

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

C.P. (IB) No.327/BB/2019

(Under Section 9 of the IBC, 2016)

R/w Rule 6 of I&B (AAA) Rules, 2016)

In the matter of:

M/s. Manipal Media Network Limited
Rep. by its Authorised Signatory
Mr. Rajesh Shetty
R/o.at Udayavani Building, Press Corner,
Manipal - 576 104

Also, at:

1st Floor, Kandur Mall, S.V.Patel Chowk,
Kalaburgi - 585 102

Petitioner/Operational Creditor

Versus

M/s. Vishwakshara Media Private Limited
No.915, Dhanush Plaza,
2nd Floor, Ideal Homes Township,
Rajarajeshwari Nagar,
Bengaluru - 560 098

Respondent/Corporate Debtor

Date of Order: 17.8.2021

Coram: 1. Hon'ble SHRI ASHOK KUMAR BORAH, MEMBER (JUDICIAL)

2. Hon'ble SHRI HEMANT KUMAR SARANGI, MEMBER (TECHNICAL)

Parties/Counsels Present: (through video conferencing)

For the Petitioner : Shri. Gautham Singh, Advocate

For the Respondent : None Present

ORDER

Per: Ashok Kumar Borah, Member (J)

1. C.P.(IB)No.327/BB/2019 has been filed by **M/s. Manipal Media Network Limited** (Petitioner/ Operational Creditor) Under

Section 9 of the IBC, 2016, R/w Rule 6 of MO (AAA) Rules, 2016, by inter-alia seeking to initiate Corporate Insolvency Resolution Process (CIRP) in respect of **M/s. Vishwakshara Media Private Limited** (Respondent/Corporate Debtor), on the ground that it has committed default for an amount of **Rs.39,52,469/- (Rupees Thirty-Nine Lakhs Fifty-Two Thousand Four Hundred and Sixty-Nine)** along with interest @ 18% p.a., since 12.11.2018.

2. Brief facts of the case, as mentioned in the Company Petition, are as follows:

(1) M/s. Manipal Media Network Limited (herein after referred to as Petitioner/ Operational Creditor) is engaged in the business of printing and publishing daily newspapers in Kannada viz., "UDAYAVANI" and its supplements.

(2) M/s. Vishwakshara Media Private Limited (hereinafter referred to as Respondent/Corporate Debtor) is a Private Limited incorporated on 23.09.2015 under the Companies Act, bearing CIN: U92120KA2015PTC082980. Its Authorised Share Capital is Rs.1, 00,000/ and Paid- up Capital is Rs.1, 00,000/-. It is engaged in the business of printing and taking up job works in Printing.

(3) It is stated that the Corporate Debtor sub-contracted the printing of "VISHWAVANI" daily, and its supplement to the Petitioner in pursuant to a daily executed agreement dated 4th December, 2015 ("Printing Agreement"). Pursuant to Clause 7

of the printing Agreement, the Operational Creditor charged fees based on the number of copies printed and other relevant considerations. Further, pursuant to Clause 8 of the Printing Agreement, the Operational Creditor agreed to raise bills on the Corporate Debtor on a fortnightly basis and the Corporate Debtor agreed to make payment of the same within 15 days of receipt of the bill.

(4) It is stated that the Petitioner carried on the job, as per the agreement, and raised the invoice accordingly. The Petitioner continuously followed up for the same but the Corporate Debtor assured to clear the payment but never acted upon it. The Corporate Debtor fails to comply the terms of the agreement and defaulted in payment of an unpaid operational debt to the amount of Rs.39,52,469/ - and interest @ 18% p.a. thereon till realization within the stipulated period of 10 days, after having received notice from the Petitioner dated 23rd April, 2019 under Section 8 of the Code. It is stated that the Corporate Debtor has paid its last payment on 1st August 2018 and remaining amount is not paid till date. Apart from the Bank Account, there is no other Bank Account wherein any deposits are made, or credits are received by Petitioner in respect of the debt received from the Corporate Debtor.

