

**NATIONAL COMPANY LAW TRIBUNAL
AMARAVATHI BENCH**

PRESENT: HON'BLE JANAB MOHAMMED AJMAL - MEMBER JUDICIAL


ATTENDANCE-CUM-ORDER SHEET OF THE HEARING HELD ON 19.11.2019 AT 10.30 AM

TRANSFER PETITION NO.	TCP NO. 90/9/AMR/TP/2019
COMPANY PETITION/APPLICATION NO.	CP(IB) NO. 232/9/HDB/2019
NAME OF THE COMPANY	Sri Lakshmi Sirinvasa Jute Mills Pvt Ltd
NAME OF THE PETITIONER(S)	Khetulal Pugalia And Sons (HUF)
NAME OF THE RESPONDENT(S)	Sri Lakshmi Sirinvasa Jute Mills 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
G. SAI PRASEN	Advocate	9951402522	

ORDER

Orders pronounced vide separate sheets. The Company Petition is admitted.


MEMBER JUDICIAL

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2. The facts leading to the Petition are as follows. The Petitioner, a Hindu Undivided Family (HUF) based in Kolkata, is engaged in the business of sale and distribution of jute. The Respondent is a Jute Mill incorporated as a Private Limited Company in the year 1994 vide CIN: U17232AP1994)PTC018828. Subsequently, it was converted to a Public Limited Company w.e.f. 28.02.2001. The Company reconverted to a Private Limited Company w.e.f. 20.05.2016. During the course of business transactions between the parties the Petitioner supplied raw jute worth of Rs. 1,91,61,177/- (Rupees One Crore Ninety One Lakhs Sixty One Thousand One Hundred and Seventy Seven only). The Respondent however failed to honour the payments. The Petitioner accordingly filed CP No. 172/2016 before the High Court for the States of Telangana and Andhra Pradesh at Hyderabad for winding up of the Company, claiming default of Rs. 2,45,80,177,03/- (Rupees Two Crores Forty Five Lakhs Eighty Thousand One Hundred and Seventy Seven only) which included interest at the rate of 18% per annum. During the pendency of the proceedings the parties entered into a settlement under a Memorandum of Understanding (MoU) dated 31.08.2018 where under the Respondent agreed to pay Rs. 61,18,400/- (Rupees Sixty One Lakhs Eighteen Thousand Four Hundred only) towards full and final settlement of the claim. It issued a cheque of the even date as well as a post-dated cheque; and undertook to pay the balance amount by 31.08.2019. The parties also agreed that in the event of any default by the Respondent, the Petitioner could take appropriate legal steps for default of the entire amount of Rs. 2,45,80,177.03/- Since the Respondent committed default in payment of the amount even under the settlement agreement the petitioner issued a notice in Form-3 under section 8 of the Code on 03.01.2019 demanding payment. The Respondent received notice on 10.01.2019. It neither replied to the notice nor made the payments. The Petitioner accordingly came up with the petition on 15.03.2019.

3. The Respondent appeared when notice was issued after the Application was filed. But absented itself during hearing of the petition. The petitioner filed

AM
19/11/19

copies of some payments made by the Respondent in acknowledgement of the debt and default.

4. From the above it would appear that the Respondent had received jute worth of Rs. 1,91,61,177/- from the petitioner. It did not make payment against the goods received in course of the business. The amount outstanding accordingly is an operational debt as provided under section 5 (21) of the Code. It has defaulted in payment of the same. It did not reply to the notice issued under section 8 of the Code. The Petition is complete in all respects. The petitioner has not suggested the name of Interim Resolution professional (IRP) and has left it to the discretion of the Authority. Hence ordered.

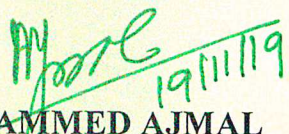
ORDER

The Company Petition be and the same is admitted without contest.

- i. The Corporate Insolvency Resolution Process of the respondent Company namely Sri Lakshmi Srinivasa Jute Mills Private Limited shall commence from this date and shall be completed within 180 days hence.
- ii. Mr. Sisir Kumar Appikatla (Registration No. IBBI/IPA-001/P-P00751/2017-2018/11283), having office at 106, First Floor, Bharat Towers, 5th Lane, Dwarakanagar, Visakhapatnam, Andhra Pradesh – 530 016; e-mail ID: sisir_appik@yahoo.co.in; Mobile No. 984818 60722 is appointed as the Interim Resolution Professional. No disciplinary proceeding is pending/proposed against him as per the IBBI website. He is requested to furnish his consent in Form No. 2 forthwith.
- iii. He is directed to take charge of the Respondent/Corporate Debtor's management forthwith and take necessary steps in furtherance of the CIRP in terms of Sections 13(2), 15, 17, 18 and 20 of Code and Rules made thereunder.
- iv. Moratorium in respect of the respondent is hereby declared under Section 14 of the Code.

AM
19/11/19

- v. The Directors, Promoters or any other person(s) associated with the management of the Corporate Debtor shall extend all assistance and cooperation to the IRP as stipulated under section 19 of the Code for effectively discharging his functions under the Code.
- vi. The Registry is directed to communicate the order to the Petitioner/Operational Creditor and the Respondent/Corporate Debtor forthwith.
- vii. The petitioner/Operational Creditor and the Registry are also directed to send the copy of this order to IRP for necessary compliance and obtain his consent.
- viii. There would however be no order as to costs.


MOHAMMED AJMAL
MEMBER JUDICIAL