

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

CP (IB) 63/MB/2024

Under Section 9 of the Insolvency and Bankruptcy Code, 2016 read with rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016

In the matter of

**Ms. Neeraj Singh Proprietor of
M/s. N. J. Electronics**

[PAN: BFAPS7017B]

...Operational Creditor/Applicant

Versus

Syska LED Lights Pvt. Ltd.

[CIN:U3150PN2012PTC143392]

...Corporate Debtor/Respondent

Order Pronounced on 07.05.2024

Coram:

Hon'ble Member (Judicial) : Justice V. G. Bisht (Retd.)

Hon'ble Member (Technical) : Mr. Prabhat Kumar

Appearances:

For the Operational Creditor : Mr. Anuj Solanki, Advocate.

For the Corporate Debtor : Mr. Umang Mehta,
Advocate.

ORDER

Per: Justice V. G. Bisht (Retd.), Hon'ble Member (Judicial)

Brief Facts

1. This Company Petition is filed under section 9 of the Insolvency and Bankruptcy Code, 2016 (**IBC**) by **Ms. Neeraj Singh Proprietor of M/s. N. J. Electronics** ("hereinafter referred to as the Operational Creditor/Applicant"), seeking to initiate Corporate Insolvency Resolution Process (CIRP) against **Syska LED Lights Pvt. Ltd.** ("hereinafter referred to as the Corporate Debtor/Respondent").
2. The Applicant is **Ms. Neeraj Singh Proprietor of M/s. N. J. Electronics**, bearing PAN no. BFAPS7017B and having registered office at A-34, 1st Floor, Sector-7, Noida, Gautam Budh Nagar, Uttar Pradesh – 201301. The Applicant is engaged in the business of manufacturing a range of various types of chokes, transformers and Inductors, etc.
3. The Respondent was incorporated on 15.05.2012 under the Companies Act, 1956. Its Corporate Identity Number (CIN) is U3150PN2012PTC143392. Its registered office is at SYSKA House, Office no. S-2, 2nd floor, Sakorenagar, New Airport road, Near Anand Residency, Pune, Maharashtra - 411014. Therefore, this Bench has jurisdiction to entertain and decide the Petition. The Authorized Capital of the Corporate Debtor is of Rs. 10,00,00,000 (INR Ten Crores Only) and Paid-up Capital is Rs. 4,88,45,548 (INR Four Crores Eighty-Eight Lakhs Forty-Five Thousand Five Hundred Forty-Eight only).

Submissions of the Applicant

4. The Operational Creditor has supplied various products such as Transformers & Inductors, etc., to the Respondent. The Business between the Operational Creditor and the Respondent ran

smoothly till December, 2022 despite some acceptable delay in payment by the Respondent. Thereafter, the Respondent stopped/delayed making payment to the Operational Creditor for the supplied goods. Further, the Respondent has also issued 11 Post Dated (PDCs)/Cheques to partially discharge its liability towards the Operational Creditor. From the said 11 Cheques, the Operational Creditor deposited 8 Cheques in their bank account and all the 8 Cheques were dishonoured with remarks "Funds Insufficient". The remaining 3 Cheques were not deposited by the Operational Creditor due to the false promises made by the CD to make the payment soon.

5. The Operational Creditor has several times demanded payment from the Respondent by various modes of communications from time to time, but the Respondent on one pretext or another delayed the payment and made false commitment to the Operational Creditor to make the payment soon.
6. The Operational Creditor then sent a demand notice to the Respondent dated 01.11.2023 along with all relevant documents under Section 8 of the Insolvency and Bankruptcy Code, 2016. The Respondent has given a reply dated 11.11.2023. The Record of Default (RoD) issued by the NeSL was generated on 18.11.2023.
7. The Respondent is liable to pay to the Operational Creditor a Principal amount of Rs. 1,14,20,193 (INR One Crore Fourteen Lakhs Twenty Thousand One Hundred Ninety-Three Only) and Interest thereon up to 31.10.2023 at the rate of 24% per annum i.e., Rs. 12,55,262 (INR Twelve Lakhs Fifty-Five Thousand Two Hundred Six Two Only) totalling to an amount of Rs. 1,26,75,456 (INR One Crore Twenty-Six Lakhs Seventy-Five Thousand Four Hundred Fifty-Six Only) (Round Off). Interest Calculated up to 31.10.2023; however, the interest (pendent-lite Interest) shall be chargeable till date of actual receipt of full and final payment.

8. An Affidavit in support of the present application and to the effect that no notice was given by the Corporate Debtor before sending the demand notice under section 8 of the Code, regarding a dispute between the Operational Creditor and the CD regarding unpaid operational debt is placed on record.
9. The Date of Default, according to the unpaid Tax Invoices, is 60 days after the Date of Invoice. Therefore, the first Date of Default is on 03.03.2023, which is to be considered the date of default for this application. The Application is within the limitation period as stipulated by the Limitation Act, 1963.

