

**NATIONAL COMPANY LAW TRIBUNAL  
HYDERABAD BENCH**

**PRESENT: HON'BLE SHRI RATAKONDA MURALI- MEMBER JUDICIAL**

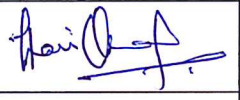
**ATTENDANCE-CUM-ORDER SHEET OF THE HEARING HELD ON 28.03.2019 AT 10.30 AM**

TRANSFER PETITION NO.	
COMPANY PETITION/APPLICATION NO.	CP(IB) No.181/7/HDB/2019
NAME OF THE COMPANY	IRIS Electro Optics Pvt Ltd
NAME OF THE PETITIONER(S)	Laxmi kanth Rao Thota
NAME OF THE RESPONDENT(S)	IRIS Electro Optics Pvt Ltd
UNDER SECTION	7 of IBC

**Counsel for Petitioner(s):**

Name of the Counsel(s)	Designation	E-mail & Telephone No.	Signature

**Counsel for Respondent(s):**

Name of the Counsel(s)	Designation	E-mail & Telephone No.	Signature
V. Ravi Kumar	Adv. Counsel for Corporate Affairs	9963067404	

ORDER

Orders pronounced vide separate orders.

CP admitted.



Member(Judl)

Pavani

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

CP (IB) No. 181/7/HDB/2018  
U/s 7 of IBC, 2016  
R/w Rule 4 of I & B (AAA) Rules, 2016

In the matter of:

Laxmi Kantha Rao Thota,

**Address:**

R/o :88, Maple Town, Sun City,  
Bandlaguda Jagir, Rajendra Nagar,  
K.V. Ranga Reddy, Hyderabad- 86

**...Petitioner/Financial Creditor**

**VERSUS**

M/s. IRIS Electro Optics Private Limited,

**Registered Office:**

Flat No: 201, S R Sai Residency,  
55 & 56 Hastinapuri, Sainikpuri,  
Hyderabad- 500094.

**...Corporate Debtor/Respondent**

**Date of order: 28.3.2019**

**Coram:**

Hon'ble Shri RatakondaMurali, Member (Judicial)

**Parties / counsels present:**

For the Petitioner: Shri.V.K.Sajith, Advocate.

For the Respondent: Shri V.Ravi Kumar, Advocate.

**Per: Hon'ble Shri RatakondaMurali, Member (Judicial)**

Heard on:20.03.2019

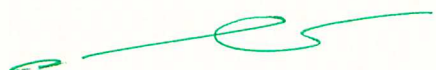



## ORDER

1. This petition is filed by Laxmi Kantha Rao Thota is the Financial Creditor, stating that M/s. IRIS Electro Optics Private Limited, the Corporate Debtor had defaulted in repaying a sum of Rs.86,83,220/-. Hence this petition is filed under Section 7 of Insolvency and Bankruptcy Code, 2016, R/w Rule 4 of Insolvency & Bankruptcy (Application to the Adjudicating Authority) Rules, 2016, seeking admission of the Petition, initiation of Corporate Insolvency Resolution Process, granting moratorium and appointment of Interim Resolution Professional as prescribed under the Code and Rules thereon.
  
2. The averments of the petition filed by the Petitioner/Financial Creditor in brief :
  - a. The Corporate Debtor and Financial Creditor entered in to Loan Agreements on different dates i.e on 30.03.2018 for loan amount of Rs. 45,59,889, on 30.03.2018 for loan amount of Rs. 4,37,050/-, and on 31.07.2018 for loan amount of Rs. 13,00,886/-.
  - b. The Financial Creditor served several notices on the Corporate Debtor for repayment of loans as per the agreed terms. But the Corporate Debtor failed to pay the loans and committed default.
  - c. The Corporate Debtor has failed to make the payment till date and all payments due remain outstanding as on date and the Corporate Debtor is in continuing default of the amounts due.
  
3. The Corporate Debtor filed reply/objections and stated that:
  - a. It is averred that the Corporate Debtor is not disputing the outstanding Financial Debt of Rs.62,97,825/- which was due to the Financial Creditor.




- b. It is averred that it is true that the Corporate Debtor and the Financial Creditor entered in to Loan Agreements which was stated by the Financial Creditor in the Application.
  - c. It is averred that the Corporate Debtor is facing financial crunches from last couple of months due to a very bad phase in terms of cash flow. It is unable to remit the debt amount which was owned to the Financial Creditor.
  - d. It is averred that the Corporate Debtor is having many orders in hand the same is aware of by the Financial Creditor.
  - e. It is averred that the Corporate Debtor is not in a position to clear any dues to its creditors including the present Financial Creditor also because of huge loss and bad phase in terms of cash flows since last couple of months.
  - f. It is averred that the Company is not having assets and not in a position to repay the due amount to the creditors.
4. I have heard the Counsels for the Financial Creditor/Petitioner and the Corporate Debtor.
  5. The Petition is filed under Section 7 of I&B Code, 2016. Petitioner/Financial Creditor has to establish the debt and default. The petitioner relied on various documents to establish debt and also default. The corporate debtor entered in to loan agreements on different dates with Financial Creditor. This fact is admitted by the corporate debtor. Further corporate debtor admitted default in repaying the loan as per terms of the agreements. The notices were also issued by the Financial Creditor to the corporate debtor to make payments. However, corporate debtor failed to make payments.
  6. It is admitted fact that the Financial Creditor sanctioned the loan and the Corporate failed to repay as per the terms of the Loan Agreement. In effect the Corporate Debtor admitted the default. The Financial Creditor is no way responsible for happening of certain events. Thus, there is no valid objection raised for admission of the Petition.



7. Corporate debtor contended that default occurred due to various reasons. The company is likely to revive its business. This is not a ground on which the petition can be rejected. Further the corporate debtor admitted default. The Financial Creditor suggested the name of IRP and there is no complaint against proposed IRP. The petition is in order. Therefore the petition is fit for admission.
  8. The Financial creditor has suggested the name of IRP who has given consent in FORM 2 and there is no disciplinary proceedings pending against present IRP.
  9. Hence, the Adjudicating Authority admits this Petition under Section 7 of IBC, 2016, declaring moratorium for the purposes referred to in Section 14 of the Code, with following directions:-
    - (a) The Bench hereby prohibits 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; Transferring , encumbering, alienating or disposing of by the Corporate Debtor any of its assets or any legal right or beneficial interest therein; any action to foreclose, recover or enforce any security interest created by the Corporate Debtor in respect of its property including any action under Securitization and Reconstruction of Financial Assets and Enforcement of Security interest Act, 2002 (54 of 2002); the recovery of any property by an owner or lessor where such property is occupied by or in possession of the corporate Debtor;
    - (b) 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.
    - (c) 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.
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- (d) That the order of moratorium shall have effect from 28.03.2019 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, whichever is earlier.
- (e) That the Public announcement of Corporate Insolvency Resolution Process shall be made immediately as specified under section 13 of the code.
- (f) That this Bench hereby appoints Mr. Chakravarthi Srinivasan, Registration No.1-4-211/42/1, Pradhamapuri Colony, Sainikpuri, Hyderabad- 500062 as Interim Resolution Professional to carry the functions as mentioned under the Insolvency & Bankruptcy Code.

Accordingly, this Petition is admitted.

  
28.3.19.  
**RATAKONDA MURALI**  
**MEMBER (JUDICIAL)**

VISWARAJ