(5) It is clear that despite repeated commitment and assurance given by the Corporate Debtor to the Petitioner, the Corporate Debtor is unable to pay its operational debts and therefore, liable to be wound up/liquidated in accordance with law.

3. The instant Company Petition is opposed by the Respondent /Corporate Debtor by way of filing Statement of Objections dated 26.11.2019, by inter alia contending as follows:

(1) The Petition is not maintainable either at law or on facts of the case. The Operational Creditor has totally misled by filing the Petition in order to make wrongful gain as there is no bonafide in the contentions of the Operational Creditor. The Operational Creditor has failed to submit true facts and made an imaginary claim against the Corporate Debtor. On the other hand, the Corporate Debtor is not liable to pay the claim made by the Operational Creditor and that the averments made in the Petition by the Operational Creditor is denied.

(2) It is stated that after entering into an Agreement dated 04.12.2015, the Corporate Debtor is the First Party and the Operational Creditor is the Second Party to the above Agreement. By virtue of the agreement, the Corporate Debtor has assigned

the work of printing of Vishwavani and its supplements. The terms and conditions stipulated in the agreement are part of the agreement. It was specifically agreed between the Operational Creditor and Corporate Debtor that the time slot allotted by the second party for printing of Vishwavani Newspaper was 10.30 PM to 02.00 AM at night. The supplements for the main section to be printed by the Second Party according to the printing time available at its disposal but subject to the condition that the respective supplement should be made available to the first party for distribution along with main Section of Vishwavani as the case may be. In para 6 of the agreement. The details of consumption of news print, waste generating during the point or arising out of transportation etc., are as per specification provided by the first party the second party would also provide all certificates related to printing of Vishwavani and its supplements to the first party to submit before the Authorities. The overall news print percentage should be between 5 to 6 percent and the print wastage should not exceed 4 percent. If there is any deviation in print, wastage percentage, second party/ Operational Creditor has to compensate the cost of news print on monthly basis. But the Operational Creditor has shown 19% as wastage contrary to the agreement. Thereby, the Petitioner claimed exorbitant contrary

to the terms of agreement. As such beyond 4% of the print shall be borne by the Operational Creditor. In this regard, the Corporate Debtor sent email dated 28.09.2016 and 05.10.2016 to the Operational Creditor. Since the Operational Creditor has failed to reply, the Corporate Debtor has again sent emails dated 22.05.2017, 02.07.2018 and 09.08.2018. But the Operational Creditor has failed to give reply to the Corporate Debtor. Hence the Corporate Debtor has intimated by email dated 28.09.2018 stating that in spite of several requests, the Operational Creditor has failed to furnish the details of wastage, sale details etc., even after lapse of more than 30 months. It was also informed that the Operational Creditor has charged more than Rupees 20,00,000/- and unless clarification and documents are produced to that effect, the Corporate Debtor is not in a position to process the claim made by the Operational Creditor. Without furnishing the details, the Petitioner has been claiming exorbitant amount by way of wastages and issued demand notice and harassing it.

(3) As per the Agreement dated 04.12.2015, the Minimum number of chargeable copies of Vishwavani for each day is 10,000. On the other hand. the Operational Creditor supplied only 4000 copies contrary to the agreement. The Operational Creditor illegally claimed printing charges for

10,000 copies without supply of 10,000 copies per day. Thereby the Corporate Debtor has made excess payment for 6,000 copies per day. The Operational Creditor did not print and supply the daily newspaper, Vishwavani and its supplements for 16 days, as shown in the chart. The chart also states the loss suffered by the Corporate Debtor.

