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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 30.09.2019 AT 10.30 AM

TRANSFER PETITION NO.	
COMPANY PETITION/APPLICATION NO.	CP(IB) No.291/9/HDB/2019
NAME OF THE COMPANY	Sri Vatsa Hotels Ltd
NAME OF THE PETITIONER(S)	Sanitech Engineers & Consultants Pvt Ltd
NAME OF THE RESPONDENT(S)	Sri Vatsa Hotels 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

Petition is admitted vide separate orders.


Member (T)

Binnu


Member (J)

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

CP (IB) No. 291/9/HDB/2019
U/s 9 of IBC, 2016
R/w Rule 6 of I & B (AAA) Rules, 2016

In the matter of M/s. Sri Vatsa Hotels Ltd

M/s Sanitech Engineers & Consultants Pvt Ltd
Having its office at H. No. 8-2-686/K/15, 4th Floor,
Rd. 12, Banjara Hills,
Hyderabad-5000 34.

...Applicant/
Operational Creditor

VERSUS

M/s. Sri Vatsa Hotels Pvt. Ltd.
#9-1-199 to 218 Sona Arcade,
St. Marys Road, Secunderabad,
Hyderabad,
Telangana State – 5000 03.

...Corporate Debtor/
Respondent

Date of order: 30.09.2019

Coram:

Hon'ble Shri Ratakonda Murali, Member (Judicial)

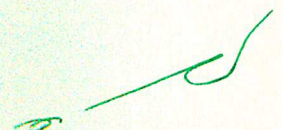
Hon'ble Shri Narender Kumar Bholra, Member(Technical)

Parties / counsels present:

For the Petitioner : Shri D.Raghavendra Rao and
Shri D.Madhava Rao, Counsels.

Heard on: 17.09.2019.





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

ORDER

1. The present Petition is filed by M/S. Sanitech Engineers and Consultants Private Limited (Operational Creditor) stating that M/S. Sri Vatsa Hotels Limited (Corporate Debtor) had defaulted in paying Rs. 12,93,584/- (Rupees Twelve Lakhs Ninety Three Thousand Five Hundred and Eighty Four). 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 Operational Creditor is a leading design, engineering, and turnkey project execution and consultancy services Company in the arena of building services like Plumbing Engineering, Sanitary Engineering, Drainage Engineering, Fire Fighting Engineering, Water Treatment Engineering & Waste Water Treatment Engineering. During the course of business the Corporate Debtor has utilised the services of the Operational Creditor.
 - b. It is averred that pursuant to the work orders placed by the Corporate Debtor the operational creditor undertook the entire plumbing work contract pertaining to the building situated at #9-1-199 to 218 Sona Arcade, St. Marys Road, Secunderabad,





Hyderabad, Telangana State - 5000 03. The completion of the said work orders was duly accepted from time to time.

- c. The Operational Creditor has paid a sum of Rs. 6,49,537/- as retention amount before the inception of the Plumbing Projection at the premises of the Corporate Debtor. According to the terms and conditions of the contract, the Corporate Debtor was obligated to return the said retention amount to the Operational Creditor on completion of the project. The project was completed within due time and was handed over to the Corporate Debtor.
- d. It is averred that despite making several requests to the Corporate Debtor over the years, the said retention amount was not released. The outstanding due amounts to Rs. 12,93,584/- (Rupees Twelve Lakhs Ninety Three Thousand Five Hundred and Eighty Four Only) (comprising of Principal Amount of Rs. 6,49,537/- (Rupees Six Lakhs Forty Nine Thousand Five Hundred and Thirty Seven Only) and interest calculated from 31.10.2014 - 17.12.2018 amounting to Rs. 6,44,047/- (Rupees Six Lakhs Forty Four Thousand and Forty Seven Only)).
- e. The operational creditor attached the documents like copy of letter intent and work orders issued by corporate debtor which is marked as **Annexure A-1** to the Application. Copies of the retention letters No's 13 issued by the operational creditor along with the statement which is marked as **Annexure A-3** to the application. A copy of letter issued by the corporate debtor admitting the due to the operational creditor is a marked as **Annexure A-4** to the application.

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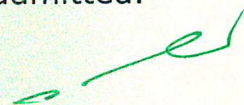


f. The operational creditor attached other documents in order to prove the existence of operational debt and the amount in default.

- Work Order SRI VATSA/Pro/HYD/WO/14/09-10
- Work Order SRI VATSA/Pro/HYD/WO/08/11-12
- Work Order SRI VATSA/Pro/HYD/WO/16/11-12
- Work Order SRI VATSA/Pro/HYD/WO/45/11-12
- Work Order SRI VATSA/Pro/HYD/WO/71/10-11
- Work Order SRI VATSA/Pro/HYD/WO/120/11-12
- SRI VATSA/Pro/HYD/WO/129/11-12
- Work Order SRI VATSA/Pro/HYD/WO/27/11-12
- Work Order SRI VATSA/Pro/HYD/WO/29/11-12
- Work Order SRI VATSA/Pro/HYD/WO/30/11-12
- Work Order SRI VATSA/Pro/HYD/WO/61/10-11
- Work Order SRI VATSA/Pro/HYD/WO/68/10-11
- Work Order No. 55
- Work Order No. 14
- Work Order No. 15
- Letter dated 27/09/2017 bearing No. SRI-VATSA/PRO/HYDERABAD/WO/14/2009-2010.

g. 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. The Operational Creditor also filed copy of the Demand notice for payment amount along with postal receipt and Post of delivery marked as **Annexure -A-5**. Certified true copy of the Board Resolution is also filed as **Annexure A-6** to the Application. Thus, Operational Creditor filed documentary proof in support of the claim and also placed evidence that Corporate Debtor committed default. Therefore, petition is liable to be admitted.

now



3. 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.
4. 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.
5. 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.12,93,584/-. 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.
6. The Operational Creditor proposes the name of Ms. Kalpana G, 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 ICSI. He has also attached the Certificate of Registration. Accordingly, this Tribunal appoints Ms. Kalpana G, having registration number IBBI/ IPA-001/ IP-P00756/ 2017-2018/11288, Mob No. 9962568858 e-mail id: kalpanagonuguntal@gmail.com as Interim Resolution Professional.

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7. 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 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 religiously and strictly which are contemplated, inter alia, by Sections 15, 17,18,19,20, and 21 of the Code. He must follow best practices and principles of fairness which are to apply at various stages of CIRP. His Conduct should be above Board and independent and he should work with utmost integrity and honesty. It if 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 affairs of the Corporate Debtor. The interim resolution professional is under duty to protect and preserve the value of the property of the Corporate Debtor and shall perform all his functions strictly in accordance with the provisions of the Code.

(5) That the order of moratorium shall have effect from 30.09.2019 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.


30.9.2019
NARENDER KUMAR BHOLA
MEMBER (TECHNICAL)


30.9.19
RATAKONDA MURALI
MEMBER (JUDICIAL)

Pavani