



**IN THE NATIONAL COMPANY LAW TRIBUNAL, NEW DELHI**  
**COURT-V**

**Item No.-06**  
IB-334/ND/2020

**IN THE MATTER OF:**

Supernova Tech Craft Engineering Overseas Ltd.

**....Applicant**

**Vs.**

Valtrom Technologies Pvt. Ltd.

**.....Respondent**

**SECTION**

U/s 9 IBC

**Order delivered on 20.04.2023**

**CORAM:**

**SHRI P.S.N PRASAD,  
HON'BLE MEMBER (JUDICIAL)**

**DR. BINOD KUMAR SINHA,  
HON'BLE MEMBER (TECHNICAL)**

**PRESENT:**

For the Applicant :

For the Respondent :

**ORDER**

Order pronounced in open court vide separate sheets. IB-334/ND/2020  
is **admitted**.

**S/d-**  
**(DR. BINOD KUMAR SINHA)**  
**MEMBER (T)**

**S/d-**  
**(P.S.N PRASAD)**  
**MEMBER (J)**



**IN THE NATIONAL COMPANY LAW TRIBUNAL  
COURT-V, NEW DELHI**

**COMPANY PETITION IB (IBC)/334(ND)/2020**

*An Application 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:**

**SUPERNOVA TECH CRAFT ENGINEERING OVERSEAS LIMITED**

487/53, NATIONAL MARKET,

PEERAGARHI,

NEW DELHI-110087

***...Petitioner/ Operational Creditor***

**Versus**

**VALTROM TECHNOLOGIES PRIVATE LIMITED**

PLOT A-1, BLOCK-A, G/F STREET NO. 2,

MAHIPALPUR EXTENSION,

NEW DELHI-110037

***...Respondent/ Corporate Debtor***

**CORAM:**

**SHRI P.S.N. PRASAD, HON'BLE MEMBER (JUDICIAL)**

**DR. BINOD KUMAR SINHA, HON'BLE MEMBER (TECHNICAL)**

**Appearances (through Video Conferencing/ physical hearing)**

***For the Applicant:*** Ms. Amrita Mishra, Mr. Vishal Sharma, Advs.

***For the Respondent:***

**Order Delivered on: 20.04.2023**



## O R D E R

**PER: SHRI P.S.N. PRASAD, HON'BLE MEMBER (JUDICIAL)**

1. This is a Company Petition filed under Section 9 of the Insolvency and Bankruptcy Code, 2016 (***‘the Code’***) read with Rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 by **M/s Supernova Tech Craft Engineering Overseas Limited (*‘Operational Creditor’*)**, duly authorized for initiation of Corporate Insolvency Resolution Process (***‘CIRP’***) against **M/s Valtrom Technologies Private Limited (*‘Corporate Debtor’*)**.
2. **Supernova Tech Craft Engineering Overseas Limited** (Operational Creditor) is a Company registered under the Companies Act, 1956 [CIN- U34300DL2013PLC249992] having its registered office at 487/53, National Market, Peeragarhi, New Delhi-110087. **M/s Valtrom Technologies Private Limited** (Corporate Debtor) is a company registered under the Companies Act, 2013 [CIN- U31908DL2015PTC277999], having its registered office at Plot A-1, Block-A, G/F Street NO. 2, Mahipalpur Extension, New Delhi-110037. The Corporate Debtor has Authorized Share Capital of Rs 1,00,000 (One Lakh) and Paid Up Share Capital of Rs 1,00,000 (One Lakh).
3. The present Petition was filed on 13.01.2020 before this Adjudicating Authority by one of the Directors of the Operational Creditor’s Company, Sh. Praven, duly authorized to initiate Corporate Insolvency Resolution Process (***‘CIRP’***) proceedings under Section 9 of the Insolvency and Bankruptcy Code, 2016 (***‘Code’***) by Board of Directors vide Board Resolution dated 19<sup>th</sup> August 2019. The total amount claimed to be due and payable as on 15.06.2019 is Rs 34,18,857



(Thirty-Four Lacs Eighteen Thousand). The ***date of default*** is stated to be on 15.06.2019.