Year and month	Dates	Place of publication	Amount of Loss
2018 January	18, 19, 20, 21, 22, 27, 28, 29, 30 and 31	Hubli Edition	Rs.5,95,500
2018 February	6 and 7	Mangalore Edition	Rs.1,68,500
2018 February	1 and 2	Hubli Edition	Rs.1,08,000/-
2018 April	22 and 23	Hubli Edition	Rs.1,05,000/-
		Total	Rs.9,77,000/-

(4) In view of the same the Corporate Debtor has suffered a loss of Rs.9,77,000/- as the advertisement were not published in the newspaper. Further the Agreement contains arbitration Clause at para-No.24, wherein it specifically says that "Any dispute and/or difference arising out of or in relation to this Agreement, it shall be referred to Arbitrator in accordance with the Arbitration and Conciliation Act, 1996". In the circumstances, the claim in question is not only bonafide but it was filed suppressing material information and thus the petition is liable to be dismissed with exemplary costs.

4. After hearing both sides, this Tribunal vide order dated 16.12.2019 dismissed the Application passing the following order: -

*"For the aforesaid reasons and circumstances, and the law on the issue, we are of the considered opinion that **the Petitioner has failed to make out any case so as to initiate CIRP as prayed for and thus, it is liable to be dismissed.***

*In the result, C.P.(IB)No.327/BB/2019 is hereby dismissed. **However, this order would not preclude the parties to settle the issue in question, and invoke any other remedy available under any other law. No order as to costs.***

5. Being aggrieved by the order of the Adjudicating Authority dated 16.12.2019, the Applicant/Operational Creditor, **M/s. Manipal Media Network Limited** preferred an appeal before the Hon'ble National Company Law Appellate Tribunal (NCLAT). The Hon'ble NCLAT vide order dated 21.06.2021 set aside the order of the Adjudicating Authority and passed the following order: -

*"Thus, Appellant's application under Section 9 of IBC satisfies all the ingredients as laid down in law. The same deserves to be admitted. Therefore, the appeal succeeds and the Impugned order dated 16/12/2019 is set aside. The matter is remitted back to the Adjudicating Authority. **The Adjudicating Authority will admit the application (unless parties settle dispute before such Order), and pass further consequential directions as per provisions of IBC.**"*

6. Hence, this matter is placed before us for further consideration. On 23.07.2021 the application was listed for further proceedings. Learned counsel for the Operational Creditor appeared before us through video conferencing and stated that Hon'ble NCLAT allowed the appeal preferred by the Applicant and directed the Adjudicating Authority to admit the application, unless the parties settle the dispute before passing the order by the Adjudicating Authority.
7. The Corporate Debtor has neither appeared or represented before this Tribunal nor filed any settlement agreement. The Applicant stated that the Corporate Debtor has not come forward for settlement of the matter. Since, no efforts were taken by the parties to settle the disputes, this bench is to admit the Application **C.P.**



(IB)No.327/BB/2019 complying with the direction of the Hon'ble NCLAT.

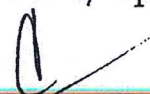
8. Vide order dated 23.07.2021 the applicant was directed to suggest the name of an Insolvency Resolution Professional's (IRP), learned counsel for the applicant agreed to file fresh Form 2 obtaining the consent of a new Insolvency Professional from the panel of IPs for the period from 01.07.2021 to 31.12.2021 for Bengaluru Bench. However, he has not filed the same. Hence, we have taken a name from the panel of IPs for appointment as IRP.
9. As a consequence, **C.P.(IB)No.327/BB/2019** is **admitted** in terms of Section 9(5) of IBC, 2016 and moratorium as envisaged under the provisions of Section 14(1) and as extracted hereunder shall follow in relation to the Corporate Debtor prohibiting all of the following:
 - 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 off 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;
 - 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.
10. It is further directed that the services to the corporate-debtor, if continuing, shall not be terminated or suspended or interrupted during moratorium period. The moratorium shall however not apply

to such transactions as may be notified by the Central Government in consultation with any financial regulator and to a surety in a contract of guarantee to a corporate debtor.

