sixteen Lakhs, Sixty Two Thousand Two Hundred and Sixty Six Only) was issued by the Operational Creditor against the above-mentioned material which were duly supplied on 15.09.2017 by Applicant/Operational Creditor.
5. The Applicant/Operational Creditor had completed all its obligations under the Purchase Order issued by the Corporate Debtor by delivering the materials of requisite specification and quality to the complete satisfaction of the Corporate Debtor.
6. However, the Corporate Debtor has only made a part payment of Rs. 5,81,740/- (Rupees Five Lakhs, Eighty One Thousand, Seven Hundred and Forty Only) against the above-mentioned invoice dated 15.09.2017 and a sum of Rs. 10,80,526/- remains unpaid.
7. The Corporate Debtor vide email dated 25.04.2018 admitted the debt and assured the Applicant/Operational Creditor that they shall initiate the payment starting next month and hoped to have the payment cleared soon against the said Operational Debt.
8. The Applicant/OC raised a demand of Rs. 13,37,366/- (Rupees Thirteen Lakhs Thirty Seven thousand Three Hundred and Sixty Six Only), (inclusive of Rs. 10,80,526/- i.e. the outstanding amount + Rs. 2,56,840/- i.e., interest till January 25th 2019) which is the admitted dues in terms of purchase order that has remained unpaid by the Corporate Debtor vide Demand Notice dated 30.01.2019.
9. The Corporate Debtor finally issued a cheque bearing no. 000334 dated 22.05.2019 for an amount of Rs. 1,50,000/- and the said cheque was





returned back by the Bank with a Return Memo dated 28.05.2019, bearing the endorsement "Funds Insufficient".

10. The Applicant/OC issued a Demand Notice dated 29.07.2019 under Section 8 r/w Rule 5 of the Insolvency and Bankruptcy (Application of Adjudicating Authority Rules, 2016) which was duly served to the Corporate Debtor vide delivery report dated 01.08.2019. However, the Corporate Debtor did not give any reply to the said Demand Notice. The Applicant/OC filed the present application under Section 9 of IBC seeking initiation of CIRP against the Corporate Debtor, since the Corporate Debtor failed to make the payments.
11. The Corporate Debtor was set Ex-parte vide order dated 24.12.2020 which was set aside vide order dated 21.03.2022 subject to the payment of Rs. 10,000/- to the Counsel for the Applicant/OC. Since the said order was not complied with and the cost was not paid, the order dated 24.12.2020 setting aside the ex-parte order was revived by order dated 11.05.2022 and the Corporate Debtor was set ex-parte once again.
12. We have heard the submissions made by Mr. Shyam Kumar, Ld. Counsel for the Applicant and also perused the records. The Applicant has clearly demonstrated that the services were provided to the Corporate Debtor as per the purchase order dated 12.09.2017 and requisite material were duly dispatched on 15.09.2017 to the Corporate Debtor and invoice dated 15.09.2017 claiming a sum of Rs. 16,62,266/- was raised. Out of the said amount the Corporate Debtor was made a part payment of Rs. 5,81,740/- and a sum of Rs. 10,80,526/- remained unpaid. We have also perused the Return Memo Dated 28.05.2019 issued by the Bank which bears the endorsement "Funds Insufficient". A cheque of Rs. 1,50,000/- bearing Cheque no. 000334 dated 22.05.2019 issued by the Corporate Debtor has been dishonoured by the Bank.
13. On perusal of the records, we find that the Corporate Debtor had filed reply affidavit on 14.09.2021, which is after the passing of the first ex-parte





order dated 24.12.2020 and therefore, the said affidavit cannot be taken on record.

14. Therefore, we are satisfied that the case under Section 9 of IBC has been established by the Applicant/OC and therefore, we **admit** the present petition.
15. The Operational Creditor has not proposed any name of the IRP; therefore, this Adjudicating Authority appoints Mr. Ravinder kumar Sharma having Regn. No. IBBI/IPA-003/IP-N00331/2021-2022/13598, Email id- [emailravinderksharma@gmail.com](mailto:emailravinderksharma@gmail.com), (Mob. 9911194769) as IRP from the list provided by IBBI. Consent and valid AoA of the IRP must be filed within three days of passing this order. The said IRP is directed to take charge of the Respondent Corporate Debtor's management immediately. He is also directed to cause public announcement under section 15 of the IBC, 2016, within three days from date of receiving the copy of this order and call for submissions of claim in the manner as prescribed.
16. The moratorium is declared which shall have effect from the date of this order till the completion of CIRP, for the purposes referred to in section 14 of the IBC, 2016. It is ordered to prohibit all of the following, namely:
  - a. 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;
  - b. Transferring, encumbering, alienating or disposing of by the Corporate Debtor's 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 Operational Assets and Enforcement of Security Interest Act, 2002 (54 of 2002);



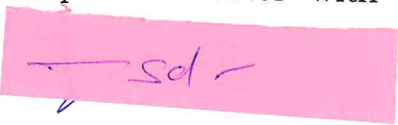
d. The recovery of any property by an owner or lessor where such property is occupied by or in the possession of the Corporate Debtor.

e. The explanation below section - 14 (1) also stipulates “that notwithstanding anything contained in any other law for the time being in force, a licence, permit, registration, quota, concession, clearance or a similar grant or right given by the Central Government, State Government, local authority, sectoral regulator or any other authority constituted under any other law for the time being in force, shall not be suspended or terminated on the grounds of insolvency, subject to the condition that there is no default in payment of current dues arising for the use or continuation of the license, permit, registration, quota, concession, clearances or a similar grant or right during the moratorium period”.

19. The supply of essential goods or services of the said project of Corporate Debtor shall not be terminated, suspended or interrupted during moratorium period. However, the provisions of sub-section (1) of section 14 of IBC, 2016 shall not apply to such transactions, as notified by the Central Government.

20. The IRP shall comply with the provisions of Sections 13(2), 15, 17 and 18 of the Code. The Directors of the Corporate Debtor, its promoters or any person associated with the management of the Corporate Debtor shall extend all assistance and cooperation to the IRP as stipulated under section 19 for discharging his function under section 20 of the IBC, 2016.

21. The Operational Creditors are directed to communicate this Order to the IRP and the Corporate Debtor with immediate effect. Further Operational





creditor shall provide initial finance to the tune of Rs. 2,00,000/- to the aforesaid Interim Resolution Professional within a weeks' time from the date of this order as advance towards initial cost and expenses of CIRP process. The said advance of Rs. 2,00,000/- shall be adjustable as CIRP cost by the Committee of Creditors immediately after its constitution by the IRP.

22. The Registry is directed to send a copy of this order to the Registrar of Companies concerned for updating the status of Corporate Debtor on the MCA-21 site of Ministry of Corporate Affairs for information of all concerned.

23. The order is pronounced by this Adjudicating Authority in Virtual Hearing.

24. The CP IB-450/ND/2020 is hereby **admitted**.

**(Atul Chaturvedi)**  
**Member (Technical)**

**(Bachu Venkat Balaram Das)**  
**Member (Judicial)**