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**NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH**

**PRESENT: HON'BLE SHRI RATAKONDA MURALI- MEMBER JUDICIAL
HON'BLE SHRI NARENDER KUMAR BHOLA- MEMBER TECHNICAL**

ATTENDANCE-CUM-ORDER SHEET OF THE HEARING HELD ON 04.10.2019 AT 10.30 AM

TRANSFER PETITION NO.	
COMPANY PETITION/APPLICATION NO.	CP(IB) No.429/9/HDB/2019
NAME OF THE COMPANY	NRN Broadcasting Network India Pvt Ltd
NAME OF THE PETITIONER(S)	Prophoenix Soft Pvt Ltd
NAME OF THE RESPONDENT(S)	NRN Broadcasting Network India Pvt Ltd
UNDER SECTION	9 of IBC

Counsel for Petitioner(s):

Name of the Counsel(s)	Designation	E-mail & Telephone No.	Signature
Sellil (Anas) Jha	Advocate	Cell: 984912 E: smeil@n	Sellil 24/10/19

Counsel for Respondent(s):

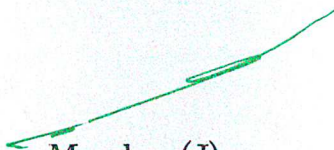
Name of the Counsel(s)	Designation	E-mail & Telephone No.	Signature

ORDER

Petition is admitted vide separate orders.


Member (T)

Binnu


Member (J)

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

CP (IB) No. 429/9/HDB/2019
U/s 9 of IBC, 2016
R/w Rule 6 of I & B (AAA) Rules, 2016

IN THE MATTER OF

M/s. NRN Broadcasting Network India Private Limited

M/s ProPhoenix Soft Pvt. Ltd,
G-10, Venus Blooming Dale, Nizampet
Hyderabad 500090
Telangana State.

...Applicant/
Operational Creditor

VERSUS

M/s NRN Broadcasting Network India Private Limited
Plot No 24, Phase III Kamalapuri Colony,
Banjarahills,
Hyderabad TG 500073

...Corporate Debtor/
Respondent

Date of order: 04.10.2019

Coram:

Hon'ble Shri Ratakonda Murali, Member (Judicial)

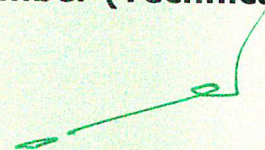
Hon'ble Shri Narender Kumar Bhola, Member (Technical)

Parties / counsels present:

For the Petitioner : Mr. Sunil Kumar. Jha, Counsel.

Per: Hon'ble Shri Narender Kumar Bhola, Member (Technical)





Heard on: 26.09.2019.

ORDER

1. The present Petition is filed by M/s.Prophoenix Soft Private Limited i.e Operational Creditor against Corporate Debtor i.e M/s.NRN Broadcasting Network India Private Limited stating that corporate debtor had defaulted in paying Rs. 11,09,796/- (Rupees Eleven Lakhs Nine Thousand Seven Hundred Ninety Six only). Hence this petition is filed under Section 9 of Insolvency and Bankruptcy Code, 2016, R/w Rule 6 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 brief averments stated in the Petition are that:
 - a. The corporate debtor i.e NRN Broadcasting Network India Private Limited requested for the supply of the IT Hardware Infrastructure by the operational creditor i.e prophoenix soft pvt. Ltd.
 - b. The operational creditor has supplied various hardware items to the corporate debtor on various dates, in accordance with the first Purchase order has been raised by the corporate debtor on 27-03-2018 for the various hardware (IT Infrastructure-Apple), the copy of Purchase order issued by the corporate debtor is annexed herewith as **Annexure A** to the application.

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- c. It is stated that on 29.03.2018 Operational Creditor has supplied the various hardware(IT Infrastructure - APPLE DESKTOPS) at best price of worth of Rs/- 6,98,560/- (Rs/- Six Lakhs Ninety eight Thousand Five Hundred sixty only) on 30 days credits facilities, to the corporate debtor as per the Purchase order issued by the corporate debtor. The copy of Purchase order is annexed herewith as **Annexure B** to the application.
- d. It is averred that on 24-04-2018 the corporate debtor has issued Amount Rs/-6,98,560/- (Rs/-Six Lakhs Ninety eight Thousand Five Hundred sixty only) by way of Cheque towards the materials supplied by the operational creditor.
- e. It is averred that on 27-03-2018 the corporate debtor has approached operational creditor for some additional requirement of IT Materials i.e. CCTV Camera-50 pieces and Biometric devices-10 pieces and has issued Purchase order for the Growth Of Rs. 2,75,554/-(Rs/-Two Lakhs Seventy Five Thousand Five Hundred Fifty Four Only) subsequently Dated on 29-03-2018 the operational creditor has supplied the above said materials to the Operational debtor.
- f. Thereafter in the same day i.e. 29-03-2018, the corporate debtor has once again placed an order for 3 pieces of Laptop but initially the operational creditor was agreed to delivered only one Laptop of worth Rs.1,35,000/-and same was delivered on 01-04-2018 for which the corporate debtor has issued posted cheque on 29-03-2018, all put together include installation charge an amount Rs.95,000/-the corporate debtor has issued posted dated cheque. The

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copy of the Purchase order is annexed herewith **Annexure C** to the application.

