

**NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH**

SINGLE BENCH (URGENT HEARINGS THROUGH VEDIO CONFERENCE)

PRESENT: HON'BLE SHRI RATAKONDA MURALI- MEMBER JUDICIAL
ATTENDANCE-CUM-ORDER SHEET OF THE HEARING HELD ON 13.08.2020 AT 10.30 AM

4

TRANSFER PETITION NO.	
COMPANY PETITION/APPLICATION NO.	IA No. 448/2020 in CP (IB) No. 443/9/HDB/2019
NAME OF THE COMPANY	Zentora Overseas Careers Pvt Ltd
NAME OF THE PETITIONER(S)	Walsons Services Pvt Ltd
NAME OF THE RESPONDENT(S)	Zentora Overseas Careers Pvt Ltd
UNDER SECTION	9 of IBC

Counsel for Petitioner(s):

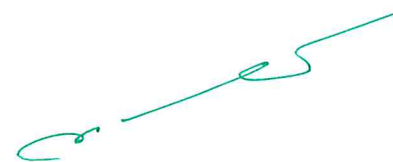
Name of the Counsel(s)	Designation	E-mail & Telephone No.	Signature

Counsel for Respondent(s):

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

ORDER

IA No.448 of 2020 is listed today for orders. Counsel for the Resolution Professional is connected through videoconference. Counsel for the ex-management is connected through videoconference. Counsel for the respondent is connected through videoconference. Order is passed vide separate order.



**MEMBER
(JUDICIAL)**

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**NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH-1**

**IA No. 448/2020
In
CP (IB) No. 443/9/HDB/2019**

*Application under Section 19(2) of IBC, 2016, R/w Regulation 30 of
IBBI (IRPCP), 2016*

**IN THE MATTER OF
M/S SENTORA OVERSEAS CAREERS PRIVATE LIMITED**

Mr. Sridhar Venkataraya Sundararaja
Interim Resolution Professional
For M/s Zentora Overseas Career Pvt Ltd ...Applicant

VERSUS

1. Mr. Singireddy Bharat Reddy
R/o 17-1-473/28, Krishna Nagar Colony
Saidabad, Hyderabad – 500059
2. Ms. Shubhi Shah
R/o 7-1-62/A/104, Flat No. 104
Shiva Apartment, Dharam Karam Road
Opp: Chella Hospital Lane, Ameerpet
Hyderabad – 500016
3. Mr. Saipooja Shukla
7-1-396/4/A/1, Balkampet,
Near Venkateswara Temple, S.R. Nagar
Hyderabad – 500038
4. Mr. Karthik Mallaram
R/o Plot No.23, Madhupala Enclave
Near Centre Point Hotel, Behind BHEI Enclave
Tadbund, Tirmulgherry
Manovikasnagar, Hyderabad - 500009 Respondents

Date of order: 13.08.2020

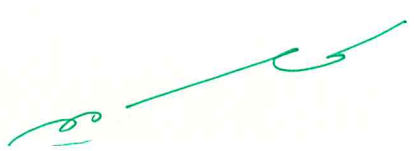
Coram:

Hon'ble Shri Ratakonda Murali, Member (Judicial)

Appearance:

