

SATHAVAHANA ISPAT LIMITED

Regd. Off. : 505, Block 1, Divyashakti Complex, Ameerpet, Hyderabad - 500 016.
 Phones : 23730812,3,4 Fax : +91-40-23730566 E-mail : info@sathavahana.com
 web : www.sathavahana.com

Date: 9th August, 2021

| | |
|---|---|
| To BSE Limited, Corporate Relationship Department, PJ Towers, Dalal Street, Mumbai - 400001 | To National Stock Exchange of India Limited, Listing Department, Regd. Office: "Exchange Plaza", Bandra Kurla Complex, Mumbai - 400051 |
| SCRIP CODE:526093 | SCRIP CODE: SATHAISPAT |

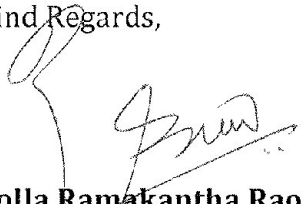
Stock Exchange Announcement**Subject: Initiation of CIRP commencement of Sathavahana Ispat Limited**

Dear Sir/Madam,

Pursuant to an Order dated 28 July, 2021 of the National Company Law Tribunal, Hyderabad Bench, Corporate Insolvency Resolution Process ("**CIRP**") has been initiated for Sathavahana Ispat Limited ("**Company**" or "**Corporate Debtor**") as per the provisions of the Insolvency and Bankruptcy Code, 2016. A copy of the said Order has been received by the corporate debtor on 09 August, 2021 and enclosed as **Annexure A**.

The undersigned has been appointed as the Interim Resolution Professional ("**IRP**") for the Company, vide order dated 28 July, 2021. Upon initiation of CIRP, the powers of the Board of Directors of the Company has been suspended and shall be exercised by the Interim Resolution Professional.

Kind Regards,


Golla Ramakantha Rao
 (IBBI/IPA-003/IP-N00310/2020-21/13364)
 Interim Resolution Professional for
 Sathavahana Ispat Limited

**Correspondence Address:**

Sathavahana Ispat Limited,
 505, Block 1, Divyashakti Complex,
 Ameerpet, Hyderabad -500 016
 E:

Registered with IBBI:

Flat No.1106, Block 4, SMR Vinay Fountain Head,
 Calvary Temple Road, Hydernagar, Hyderabad -500 049.
 E: gollarama@yahoo.com

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**NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD**

SPECIAL BENCH - COURT 1 (HEARINGS THROUGH VIDEO CONFERENCE)

**PRESENT: HON'BLE SHRIMADAN BHALCHANDRA GOSAVI - MEMBER JUDICIAL
HON'BLE SHRI VEERA BRAHMA RAO AREKAPUDI - MEMBER TECHNICAL**

ATTENDANCE-CUM-ORDER SHEET OF THE HEARING HELD ON 28.07.2021 AT 10:30 AM

| | |
|----------------------------------|---------------------------|
| TRANSFER PETITION NO. | |
| COMPANY PETITION/APPLICATION NO. | CP (IB) No. 17/9/HDB/2020 |
| NAME OF THE COMPANY | Sathavahana Ispat Ltd |
| NAME OF THE PETITIONER(S) | Thirumala Logistics |
| NAME OF THE RESPONDENT(S) | Sathavahana Ispat 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

The petition is admitted vide separate order. The order is pronounced.


(TECHNICAL)

karim


(JUDICIAL)

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

CP (IB) No.17/9/HDB/2020

Under section 9 of I&B Code, 2016 read
with Rule 6 of I&B (AAA) Rules, 2016

In the matter of

M/s Thirumala Logistics
Having its office at:
House No.35A, Ward NO.19
Patel Nagar, 3rd Cross, Opp Post Office
Ananthapur Road, Bellary - 583 101
Karnataka.

.. **Petitioner/
Operational Creditor**

VERSUS

M/s Sathavahana Ispat Ltd
505, 5th Floor, Block No.1
Divyashakthi Complex
Ameerpet, Hyderabad - 500 016.
Telangana.