**4. *Submissions by the Ld. Counsel appearing on behalf of the Operational Creditor.***

- a) The Operational Creditor is a company engaged, inter alia, in the business of LED lights. The Corporate Debtor is a company which deals in the business of LED light products under its own brand name.
- b) In the month of March 2018, Corporate Debtor proposed a business agreement and thereby offered for manufacturing of LED light products. It was made clear between the parties that the products are made exclusively for the Corporate Debtor only, therefore, under no circumstances the products shall be replaced.
- c) As per the demand of Corporate Debtor, the Operational creditor supplied different varieties of LED light products to the Corporate Debtor vide different invoices over different period of time commencing from March 2018 against the purchase orders with a clear assurance that the Corporate Debtor would clear the outstanding amount as and when it accrues within a period of 30 days, thereafter an interest @ 18 % p.a. would be charged.
- d) The Operational Creditor started supplying LED light products to the Corporate Debtor as and when purchase orders were placed to the Operational Creditor. However, there was gap between sold products and payment made by the Corporate Debtor and such gap was widening with the time. Therefore, after October 2018,



the Operational Creditor stopped supplying LED products to the Corporate Debtor.

- e) The Operational Creditor had time and again requested the Corporate Debtor to clear the outstanding amount but got no payment from the Corporate Debtor. A legal notice was sent by the Operational Creditor to the Corporate Debtor for refund of the amount deposited. However, no response was received from Corporate Debtor for the same.
- f) In order to discharge the liability, the Corporate Debtor had also issued few cheques but some of them got dishonored on account of insufficiency of funds and for that matter separate proceedings had been initiated by the Operational Creditor under Section 138 of the Negotiable Instruments Act (NI Act). Therefore, notices under Section 138 were issued and on failure to release payments of the cheque amount, complaint cases had already been filed which is pending at the District Court of Alwar, Rajasthan.
- g) As per the ledger account maintained by the Operational Creditor in the ordinary course of business, the Corporate Debtor is liable to pay a total sum of Rs. 34,18,857/- (Thirty-Four Lacs Eighteen Thousand Eight Hundred and Fifty-Seven). Hence, the Operational Creditor had sent a legal demand notice dated 03.09.2019 to the Corporate Debtor. However, even after receipt of the legal notice, there was no response from the Corporate Debtor. Therefore, the Operational Creditor is seeking recourse under Section 9 of the Insolvency and Bankruptcy Code, 2016.



## **5. Submission by the Ld. Counsel for the Corporate Debtor**

- a) The Applicant (Operational Creditor) has not approached this Hon'ble tribunal with clean hands and has materially suppressed the facts and concealed the documents deliberately in order to get the relief.
- b) The applicant is relying on various 'Purchase Orders' and 'Account Book' of the Operational Creditor but it has been concealed by the applicant that vide legal notice dated 13.09.2018, the applicant has already raised a dispute with the respondent (Corporate Debtor) pertaining to part of amount claimed in the petition.
- c) The respondent vide reply dated 03.10.2018. to the abovementioned legal notice specifically raised a dispute on the entire disputed amount of Rs. 33,86,782 (Thirty-Three Lacs Eighty-Six Thousand Seven Hundred Eighty-Two) and stated that the applicant has sent respondent the goods which are of inferior quality and therefore, the customers of the respondent have started returning it back to the respondent. Thereafter, the respondent made the complaint and requested the applicant to take back the goods of inferior quality to which the applicant assured the respondent to take back the same.
- d) It is submitted that the applicant has supplied goods to the respondent from May 2018 to August 2018 worth Rs. 44,46,041 (Forty-Four Lacs Forty-Six Thousand Forty-one) against which the respondent has already made the payment of Rs. 10,59,259 (Ten



Lacs Fifty-Nine Thousand Two Hundred Fifty-Nine) and the balance comes to Rs. 33,86,782 (Thirty-Three Lacs Eighty-Six Thousand Seven Hundred Eighty-Two).