Findings

10. Heard the submissions of learned Counsel for Applicant and Respondent and perused records.
11. On 22.04.2024, learned counsel for the Corporate Debtor submitted that they are ready and willing to settle the matter and they are ready to handover Two Demand Drafts dt. 20.04.2024 & 30.04.2024 having Numbers “025101 & 664504” in the sum of Rs. Ten Lakhs each. However, learned counsel for the Operational Creditor submitted that he has instructions not to accept those Demand Drafts and to go on with the matter in view of past track record of the Corporate Debtor. Hence, the matter was proceeded accordingly. Thus, it is clearly evident that the Corporate Debtor has acknowledged the existence of debt.
12. Considering the above facts and circumstances, the debt and default stands established and no dispute in relation to such debt in default has been brought on record.
13. The application made by the Applicant is complete in all respects as required by law. It clearly shows that the Respondent is in default of a debt due and payable, and the default is in excess of minimum amount stipulated under section 4(1) of the IBC, at the

relevant time. Therefore, the default stands established and there is no reason to deny the admission of the Petition.

Order:

1. In view of above, this Adjudicating Authority **admits** this Petition and passes the following order:
2. The Petition bearing **CP (IB) 63/MB/2024** filed by **Ms. Neeraj Singh Proprietor of M/s. N. J. Electronics** [PAN: BFAPS7017B], the Operational Creditor, under section 9 of the IBC read with rule 6(1) of the Insolvency & Bankruptcy (Application to Adjudicating Authority) Rules, 2016 for initiating Corporate Insolvency Resolution Process (CIRP) against **Syska LED Lights Pvt. Ltd.** [CIN:U3150PN2012PTC143392], the Corporate Debtor, is **admitted**.
3. There shall be a moratorium under section 14 of the IBC, in regard to the following:
 - i. 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;
 - ii. Transferring, encumbering, alienating or disposing of by the Corporate Debtor any of its assets or any legal right or beneficial interest therein;
 - iii. 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 (SARFAESI) Act, 2002;
 - iv. The recovery of any property by an owner or lessor where such property is occupied by or in possession of the Corporate Debtor.
4. Notwithstanding the above, during the period of moratorium: -

- i. The supply of essential goods or services to the corporate debtor, if continuing, shall not be terminated or suspended or interrupted during the moratorium period;
- ii. That the provisions of sub-section (1) of section 14 of the IBC shall not apply to such transactions as may be notified by the Central Government in consultation with any sectoral regulator;
5. The moratorium shall have effect from the date of this order till the completion of the CIRP or until this Adjudicating Authority approves the resolution plan under sub-section (1) of section 31 of the IBC or passes an order for liquidation of Corporate Debtor under section 33 of the IBC, as the case may be.
6. Public announcement of the CIRP shall be made immediately as specified under section 13 of the IBC read with regulation 6 of the Insolvency & Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.
7. The Applicant has not proposed name of any Interim Resolution Professional (IRP) and hence, we hereby appoint **Mr. Ravi Prakash Ganti** having registration no. **IBBI/IPA-002/IP-N00102/2017-18/10245**, **Mobile no. 7506007687** and email ID **gantirp@gmail.com** as the IRP of the Corporate Debtor to carry out the functions as mentioned under IBC. The IRP shall carry out functions as contemplated by sections 15, 17, 18, 19, 20 and 21 of the IBC. The fee payable to IRP/RP shall be compliant with Regulations, Circulars and Directions issued by the Insolvency & Bankruptcy Board of India (IBBI) as may be applicable.
8. During the CIRP Period, the management of the Corporate Debtor shall vest in the IRP or, as the case may be, the RP in terms of section 17 of the IBC. The officers and managers of the Corporate Debtor shall provide all documents in their possession and furnish every information in their knowledge to the IRP

within a period of one week from the date of receipt of this Order, in default of which coercive steps will follow.

9. The Operational Creditor shall deposit a sum of Rs.3,00,000/- (Rupees Three Lakh 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 (CoC).
10. The Registry is directed to communicate this Order to the Operational Creditor, the Corporate Debtor and the IRP by Speed Post and email immediately, and in any case, not later than two days from the date of this Order.
11. A copy of this Order be sent to the Registrar of Companies, Maharashtra, Mumbai, for updating the Master Data of the Corporate Debtor. The said Registrar of Companies shall send a compliance report in this regard to the Registry of this Court within **seven days** from the date of receipt of a copy of this order.
12. Ordered accordingly.

Sd/-
Prabhat Kumar
Member (Technical)

<MK>

Sd/-
Justice V. G. Bisht (Retd.)
Member (Judicial)