- g. It is averred that on 14-04-2018 Morning Hour got a call from the corporate Debtor in the most threatening manner that "if you deposit this cheque for the encashment then the rest of amount will not able to get from the corporate debtor" thereafter the operational creditor could not encash the cheque and naturally waited for the final call from the corporate debtor but after several attempts and numerous communication by operational creditor the amount of debt was not cleared.
- h. It is averred that Corporate debtor has given a false promise by written that all the due amount will be cleared before 15-12-2018 but not yet cleared any pending due amount to the Operational Creditor. Operational creditor had got severely affected owing to the amounts withheld by the corporate debtor by the operational creditor.
- i. Thus the total amount Claimed to be default from the corporate debtor is Rs. 11,09796/- (Rupees Eleven Lakhs Nine Thousand Seven Hundred Ninety Six only) along with interest at 24% p.a till the date of realisation is due and liable from M/s NRN Broadcasting Network India Private Limited and hence the petition is liable to be admitted.

3. The Operational Creditor filed Form-5. It is clear from the record that Operational Creditor sent Demand Notice in Form-3 to the corporate debtor to its address which is annexed to the petition as Annexure II at Pg No.14-21. Operational Creditor filed invoice copies at Pg No.120-126 to the petition. The Operational Creditor also filed copy of purchase orders issued by corporate debtor and the copy of cheques given by

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corporate debtor is also annexed to the petition. The Operational Creditor also filed copy of the Demand notice dated 06.05.2019 for payment of default amount along with postal receipts which is annexed to the petition at Pg No.14-24. Therefore, the petition is liable to be admitted.

4. We have heard the counsel for operational creditor. This Petition is filed by operational creditor under section 9 of I&B Code. Operational creditor filed Form-5 and furnished the information with regard to the operational debt which is committed default by corporate debtor.
5. The notice was served on the corporate debtor. Postal track record is filed through Memo. Learned counsel contended that corporate debtor has not replied or failed to defend. The claim is submitted within period of time prescribed under Limitation Act, 1963. Thus, the claim is within limitation. There is no representation or reply by the Corporate Debtor. Corporate debtor was served with notice before admission however, corporate debtor remained absent and it did not contest the claim.
6. In view of the above we are of the considered view that the operational creditor has been able to establish un disputed debt against corporate debtor and the corporate debtor has been in default with regard to the payment of dues to the operational creditor amounting to Rs.11,09,796/-. The Operational creditor is able to establish through documents that corporate debtor committed default of operational debt and there is no pre-existing dispute. Thus, this Petition is complete and is liable to be admitted.
7. The Operational Creditor proposes the name of Mr. Koteswara Rao Gutta, as Interim Resolution Professional. The proposed IRP has given written consent in Form-2. He has also certified there are no disciplinary proceedings pending against him either with the Board or ICAI. He has also attached the

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Certificate of Registration. Accordingly, this Tribunal appoints Mr. Koteswara Rao Gutta, having registration number IBBI/ IPA-003/ IP-N000129/ 2017-2018/11455, as Interim Resolution Professional.

8. Hence, the Adjudicating Authority admits this Petition under Section 9 of IBC, 2016, declaring moratorium for the purposes referred to in Section 14 of the Code, with following directions:-

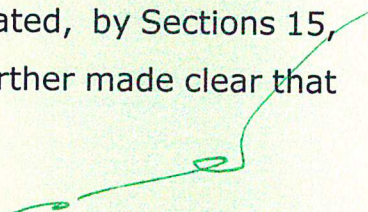
(1) The Bench hereby prohibits the institution of suits or continuation of pending suits or proceedings against the Corporate Debtor including execution of any judgment, decree or order in any court of law, Tribunal, arbitration panel or other authority; transferring , encumbering, alienating or disposing 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;

(2) 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.

(3) That the provisions of sub-section (1) of Section 14 of the code shall not apply to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.

(4) The Interim Resolution Professional shall perform all his functions strictly which are contemplated, by Sections 15, 17,18,19,20, and 21 of the Code. It if further made clear that

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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 affairs of the Corporate Debtor.

(5) That the order of moratorium shall have effect from 04.10.2019 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.

(6) That the Public announcement of Corporate Insolvency Resolution Process shall be made immediately as specified under section 13 of the code.

Accordingly, this Petition is admitted.

NKB
4.10.2019
NARENDER KUMAR BHOLA
MEMBER (TECHNICAL)

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4.10.19
RATAKONDA MURALI
MEMBER (JUDICIAL)

Pavani