- e) It is further submitted that the material which is lying stuck with the respondent worth Rs. 31,87,271 (Thirty-One Lacs Eighty-Seven Thousand Two Hundred and Seventy-One) is the one which is supposed to be taken back by the applicant being goods of inferior quality. Further, the respondent is ready and willing to pay the legally recoverable amount of Rs. 1,99,511 (One Lakh Ninety-Nine Thousand Five Hundred Eleven).
- f) It is further submitted on behalf of the Corporate Debtor that the applicant has also concealed that it has initiated the recovery proceedings via civil suit wherein the respondent had received two letters from 'New Delhi District Legal Services Authority' asking the respondent to appear before them and make his averments. Also, the applicant had already commenced the compulsory Pre-Litigation Mediation in a Commercial Recovery suit.
- g) The legal notice sent to the Corporate Debtor was defective as the same pertains to civil and criminal liability and not is in regard to the liability under the Insolvency and Bankruptcy Code.

### ***Analysis & Findings***

6. We have heard the Learned Counsels for the Operational Creditor and the Corporate Debtor, and further perused the averments made in the petition, reply filed by the Corporate Debtor and written submissions made by the Operational Creditor. Since the registered office of the



respondent Corporate Debtor is in Delhi, this Tribunal is having territorial jurisdiction as the Adjudicating Authority in relation to prayer for initiation of Corporate Insolvency Resolution Process (CIRP) under Section 9 of The Insolvency and Bankruptcy Code, 2016, against the Corporate Debtor. Further, the present petition is filed within the period of limitation.

7. It is observed that the 'Operational Creditor' had sent a demand notice dated 11.09.2019 to the 'Corporate Debtor' under Section 8 of The Insolvency and Bankruptcy Code, 2016 demanding payment of outstanding dues worth Rs. 34,18,857 (Thirty-Four Lacs Eighteen Thousand Eight Hundred Fifty-Seven). The instant application under Section 9 of the Code was filed on 13.01.2020. Therefore, the pecuniary threshold under section 4 of the Code is complied with.
8. In order to determine the admissibility of petition for initiating CIRP under Section 9 of the Code, the judgment of the Hon'ble Supreme Court in ***Mobilox Innovations (P) Ltd. v. Kirusa Software (P) Ltd., 2018*** is to be taken into consideration. The said judgment makes it clear that in order to initiate CIRP proceedings under Section 9 of the Code, the Adjudicating Authority has to determine:
  - a) Whether there is an 'Operational Debt' exceeding Rs. 1 Lakh (Rs.1 Crore, in case the petition is filed after 24.03.2020) as defined under Section 4 of the IBC?
  - b) Whether the documentary evidence furnished with the application shows that the aforesaid debt is due and payable and has not yet been paid?
  - c) Whether there is existence of a dispute between the parties or the record of the pendency of a suit or arbitration proceeding filed





before the receipt of the demand notice if the unpaid operational debt in relation to such dispute?

- 9.** In the first instance, to determine that whether the said amount claimed by the Operational Creditor would fall under the ambit of ‘Operational ‘Debt’, it is pertinent to refer the definition of ‘Operational Debt’ as mentioned under Section 5(21) of The Insolvency and Bankruptcy Code, 2016. Under the said Section, the ‘Operational Debt’ is defined as:

*“A claim in respect of the provision of goods or services including employment or a debt in respect of the payment of dues arising under any law for the time being in force and payable to the Central Government, any State Government or any local authority”.*

While analyzing the present facts in the light of said Section 5(21), it is observed that the petitioner supplied LED light products to the Corporate Debtor and the same has not been refuted by the Corporate Debtor. The petitioner further attached proof in support of his statement by enclosing true copies of the purchase orders, invoices and ledger account of the company. Hence, this Adjudicating Authority is inclined towards believing that the debt claimed by the petitioner comes under the purview of ‘Operational debt’ within the meaning of Section 5(21) of the Code.