- a) The order of moratorium shall have effect from 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.
- b) That the public announcement of the Corporate Insolvency Resolution Process shall be made immediately as specified under Section 13 of IBC.

11. Since the Applicant/Operational Creditor has not suggested the name of IRP, this Bench taken the name of IRP from the panel of IPs for the period from 01.07.2021 to 31.12.2021 for Bengaluru Bench and appoints **Mr. Addanki Haresh** Insolvency Resolution Professional having **Registration No: IBBI/IPA-0001/IP-P01064/2017-18/11757**, office at **36/1, 2nd Floor, Munivenkatappa Complex, Bellary Road, Ganganagar, Bangalore, Karnataka - 560032** [e-mail id **-addanki.haresh@gmail.com**] as the Interim Resolution Professional (IRP) to carry out the functions as mentioned under the Insolvency and Bankruptcy Code, 2016. The fee payable to the Interim Resolution Professional (IRP) shall be in accordance with the Insolvency and Bankruptcy Board of India (IBBI) Regulations/ Circulars/ Directions issued in this regard.

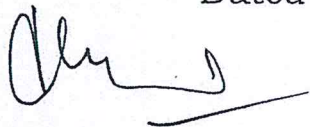
12. That this Bench also directs for an advance payment of **Rs.2,00,000 (Rupees Two Lakhs only)** to be paid by the Applicant/Operational



Creditor to the Interim Resolution Professional (IRP) immediately to initiate the process which shall be adjusted towards the fee and expenses payable to the Interim Resolution Professional (IRP).

13. The Registry is directed to immediately communicate this order to the Operational Creditor, the Corporate Debtor and the Interim Resolution Professional.

Dated this the 17th day of August, 2021



(Hemant Kumar Sarangi)
Member (Technical)



(Ashok Kumar Borah)
Member (Judicial)

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

IA NO.201/2021

in

CP (IB) 05/BB/2021

(Under Section 33(2) of the IBC, 2016)

In the matter of:

M/s. MITRA TRADING AND EXPORTS PRIVATE LIMITED

V.

M/s. MTM TRADING PRIVATE LIMITED

Date of Order: 17.08.2021

Coram:

Hon'ble SHRI ASHOK KUMAR BORAH, MEMBER (JUDICIAL)

Hon'ble SHRI HEMANT KUMAR SARANGI, MEMBER (TECHNICAL)

Parties/Counsels Present:

... Mr. Joby Chacko

(Resolution Professional)

1. This Application has been filed under Section 33(2) of the I&B Code, 2016 by Mr. Joby Chacko Resolution Professional in the matter of M/s. MITRA TRADING AND EXPORTS PRIVATE LIMITED Versus M/s. MTM TRADING PRIVATE LIMITED for initiation of Liquidation Process of the Corporate Debtor and to appoint the Resolution Professional as the Liquidator of the Corporate Debtor.

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2. The brief facts are: -

The Tribunal vide order dated 09.03.2021, admitted the application filed by the financial creditor M/s. MITRA TRADING AND EXPORTS PRIVATE LIMITED and initiated Corporate Insolvency Resolution Process (CIRP) and appointed the Applicant, herein as the Interim Resolution Professional to carry out the CIR Process. The Applicant published a public Announcement in Newspapers in Form A and verified the claims received and also formed the Committee of Creditors (CoC).

