



S.No.2

**IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH – 1**
ATTENDANCE CUM ORDER SHEET OF THE HEARING HELD ON
23-03-2023 AT 10:30 AM

CP (IB) No. 363/10/HDB/2022
u/s. 10 of IBC, 2016

IN THE MATTER OF:

M/s. Indus Business Systems limited

...Petitioner

C O R A M:-

DR. VENKATA RAMAKRISHNA BADARINATH NANDULA, HON'BLE MEMBER (JUDICIAL)
SH. CHARAN SINGH, HON'BLE MEMBER (TECHNICAL)

ORDER

Order in Company Petition (IB) No 363/210/HDB/2022 pronounced. Recorded vide separate sheets. In the result of this company petition is admitted and Corporate Person is admitted into CIRP.

Shri Naidi Jaipal Reddy, Insolvency Professional is appointed as IRP and Moratorium declared in terms of Section 14 of IBC against Corporate Debtor from the date of order. No costs.

SD/-

MEMBER (T)

SD/-

MEMBER (J)



***IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH, HYDERABAD-1***

*CP (IB) No.363/10/HDB/2022
Petition under section 10 of IBC, 2016
Read with Rule 7 of I & B (AAA) Rules, 2016*

IN THE MATTER OF

M/s. INDUS BUSINESS SYSTEMS LIMITED

M/s.Indus Business Systems Limited
Registered Office at Plot No.520, Road No.27,
Jubilee Hills, Hyderabad-500 033, Telangana.

*...Applicant Company/
Corporate Applicant*

Date of order: 23.03.2023

CORAM:-

DR. VENKATA RAMAKRISHNA BADARINATH NANDULA,
HON'BLE MEMBER (JUDICIAL)
SH. CHARAN SINGH, HON'BLE MEMBER (TECHNICAL)

Parties / Counsels present:

For the Petitioner: Mr.Srikanth G.

PER BENCH

1. This petition is filed by M/s. Indus Business Systems Limited (Corporate Applicant) to initiate corporate insolvency resolution



process under Section 10 read and other Applicable provisions of the Insolvency and Bankruptcy Code, 2016.

2. The averments made in the petition are as follows:
 - a. The Corporate Applicant is a limited Company which is into the development of packaged software and had no sales in last 7 months and has no business due to lack of funds.
 - b. The major Operational Creditor i.e Sirius Business Solutions Private Limited, used to purchase software from corporate debtor, but stopped purchasing software as it was not doing well and in order to meet its contingencies, started demanding the Refund of trade advance paid by it against software purchases. The outstanding as on date is Rs.1,88,54,304/-. The Company had defaulted to a service contractor to an extent of Rs.19,80,000/-
 - c. It is averred that the Company cash and cash equivalents as on 31.10.2022 are Rs.7,47,092/-. The Company is having fixed assets of Rs. 12,08,629/- as on 31.10.2022. The Company is having outstanding amount of Rs.208,34,304/-.
 - d. It is averred that the members of the Company in their Extra Ordinary General Meeting dated 26.10.2022 passed resolution for initiating the CIRP. Copy of resolution passed by the members is attached as Annexure 26 to the petition.



3. The present petition is supported with the following documents.
 - i. Copy of special resolution passed by the members in their Extra ordinary general meeting held 26.10.2022 is annexed as Annexure-26 to the petition.
 - ii. Written Communication filed by the Interim Resolution Professional Mr.Naidi Jaipal, at Page No.14-16.
 - iii. Fixed Assets Register at Annexure-22.
 - iv. Bank Statements from 01.04.2022 to 27.10.2022.
 - v. Copy of the latest Provisional balance sheets of corporate debtor for financial year 01.04.2022 to 31.10.2022 were attached to the petition at Annexure-24.

4. With regard to the directions of this Tribunal Compliance memo has been filed stating that there are no financial creditors.

5. Learned Counsel for Petitioner submitted that the Applicant Company has complied with all the requirements of Section 10 read with Section 55 of the Insolvency and Bankruptcy Code, 2016.

6. Learned Counsel for Applicant Company filed FORM-2 suggesting the name of Mr.Naidi Jaipal Reddy, registered with having registration number *IBBI/IPA-002/IP-N01167/2021-2022/13905* as Interim Resolution Professional to carry on the functions as mentioned under the Insolvency and Bankruptcy Code, 2016 annexed in the petition at page no.14-16.



6. We heard the Learned Counsel for the applicant Company. Notice was taken to the creditors, IT Authorities, but none appeared opposing the Application. Hence in view of the fact that the corporate debtor owes debts to the operational creditors and is not in position to discharge the same, we are inclined to admit the petition.
7. Hence, the Adjudicating Authority admits this Petition under Section 10 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 Applicant 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 Applicant 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 Applicant 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 Applicant;



- (b) That the supply of essential goods or services to the Corporate Applicant, 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.
- (d) That the order of moratorium shall have effect from the date of the 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 Applicant under Section 33, whichever is earlier.
- (e) That the public announcement of the initiation of Corporate Insolvency Resolution Process shall be made immediately as prescribed under section 13 of Insolvency and Bankruptcy Code, 2016.
- (f) That this Bench hereby appoints Mr.Naidi Jaipal Reddy, having mobile number as 9951355428 and registration number IBBI/IPA-002/IP-N01167/2021-2022/13905, as Interim Resolution Professional to carry the functions as mentioned under the Insolvency & Bankruptcy Code.
- (g) Accordingly, this Petition is admitted.



- (h) Registry to send a copy of this order to the Registrar of Companies, Hyderabad for appropriately changing the status of Corporate Applicant herein on the MCA-21 site of Ministry of Corporate Affairs.
- (i) Accordingly, this CP No.363/10/HDB/2022 is allowed and stands disposed of.

SD

Charan Singh

Member Technical

SD

Dr. Venkata Ramakrishna Badarinath Nandula

Member Judicial

Pavani