- 10.** It is the contention of the Corporate Debtor that the goods supplied by the Operational Creditor are of inferior quality and therefore, the Corporate Debtor is ready and willing to return back the same but the said Operational Creditor is not taking back the goods and hence, the Corporate Debtor claims that there is no default on the part of the



Corporate Debtor. However, the Corporate Debtor has not furnished any evidence in support of his statement such as email communications or any other mode of communication to the Operational Creditor regarding the defective quality of goods. Further, the Corporate Debtor has not attached any document whereby the Corporate Debtor has requested the Operational Creditor to take back the same but the Operational Creditor refused to take back the goods.

**11.** Furthermore, the Operational Creditor has attached documents showing that there were cheques issued by the Corporate Debtor in order to discharge the liability of the operational Creditor and the same has been dishonored on account of the insufficiency of funds on the part of the Corporate Debtor. Hence, it is clear from the stated facts that there has been default on the part of the Corporate Debtor in discharging the liability against the Operational Creditor. Therefore, the Corporate Debtor has merely made averments with no substantial authenticity and hence, the claims of the Corporate Debtor seem frivolous to this Adjudicating Authority.

**12.** It is also submitted that the Corporate Debtor attempts to show that there is a pre-existing dispute between the parties which has arisen before the receipt of demand notice sent by the Operational Creditor to the Corporate Debtor. The Corporate Debtor claims that he has received the demand notice dated 11.09.2019, but the dispute has arisen prior to that. The Corporate Debtor further contends that the proceedings in this context are pending before the 'New Delhi District Legal services Authority' and that the said Authority has sent legal notices dated 27.07.2019 and 03.08.2019 to the Corporate Debtor to



appear and present his version before the said District Legal Services Authority, against the claim of the Operational Creditor.

**13.** On going through the letters dated 27.07.2019 and 03.08.2019, it is concluded that the letters are merely summons to the Corporate Debtor to appear and present his version of the case. However, the Corporate Debtor failed to submit before this Hon'ble Adjudicating Authority proof of any further step taken by the said District Legal Services Authority. Hence, considering the fact that no document as to pre-existing dispute has been placed on record before us by the Corporate Debtor and therefore, we are of the view that mere sending of legal notice by the New Delhi District Legal Services Authority cannot be considered as a proceeding. Further, it is neither a suit nor an arbitration proceeding as mentioned under Section 8(2) of the Code. We also opine that on the basis of records placed before us, any dispute as to quality of goods or amount of debt cannot be ascertained. Hence, we conclude that the question of 'Pre-Existing Dispute' is not established therewith.

**14.** It is also submitted that as per the requirement of Section 8(2)(a) of the Code, the Corporate Debtor is required to bring into notice of the Operational Creditor, the existence of any dispute within 10 days of the receipt of the demand notice. However, in the present case, no such reply to the demand notice dated 11.09.2019, has been placed on record before us. We are of the view that the Corporate Debtor has failed to furnish any proof in support of his statement so as to satisfy this Adjudicating Authority that the Corporate Debtor had brought into knowledge of the Operational Creditor about the existence of the dispute, within 10 days of the receipt of the demand notice.



**15.**At this juncture, this Adjudicating Authority deems it pertinent to mention that the Corporate Debtor is claiming without any supporting document, therefore, we are of the view that claims without any supporting documents are mere averments and cannot be taken into consideration. Therefore, for the abovementioned reasons, the claim of the Corporate Debtor is liable to be rejected.

**16.** In view of the above facts and circumstances, we are satisfied that the present petition filed by the Operational Creditor fulfils the criteria laid down under the provisions of the Insolvency and Bankruptcy, Code. The Petition establishes that the Corporate Debtor is in default of a debt due and payable and that the default is more than the minimum amount stipulated under section 4 (1) of the Code, stipulated at the relevant point of time. In the light of the above facts and circumstances, it is, hereby ordered as follows:-