3. It is also stated that the CoC consisting only one member M/s. Mitra Trading and Exports Private Limited in its 1st meeting appointed the Applicant herein as the Resolution Professional. The Committee of creditors intends to go for Liquidation. The committee has considered the Audited Balance sheet for the FY ending 31.03.2020 and the provisional balance sheet as on 09.03.2021 and the total value of assets available with the company as per the Audited Balance sheet is Rs.25,73,49,082 (Rupees Twenty-Five Crores Seventy-Three Lakhs Forty-Nine Thousand and Eighty-Two Only) as against the liability of Rs.113,11,77351 (Rupees One Hundred and Thirteen Crores Eleven Lakhs Seventy-Seven Thousand Three Hundred and Fifty-One Only). The major asset (Rs.24,81,60,000/-) available with the company is an investment in equity shares in Khandepar Investments Private Limited (KIPL) and its holding constitute



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only 8.75% of the paid-up capital of KIPL. The Corporate Debtor was not doing any business for the last two years and the company does not have any employees. The Committee of Creditors is of the opinion that, there is no way in which the company can be revived. Hence, they are of the opinion to liquidate the Company.

4. It is further stated that applicant appointed registered valuers for determination of fair and Liquidation value of Corporate Debtor. Accordingly, the valuers had submitted their reports, as under: -

Valuation	Valuer 1. (In INR)	Valuer 2. (In INR)
Fair Value	24, 17, 94, 218	23, 70, 22, 913
Liquidation value	14, 66, 52, 933	14, 37, 90, 151

5. It is further stated that, the value of assets is too less to meet the liabilities and also company does not have any kind of assets which can fetch any business and hence cannot expect any possibility of a Resolution Plan. The Liabilities of the Company is Rs.113, 22, 23, 551 (Rupees One Hundred and Thirteen Crore Twenty-Two Lakhs Twenty-Three Thousand Five Hundred and Fifty-One Only) as per the Balance sheet for the financial year ending 31.03.2020 and the liquidation value of the total assets available is Rs.14, 5221.542/- (Rupees Fourteen Crore Fifty-Two Lakhs Twenty-One Thousand Five Hundred and Forty-Two Only).






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Therefore, the Committee of Creditors consisting of sole member, ie, M/s Mitra Trading & Exports Private Limited at the meeting held on 28.06.2021 has decided to liquidate the Corporate Debtor and passed the Resolution with 100% voting right to initiate liquidation against the Corporate Debtor and decided to appoint the Applicant herein as the liquidator of the Corporate Debtor.

6. We have heard the learned counsel for the Applicant, through video conferencing and had gone through the records placed before this Tribunal. It appears from the record that there is only one member in CoC who had approved the liquidation of Corporate Debtor with 100% voting right. We have gone through the minutes of the meeting of the Committee of Creditors held on 28.06.2021 in which as item No.8 the following resolution has been passed: -

"RESOLVED THAT pursuant to the provisions of Section 33(2) of the Insolvency and Bankruptcy Code, 2016 and Regulations made thereunder, the consent of the Committee of Creditors be and is hereby accorded to liquidate the Corporate Debtor in view of the fact that, the liability of the company is much greater than the available assets and the company is not doing any business for the last two years and neither have any employees or customers hence no prospect for revival of its business"

"Resolved further that the Committee of Creditors recommended appointment of Mr. Joby Chacko, Insolvency Professional having IBBI Registration Number IBBI/IPA-001/IP P01372/2018-19/12300 as the



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liquidator who has given his consent to carry out the Liquidation Process of the Corporate Debtor. ”

7. Section 33 (2) of the I&B Code, 2016 empowers this Tribunal for ordering Liquidation of the Corporate Debtor. Section 33 (2) of the I&B Code, 2016 is as under: -

“(2) Where the resolution professional, at any time during the corporate insolvency resolution process but before confirmation of resolution plan, intimates the Adjudicating Authority of the decision of the Committee of Creditors approved by not less than sixty-six percent of the voting share to liquidate the corporate debtor, the Adjudicating Authority shall pass a liquidation order as referred to in sub-clauses (i), (ii) and (iii) of clause (b) of sub-section (1) ”

