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IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, CHENNAI

IBA/902/2019

Under Section 9 r/w Rule 6 of the IBC, 2016

In the matter of M/s. Topknit Processing Mill Private Limited

M/s. Sushi Enviro Chem

---Operational Creditor

V/s

M/s. Topknit Processing Mill Private Limited

---Corporate Debtor

Order delivered on: 21.11.2019

Coram:

B. S.V. PRAKASH KUMAR, MEMBER (JUDICIAL)

S. VIJAYARAGHAVAN, MEMBER (TECHNICAL)

For the Operational Creditor: *Shri. P.S. Suman, Advocate*

Ms. Preethi, Advocate

For M/s. A K Mylsamy & Associates

For the Corporate Debtor : *Shri. K. Myilsamy Advocate*

ORDER

Per: S. VIJAYARAGHAVAN, MEMBER (TECHNICAL)

Order pronounced on: 21.11.2019

It is an Insolvency and Bankruptcy Application filed u/s 9
Insolvency and Bankruptcy Code, 2016 (hereinafter called as "the
Code") by M/s. Sushi Enviro Chem (hereinafter called as
"Operational Creditor") for initiation of Corporate Insolvency



Resolution Process (in short "CIRP") against the M/s. Topknit Processing Mill Private Limited (hereinafter called as "Corporate Debtor") on the ground that the Corporate Debtor defaulted in making repayment of ₹17,85,606 as stated in the application.

2. On perusal of this application, it appears that this Corporate Debtor involved in the business of textile industry had placed purchase orders between February-June 2016 with the Operational Creditor for supply of Textile Effluent Chemicals. In pursuance thereof, this Operational Creditor had raised for ₹17,85,606 claiming the value of goods together with interest at 18% till the date of its realization. To prove that this material was supplied to the Corporate Debtor, the Operational Creditor filed purchase orders received from Corporate Debtor and invoices raised against each is given hereunder thereto, working sheet for computation of default, confirmation of balance, details of cheques returned for "INSUFFICIENT FUNDS" and bank certificate. After a long wait,

when no payment came from the Corporate Debtor, thereafter, the Operational Creditor issued Section 8 Notice on 20.05.2016



demanding payment of the amount aforesaid. On receipt of Section 8 Notice, the Corporate Debtor has not replied or disputed the claim amount and thus committed a "default" in making payments to the Operational Creditor.

3. On look at the facts available, we are of the view that this Operational Creditor has proved existence of debt and default. In view of the aforesaid reasons, we hereby admit this company application by appointing Mr. A. R Ramasubramania Raja as IRP, looking at the consent letter given by the said IRP with the direction as follows:

(I) That Moratorium is hereby declared prohibiting all of the following actions, 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 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 (SARFAESI Act);

(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.

(II) 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.

(III) 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.

(IV) That the order of moratorium shall have effect the date 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.

(V) That the public announcement of the Corporate Insolvency Resolution Process shall be made immediately as specified under Section 13 of the Code.

(VI) That this Bench hereby appoints Mr. A R Ramasubramania Raja, as Interim Resolution Professional (Reg. No. IBBI/IPA-002/IP-N00635/2018-2019/11982), No. 3 Sundaram Brothers Layout, Opposite to All India Radio, Trichy Road, Ramanathapuram, Coimbatore-641045, E-mail: arrsraja@yahoo.com, Mobile



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No: 9843043576 with his consent to carry the functions as mentioned under The Insolvency & Bankruptcy Code.

4. Accordingly, this Application is **admitted**.
5. The Registry is hereby directed to immediately communicate this order to the Operational Creditor, the Corporate Debtor and the Interim Resolution Professional by way of e-mail.

S. Vijayaraghavan
(S. VIJAYARAGHAVAN)
MEMBER (Technical)

B. S.V. Prakash Kumar
(B. S.V. PRAKASH KUMAR)
MEMBER (Judicial)

TJS/KNE



Certified to be True Copy

N. Srirama Subramanian
26/11/15
N. SRIRAMA SUBRAMANIAN
ASSISTANT REGISTRAR
NATIONAL COMPANY LAW TRIBUNAL
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