- a) The application bearing **CP (IB) No. 334/ND/2020** filed by, **Supernova Tech Craft Engineering Overseas Limited**, the Operational Creditor, under Section 9 of the Code read with rule 6 of the Insolvency & Bankruptcy (Application to Adjudicating Authority) Rules, 2016 for initiating CIRP against **Valtrom Technologies Private Limited**, the Corporate Debtor, is **admitted**.
- b) The Applicant has not proposed the name of any IRP in Part-III of the application. Therefore, based on the list provided by the Insolvency and Bankruptcy Board of India (IBBI) vide its Letter No. IP-12011/1/2020-IBBI dated 30.12.2022 for January 01, 2023 to June 30, 2023 and as per the serial no. in the list, Mr. Satish



Kumar Chugh, Registration Number IBBI/IPA-003/IP-N00270/2020-2021/13196, Email: skchugh111@gmail.com, is hereby appointed as the Interim Resolution Professional (IRP) of the Corporate Debtor to carry out the functions as per the Code, subject to submission of a valid Authorization of Assignment in terms of regulation 7A of the Insolvency and Bankruptcy Board of India (Insolvency Professional) Regulations, 2016. It is pertinent to mention that the IRP has a valid AFA.

- c) We direct the applicant to deposit a sum of Rs. 2 lacs with the Interim Resolution Professional, namely Mr. Satish Kumar Chugh, to meet out the expense to perform the functions assigned to him in accordance with regulation 6 of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Person) Regulations, 2016. The needful shall be done within one week from the date of receipt of this order by the Operational Creditor. The amount, however, be subject to adjustment by the Committee of Creditors, as accounted for by Interim Resolution Professional, and shall be paid back to the Operational Creditor.
- d) We also declare moratorium in terms of Section 14 of the Code. The necessary consequences of imposing the moratorium flows from the provisions of Section 14 (1) (a), (b), (c) & (d) of the Code. Thus, the following prohibitions are imposed:

*(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 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.*

*(e) The IB Code 2016 also prohibits Suspension or termination of any license, permit, registration, quota, concession, clearances 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, 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, concessions, clearances or a similar grant or right during the moratorium period.*

- e) It is made clear that the provisions of moratorium shall not apply to transactions which might be notified by the Central Government or the supply of the essential goods or services to the Corporate Debtor as may be specified, are not to be terminated or suspended or interrupted during the moratorium period. In addition, as per the Insolvency and Bankruptcy Code (Amendment) Act, 2018 which has come into force w.e.f. 06.06.2018, the provisions of moratorium shall not apply to the surety in a contract of guarantee to the corporate debtor in terms of Section 14 (3) (b) of the Code.
- f) The Interim Resolution Professional shall perform all his functions contemplated, inter-alia, by Sections 15, 17, 18, 19, 20 & 21 of the Code and transact proceedings with utmost dedication, honesty and strictly in accordance with the provisions of the Code, Rules and Regulations. It is further made clear that all the personnel connected with the Corporate Debtor, its promoters or any other person associated with the Management of the Corporate Debtor are under legal obligation under Section 19 of the Code to extend every



assistance and cooperation to the Interim Resolution Professional as may be required by him in managing the day-to-day affairs of the 'Corporate Debtor'.

- g) In case there is any violation committed by the ex-management or any tainted/illegal transaction by ex-directors or anyone else, the Interim Resolution Professional would be at liberty to make appropriate application to this Tribunal with a prayer for passing an appropriate order. The Interim Resolution Professional shall be under duty to protect and preserve the value of the property of the 'Corporate Debtor' as a part of its obligation imposed by Section 20 of the Code and perform all his functions strictly in accordance with the provisions of the Code, Rules and Regulations.
- h) A copy of the order shall be communicated to the applicant, Corporate Debtor and IRP above named, by the Registry. In addition, a copy of the order shall also be forwarded to IBBI for its records. Applicant is also directed to provide a copy of the complete paper book to the IRP. A copy of this order is also sent to the ROC for updating the Master Data. ROC shall send compliance report to the Registrar, NCLT.

Let copy of the order be served to the parties.

**Sd/-**

**Dr. Binod kumar Sinha**  
**Member (Technical)**

**Sd/-**

**Shri P.S.N. Prasad**  
**Member (Judicial)**