.. **Respondent
Corporate Debtor**

Date of order: 28.07.2021

Coram:

**Hon'ble Shri Madan Bhalchandra Gosavi,
Member (Judicial)**

and

**Hon'ble Shri Veera Brahma Rao Arekapudi
Member (Technical)**

Parties / counsels present:

For the Petitioner .. Shri Karan Talwar, advocate.

For the Respondent: .. Shri Lokeshwar Reddy, advocate.

(PER BENCH)

Heard on: 08.06.2021, 16.06.2021, 30.06.2021 and 09.07.2021.

ORDER

This petition is filed by M/s Thirumala Logistics/ Operational
Creditor claiming total amount of debt of Rs.1,24,96,568/- against the

86/ Annexure R-5 of the counter) and letter dated 10.08.2019 (page 87/Annexure R-6 of the counter) claiming that the outstanding due is Rs.NIL. In support of its claim that amount payable to the Operational Creditor is NIL, the Corporate Debtor also produces ledgers between the Corporate Debtor and Operational Creditor at pages 89-129/ Annexure R-7; ledgers between the Corporate Debtor and Sona Alloys at pages 130-137/ Annexure R-8; and ledgers between the Corporate Debtor and P&M Associates LLP at pages 138-141/ annexure R-9.

4. REJOINDER DATED 18.01.2021 FILED BY THE OPERATIONAL CREDITOR IN RESPONSE TO COUNTER FILED BY THE CORPORATE DEBTOR.

4.1 The Operational Creditor contended that though the Operational Creditor is an unregistered partnership firm it comes within the ambit of section 3(23) of the I&B Code and qualified to be an Operational Creditor under section 5(2) of the I&B Code. On this point the Corporate Debtor relies on decision rendered by NCLT, New Delhi in DURRE WELT OVERSEAS Vs. GHELI INTERNATIONAL PVT LTD., vide order dated 23.05.2019 in (IB)-754 (ND)/ 2019.

4.2 As regards the defence taken by the Corporate Debtor in paras 4 and 5 of its Counter that dues have been adjusted against the debt balance of M/s Sona Alloys are only moonshine defence and afterthoughts to escape the insolvency proceedings.

4.3 In para 24 of the Rejoinder the Operational Creditor contends that the ledgers provided by the Corporate Debtor are false and concocted.

5. We have gone through the submissions made in the petition filed by the operational creditor, counter of the corporate debtor, rejoinder of the Operational Creditor and the relevant documents on record. We have also considered the oral submissions of the learned counsels. As stated above the operational creditor has filed copies of various documents including invoices duly acknowledged by the Corporate Debtor and certificate issued by Lakshmi Vilas Bank (page 86). It is seen that the corporate debtor has not been able to bring on record any evidence to show that the Corporate Debtor has paid any amount to the Operational Creditor in lieu of services provided by the Operational Creditor to the

Corporate Debtor. The amount claimed by the Operational Creditor is covered by the said invoices which are properly acknowledged by the Corporate Debtor.

6. It is observed from letter dated 28.11.2019 (page 76-77 of the petition) that the Corporate Debtor has referred to pre-existing debt and claimed that the amount claimed by the Operational Creditor in Form-3 has already been adjusted as per instructions. We find no merit in the said contention of the Corporate Debtor and it is not permissible under the I&B Code, 2016. Further, ledger statement for the period from 01.04.2017 to 02.01.2018 of the Corporate Debtor, produced at page 70 of the petition amounts to admission of debt. In view of the above, we are of the opinion that the present petition needs to be admitted under section 9 of the IB Code.

7. The operational creditor has not proposed name of ERP and left it to the discretion of the Adjudicating Authority.

8. 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: -

- (a) 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;
- (b) 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.