For Applicant: Ms. JVL Bharati, Advocate

For Respondents: Shri Diwakar, Advocate



Heard on: 06.08.2020

ORDER


1. This is an Application filed under Section 19(2) of Insolvency & Bankruptcy Code, 2016 ("CODE") by Resolution Professional for M/s Zentora Overseas Careers Private Limited, Applicant herein, seeking directions to Respondents 1-4 to extend co-operation to the Interim Resolution professional and hand over the custody of records of the Corporate Debtor.
2. The averments germane to the application in brief:-
 - 2.1 That this Tribunal admitted the petition filed under Section 7 of the Code by M/s Walsons Services Private Limited/Financial Creditor on 02.03.2020 and Corporate Insolvency Resolution Process (CIRP) commenced against Corporate Debtor/ M/s Zentora Overseas Careers Private Limited on 02.03.2020 by appointing Mr. Sridhar Venkatraya Sundararaja as Interim Resolution Professional (IRP).
 - 2.2 After assuming charge of IRP, the Applicant herein visited the registered office of Corporate Debtor and found that the premises was occupied by another entity by name "careeroverseas.com". The Applicant met Respondents No.1 who is the ex-Director and handed over the admission order, which was acknowledged by him. However, it was informed to the Applicant herein that the Corporate Debtor / M/s Zentora Overseas Careers Private Limited did not exist in that address and IRP was served a legal notice for trespassing.
 - 2.3 The Applicant submits that the custody of assets, accounting records are yet to be handed over by Respondents 1-4 who are the Directors (Suspended Board) to the Applicant and that they are not co-operating in the Resolution Process and sought directions to Respondents 1-4 to extend co-operation to the Applicant.
3. Counter is filed by Respondent No.3 and contends that the Application is devoid of merits and not maintainable. It is further contended that the Applicant visited the registered office of the Corporate Debtor and obtained all the details

required by the IRP and Respondent No.3 directed the department concerned of the Corporate Debtor to arrange for the documents as required by the IRP. It is the case of Respondent No.3 that by virtue of lockdown imposed by Central Government, Respondent No.3 has left to his native place along with his family. Further, due to rise in Covid-19 pandemic cases, Respondent No.3 is unable to appear before IRP. It is also his case that an appeal bearing Diary No. 2444/2020 dated 13.7.2020 has been preferred to Hon'ble NCLAT seeking stay of the admission order.

4. I heard the Learned Counsel for the IRP and IRP and also the Counsel for Respondents through video conference at length. Section 19 of the Code casts an obligation on the Ex-Directors of the Corporate Debtor, its promoter or any other person associated with the ex-Management including Ex-Directors to extend all assistance and co-operation to the Interim Resolution Professional/ Resolution Professional as may be required by him in managing the affairs of the Corporate Debtor. Section 19 (2) of the Code then empowers the Resolution Professional to file appropriate application before the Adjudicating Authority to seek necessary directions and the Adjudicating Authority can issue direction to such defaulting personnel of Ex-Management. Section 19 of the Code is set out below for ready reference:-

19. (1) The personnel of the corporate debtor, its promoters or any other person associated with the management of the corporate debtor shall extend all assistance and cooperation to the interim resolution professional as may be required by him in managing the affairs of the corporate debtor.

(2) Where any personnel of the corporate debtor, its promoter or any other person required to assist or cooperate with the interim resolution professional does not assist or cooperate, the interim resolution professional may make an application to the Adjudicating Authority for necessary directions.



(3) The Adjudicating Authority, on receiving an application under sub-section (2), shall by an order, direct such personnel or other person to comply with the instructions of the resolution professional and to cooperate with him in collection of information and management of the corporate debtor.

5. The aforesaid provision makes it abundantly clear that Ex-Management like Respondents 1 to 4 must furnish information and extend all assistance to the IRP as required by him in managing the affairs of the Corporate Debtor and enabling the Interim Resolution Professional to complete the CIRP expeditiously. The attempt to escape from furnishing of information is wholly against the letter and spirit of the provisions of the Code.
6. As seen from the records the appeal preferred by Respondents is not yet registered with Hon'ble NCLAT and no stay is granted yet. Till such time a decision is taken by Hon'ble NCLAT, resolution process has to continue and Directors (Suspended Board) has to extend their co-operation to the IRP.
7. In the light of above facts, I am of the considered view that the Application in question deserves favourable consideration. Respondents 1 to 4 are directed to cooperate and divulge necessary information and make available all the records as sought for by the Applicant immediately.
8. With the above directions, this IA is disposed of.


13.8.2020
(Ratakonda Murali)
Member (Judicial)