



S.No.1

**IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH – 1
ATTENDANCE CUM ORDER SHEET OF THE HEARING HELD ON
19-06-2023 AT 10:30 AM**

CP (IB) No. 99/9/HDB/2023
u/s. 9 of IBC, 2016

IN THE MATTER OF:

G S Agencies

...Operational Creditor

VS

M/s. Jiva Steels Private Limited

...Corporate Debtor

C O R A M:-

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

ORDER

Orders in CP 99/2023 pronounced. Recorded vide separate sheets. In the result, the Company Petition is admitted and Insolvency Resolution Process is ordered against Corporate Debtor. Mr. Vakiti Vineeth Reddy, is appointed as Interim Resolution Professional and moratorium is declared against Corporate Debtor subject to the conditions mentioned in the order.

Sd/-
MEMBER (T)

Sd/-
MEMBER (J)



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

CP (IB) No. 99/9/HDB/2023

*Petition filed under Section 9 of IBC, 2016, r/w Rule 6 of I & B (AAA),
2016*

In the matter of

M/s G.S. Agencies
“X” Road, Opp: Pillar No. 145
Rajendra Nagar Road, R.R. District
Hyderabad – 500048

...Operational Creditor

VERSUS

M/s Jiva Steels Private Limited
35-330/B, Beside BSNL Office main Road
Shapur Nagar, Ida, Jeedimetla
Hyderabad – 500055

...Corporate Debtor

Date of order: 19.06.2023

Coram

Dr. N.Venkata Ramakrishna Badarinath, Hon’ble Member (Judicial)
Shri Charan Singh, Hon’ble Member (Technical)

Appearance:

For Petitioner: Mr. Abhijeet Talwar, Advocate
For Respondent: None appeared

**PER: BENCH
ORDER**

1. This Petition is filed by M/s G.S. Agencies under Section 9 of Insolvency and Bankruptcy Code (hereinafter to be referred as “Code”), read with Rule 6 of Insolvency and Bankruptcy seeking initiation of Corporate Insolvency



Resolution Process (CIRP), granting moratorium and appointment of Interim Resolution Professional as prescribed under the Code and Rules thereon, contending that the Respondent defaulted in the payment of alleged debt of Rs. 1,12,74,435/- (Rupees One Crore Twelve Lakhs Seventy Four Thousand Four Hundred Thirty Five only).

2. The averments germane to the Petition is that;-
 - (a) M/S G.S. Agencies, Operational Creditor herein is a Proprietorship concern running Iron & TMT Steel Bars, Cement etc and Civil contractors.
 - (b) M/s Jiva Steels Private Limited is a Private Company involved in the business of manufacturing and dealing with basic steel structure etc.
 - (c) During the course of business, M/s Jiva Steels Private Limited/ Corporate Debtor approached the Operational Creditor for supply of various products at its office at Balnagar.
 - (d) According to the Petitioner, though the payments were cleared regularly by the Corporate Debtor, it became irregular since 2021 and as on the date of filing of the petition, a sum of Rs. 1,12,74,435/- towards invoices pending against supply of materials to the Corporate Debtor, have become due and payable. Copies of Invoices along with e-way bills are annexed and marked as **Annexure-3 (colly)**.
 - (e) The Corporate Debtor though admitted its liability to pay the outstanding amount, failed to service the debt demanded by



the Operational Creditor vide emails dated 07.12.2022, 13.12.2022, 19.12.2022, 10.01.2023.

- (f) Hence, the Operational Creditor issued demand notice on 13.02.2023 demanding payment of, which was served on the Corporate Debtor on 17.02.2023.
- (g) In terms of Section 9 (3)(c), the Petitioner has filed as **Annexure-7**, a copy of the certificate dated 16.02.2023 issued by the bank/financial institution where the accounts of the Petitioner is maintained, confirming that there has been no payment of an unpaid operational debt by the Corporate Debtor apart from Rs.25,000/-.
3. We have heard the Ld. Counsel for the Operational Creditor Shri Abhijet Talwar and perused the averments made in the application as well as the documents enclosed with the application. Ld. Counsel for the Operational Creditor submitted that although the /notice was delivered upon the Corporate Debtor but none appeared on behalf of the Corporate Debtor and therefore, vide order dated 28.04.2023, the Corporate Debtor was proceeded ex-parte and the case was fixed for ex-parte hearing against the Corporate Debtor. Ld. Counsel for Operational Creditor submitted that even after delivery of Demand Notice, neither any reply received from the Corporate Debtor nor any payment was made by the Corporate Debtor. In view of Section 8 (2) of the Code, the Corporate Debtor is required to raise a dispute or make payment within 10 days after the receipt of the Demand Notice. Since, the Corporate Debtor neither raised the



disputes nor made payment and the defaulted is more than Rs. 1 crore, being the minimum threshold limit fixed under IBC, 2016, hence, under the circumstances, the Adjudicating Authority is satisfied that the Petitioner had established that the operational debt of a sum of over Rs. 1 crore is due and payable by the Respondent/Corporate Debtor, but not paid.

4. Hence, the Adjudicating Authority hereby 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:

ORDER

- (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) That the order of moratorium shall have effect from 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.
- (5) That this Bench hereby appoints Shri Vakiti Vineeth Reddy having IBBI Registration No. IBBI/IPA-002/IP-N01250/2022-2023/14240 as Interim Resolution Professional, whose contact details are:

e-mail : Vineethreddy.vakiti@gmail.com
Address: Plot No. 426, Door No. 301, Radha Mohan
Enclave, Mathrusreenagar, Miyapur,
Hyderabad - 500049 Telangana

as Interim Resolution Professional to carry the functions as mentioned under the Insolvency & Bankruptcy Code. Proposed IRP to file Form-2 within 2 days of receipt of this order. Authorisation for Assignment is valid to 09.11.2022. This information is also available in IBBI Website. Thus, there is compliance of Regulation 7A of



IBBI (Insolvency Professionals) Regulations, 2016, as amended. Therefore, the proposed IRP is fit to be appointed as IRP since the relevant provision is complied with.

- (6) That the Public announcement of Corporate Insolvency Resolution Process shall be made immediately as specified under section 13 of the Code.
- (7) The Petitioner/Operational Creditor is directed to deposit an amount Rs.2,00,000/- with the IRP to meet the initial CIRP expenses including the fee of IRP.
- (8) The Operational Creditor is directed to communicate this order to the IRP appointed in this case.
- (9) The Registry of this Tribunal is directed to send a copy of his order to the Registrar of Companies, Hyderabad for marking appropriate remarks against the Corporate Debtor on website of Ministry of Corporate Affairs as being under CIRP.

The Petition is admitted accordingly.

SD/-
(Charan Singh)
Member (Technical)

SD/-
(Dr. N. V. Ramakrishna Badarinath)
Member (Judicial)

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