8. In view of the aforesaid provision, the following order is passed: -

O R D E R

- (i) M/s. MTM TRADING PRIVATE LIMITED is hereby put under liquidation with immediate effect under Section 33 (1) of I&B Code, 2016.
- (ii) Shri. Joby Chacko, with Registration No. IBBI/IPA-001/IP-P01372/2018-2019/12300, having address 1002, 10th Floor, #30, Prestige Meridian II M.G Road Bengaluru - 560001 is appointed as the Liquidator of the Corporate Debtor subject to submission of written consent under Section 34 (1) of the I&B Code, 2016 in the prescribed form within a week from the date of receipt of this order.
- (iii) The Liquidator is directed to adhere to Section 33(1) (ii) & (iii) and discharge his powers and duties as specified under Section 35 to 41 of IBC, 2016 and



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meticulously adhere to the Rules and Regulations issued by IBBI in this regard from time to time.

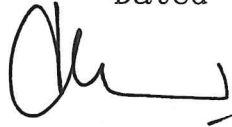
- (iv) The Liquidator shall initiate the liquidation process as envisaged under Chapter-II of the Code and the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016;
- (v) Whenever the Liquidator issues any publication in the newspapers, the said shall be published in widely circulated newspapers in the State in which the Registered Office of the Company is incorporated.
- (vi) Public Notice shall be issued in two newspapers, viz., one in English and another in Kannada language, stating that the Corporate Debtor is in liquidation, as required in terms of Section 33(1) of the Code;
- (vii) All the powers of the Board of Directors and the key managerial persons of the Corporate Debtor shall cease to exist. All these powers shall henceforth be vested with the Liquidator.
- (viii) The personnel of the Corporate Debtor are directed to extend all co-operation to the Liquidator as required by him in managing the liquidation process of the Corporate Debtor.
- (ix) On initiation of the liquidation process but subject to Section 52 of the Code, no suit or other legal proceeding shall be instituted by or against the Corporate Debtor save and except the liberty to the liquidator to institute suit or other legal proceedings on behalf of the Corporate Debtor with prior approval of this Adjudicating Authority, as provided in Section 33(5) of the Code read with its proviso.



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- (x) This liquidation order shall be deemed to be a notice of discharge to the officers, employees and workmen of the Corporate Debtor except to the extent of the business of the Corporate Debtor continued during the liquidation process by the Liquidator.
- (xi) The Deputy Registrar/Court Officer shall forward a copy of this Order to i) the Liquidator and (ii) the Registrar of Companies, Karnataka, immediately upon pronouncement of this Order; for updating the Master Data of the Corporate Debtor.
- (xii) The fee payable to the Liquidator shall be in compliance with Regulation 4 of IBBI (Liquidation Process) Regulations, 2016.

Dated this the 17th day of August 2021



(Hemant Kumar Sarangi)
Member (Technical)



(Ashok Kumar Borah)
Member (Judicial)

IN THE NATIONAL COMPANY LAW TRIBUNAL
BENGALURU BENCH

ITEM No.01
I.A.No.251/2021 in
C.P.(IB)No.122/BB/2020

IN THE MATTER OF:

M/s. Bluewater Foods & Exports Pvt. Ltd. ... Petitioner
v.

Order Under Section 10 of Insolvency & Bankruptcy Code (CIRP)

Order delivered on 17.08.2021

CORAM:

SH. BHASKARA PANTULA MOHAN
HON. ACTG. PRESIDENT

SH. HEMANT KUMAR SARANGI
HON'BLE MEMBER (TECHNICAL)

PRESENT:

For the Applicant in
I.A.No.251/2021 : Shri Arun Srikumar
For the Liquidator : Shri Raghuram Cadambi

ORDER

Heard Shri Arun Srikumar, learned Counsel for the Applicant in I.A.No.251/2021 and Shri Raghuram Cadambi, learned Counsel for the Liquidator, through Video Conference.

Post the case on **11.09.2021.**

(BHASKARA PANTULA MOHAN)
ACTG. PRESIDENT

(HEMANT KUMAR SARANGI)
MEMBER (TECHNICAL)