

**NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH
COURT HALL NO: II**

(Video Conference)

**CORAM: DR.VENKATA RAMAKRISHNA BADARINATH NANDULA – HON'BLE MEMBER (J)
CORAM: SHRI SATYA RANJAN PRASAD, HON'BLE MEMBER (T)**

**ATTENDANCE-CUM-ORDER SHEET OF THE HEARING OF NATIONAL COMPANY LAW TRIBUNAL,
HYDERABAD BENCH, HELD ON 25.05.2023 AT 10:30 PM THROUGH VIDEO CONFERENCE**

TRANSFER PETITION NO.	
COMPANY PETITION/APPLICATION NO.	Company Petition IB/120/2022
NAME OF THE COMPANY	ED & Tech International Ltd
NAME OF THE PETITIONER(S)	Lasya Properties Ltd
NAME OF THE RESPONDENT(S)	ED & Tech International Ltd
UNDER SECTION	7 of IBC

ORDER

Orders in CP 120/7/HDB/2022 pronounced, recorded vide separate sheets. In the result, this Company Petition is admitted. CIRP is ordered against the Corporate Debtor and moratorium imposed.

Sdf

MEMBER (T)

- Sdf -

MEMBER (J)

**IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH - II**

C.P. (IB) No.120/7/HDB/2022

*[U/s.7 of the IB Code, 2016 r/w Rule 4 of the Insolvency and Bankruptcy
(Application Adjudicating Authority) Rules, 2016]*

Between:

M/s. Lasya Properties
Rep. by its Managing Partner, Kolli Ravi Krishna
7-2-1787/1, Czech Colony, Sanathnagar
Ameerpet, Hyderabad.

...Financial Creditor

And

M/s. ED & Tech International Limited
Flat No. 104, Lumbini Enclave, Punjagutta
Hyderabad - 500072.

...Corporate Debtor

Date of Order: 25.05.2023

Coram:

Hon'ble Dr. Venkata Ramakrishna Badarinath Nandula, Member, Judicial
Hon'ble Sri Satya Ranjan Prasad, Member, Technical

Appearance:

For the Petitioner : Mr. Saini Keshava Rao, Advocate

For the Respondent: Mrs.Sandhya Rani, Advocate

-sd/-

sd/-

[PER : BENCH]

ORDER

- I. Under consideration is an Application filed by M/s. Lasya Properties, for short 'Financial Creditor', under Section 7 of the Insolvency and Bankruptcy Code, 2016, for short IBC/Code, 2016, r/w Rule 4 of the Insolvency and Bankruptcy 2016, (Application to Adjudicating Authority) Rules, 2016, seeking initiation of the Corporate Insolvency Resolution Process, for short CIRP, against M/s. ED & Tech International Limited/Corporate Debtor, alleging default of a financial debt of Rs.1,49,50,000/-, which includes principal amount of Rs.1,15,00,000/- and interest @ 12% per annum, amounting to Rs.34,50,000/- by the Corporate Debtor.
- II. The gist of the Petitioner's brief is -
- a) The Corporate Debtor and the Financial Creditor entered into a Loan Agreement dated 20.08.2019, vide which the Financial Creditor advanced a loan of Rs.1,15,00,000/-, by way of bank transfer dated 28.08.2019.
- b) Under the said Loan Agreement, the Corporate Debtor was liable to pay an amount of Rs.60,00,000/-, along with interest @ 12% p.a., on or before 30.09.2020, as the first instalment and the balance of Rs.55,00,000/-, along with

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interest @ 12% p.a., on or before 31.12.2020, as the second instalment.

- c) Despite several requests by the Financial Creditor, the amounts, as agreed upon, have not been paid by the Corporate Debtor. Consequently, the Financial Creditor got issued a demand notice, dated 24.09.2021, calling upon the Corporate Debtor to pay the dues owed by it.
- d) The total outstanding liability of the Corporate Debtor amounts to Rs. 1,49,50,000/-, which includes interest of Rs.34,50,000/-, calculated at 12% p.a., from the date of disbursal to the date of filing of the instant Application.
- e) Since the Corporate Debtor had failed to repay the outstanding amounts, the Financial Creditor has preferred the instant Application and prayed to allow the present application and CIRP be initiated against the Corporate Debtor.

III. The Corporate Debtor, in its reply, had categorically admitted the claim of the Financial Creditor and also its default and contended that it is not in a position to make the payment of the amounts which have been availed from the Financial Creditor.

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IV. We have carefully perused the application and the enclosures thereto. Upon perusal of the Loan Agreement dated 20.08.2019 between the Financial Creditor and the Corporate Debtor herein, besides the Bank Statement filed by the Financial Creditor whereunder a sum of Rs.1,15,00,000/- has been transferred by the Applicant to the Corporate Debtor. We are satisfied that the Financial Debt of a sum exceeding over Rs.1,00,00,000/-, due and payable by the corporate debtor to the applicant has been made out by the Applicant. Admittedly, the said debt is not discharged by the Corporate Debtor. Therefore, existence of a financial debt of a sum exceeding over rupees one crore and its default by the Corporate Debtor has been duly established. The Petition is in order. Hence, it is a fit case to admit the petition.

V. The Adjudicating Authority therefore, hereby admit this Petition under Section 7 of IBC, 2016, declaring moratorium for the purposes referred to in Section 14 of the Code, with the following directions: -

- i. 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;

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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;

- ii. Notwithstanding anything contained in any other law for the time being in force, a license, permit, registration, quota, concession, clearances or a similar grant or right given by the Central Government, State Government, local authority, sectoral regulator or any other authority constituted under any other law for the time being in force, shall not be suspended or terminated on the grounds of insolvency, subject to the condition that there is no default in payment of current dues arising for the use or continuation of the license, permit, registration, quota, concessions, clearances or a similar grant or right during the moratorium period.
- iii. 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.
- iv. That the provisions of sub-section (1) of Section 14 shall not apply to such transactions as may be notified by the

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Central Government in consultation with any financial sector regulator.

- v. That the order of moratorium shall have effect from the date of this 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 Debtor under Section 33, whichever is earlier.
- vi. The Financial Creditor proposed the name of Mrs. Mummaneni Vazra Laxmi, as Interim Resolution Professional and she has given his consent in Form-2. As per the Insolvency and Bankruptcy Board of India (IBBI) website, Mrs. Mummaneni Vazra Laxmi's Authorisation for Assignment is valid upto 27.10.2023. Accordingly, this Tribunal appoints Mrs. M. Vazra Laxmi as Interim Resolution Professional, having Registration No. IBBI/IPA-001/IP-P00919/2017-2018/11526.
- vii. That the Public announcement of Corporate Insolvency Resolution Process shall be made immediately as specified under section 13 of the code.

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viii. Registry to send a copy of this order to the Registrar of Companies, Hyderabad for appropriately changing the status of Corporate Debtor herein on the MCA-21 site of the Ministry of Corporate Affairs

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SATYA RANJAN PRASAD
MEMBER (TECHNICAL)

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DR.N.V.RAMA KRISHNA BADARINATH
MEMBER (JUDICIAL)

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