- (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 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.
- (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) The Operational Creditor failed to name anyone as IRP and has requested the Tribunal to appoint one for the CIRP. The IBBI has recommended a panel of IRPs for appointment as IRP for the period 01.07.2021 to 31.12.2021, in compliance with section 16(3)(a) of the Code in order to avoid delay. Accordingly, this Tribunal appoints Shri Golla Ramakantha Rao, having Registration No.IBBI/ IPA-003/ IP-NO0310/ 2020-2021/ 13364, residing at: Flat No.1106, Block4, SMF Vinay Fountain Head, Calvary Temple Road, Hydernagar, Hyderabad – 500049.
- (g) email: gollarama@yahoo.com as IRP. The aforesaid IRP has no disciplinary proceedings pending against him. Proposed IRP shall file Form-B issued by the Institute of Insolvency Professional **within two days** from the date of receipt of this order. His AFA is valid till 05.02.2022. This information is 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.
- (h) The petitioner is directed to pay a sum of Rs.1,00,000/- (Rupees one lac only) to the Interim Resolution Professional to meet out the expenses to perform the functions assigned to him in accordance with Regulation 6 of IBBI (Insolvency Resolution Process for Corporate Person) Regulations, 2016. This shall, however, be subject to adjustment by the Committee of

Creditors as accounted for by Interim Resolution Professional and shall be paid back to the petitioner.

9. Accordingly, this Petition is admitted.

10. The 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 Ministry of Corporate Affairs.

VEEF

MEMBER (TECHNICAL)

APUDI

karim

MADAN BHAI CHANDRA GOSAVI
MEMBER (JUDICIAL)

**FORM A
PUBLIC ANNOUNCEMENT**

(Under Regulation 6 of the Insolvency and Bankruptcy Board of India
(Insolvency Resolution Process for Corporate Persons) Regulations, 2016)
**FOR THE ATTENTION OF THE CREDITORS OF
SATHAVAHANA ISPAT LIMITED**

RELEVANT PARTICULARS

| | |
|---|--|
| 1. Name of Corporate Debtor | SATHAVAHANA ISPAT LIMITED |
| 2. Date of Incorporation Of Corporate Debtor | 8 th November 1989 |
| 3. Authority Under Which Corporate Debtor Is Incorporated / Registered | ROC-HYDERABAD |
| 4. Corporate Identity No./Limited Liability Identification No. of corporate debtor | L27109TG1989PLC010654 |
| 5. Address of the Registered Office and Principal Office (if any) of Corporate Debtor | Flat 505, 5th Floor, Block-1, Divyashakti Complex Ameerpet, Hyderabad-500016, Telangana |
| 6. Insolvency commencement date in respect of Corporate Debtor | 28 th July 2021 (However, the Order passed by the Hon'ble NCLT, Hyderabad on 28.07.2021 was uploaded onto their website on 5th August 2021) |
| 7. Estimated date of closure of insolvency resolution process | 23rd January 2022 (180 days from 28.07.2021) |
| 8. Name and registration number of the insolvency professional acting as interim resolution professional | Golla Ramakantha Rao IBBI/PA-003/IP-N00310/2020-2021/13364 |
| 9. Address and e-mail of the interim resolution professional, as registered with the Board | Golla Ramakantha Rao Flat No. 1106, Block-4, SMR Viray Fountainhead, Calvary Temple Road, Hydemagar HYDERABAD-500049 gollarama@yahoo.com |
| 10. Address and e-mail to be used for correspondence with the interim resolution Professional | M/s. K-Source Financial Consultancy Services (P) Ltd Flat No. 104 Kavuri Supreme Endeave Kavuri Hills Madhapur Hyderabad-500033 ckp.sat@gmail.com |
| 11. Last date for submission of claims | 19th August 2021 |
| 12. Classes of creditors, if any, under clause (b) of sub-section (6A) of section 21, ascertained by the interim resolution professional | Not Applicable |
| 13. Names of Insolvency Professionals identified to act as Authorized Representative of creditors in a class (Three names for each class) | Not Applicable |
| 14. (a) Relevant Forms and (b) Details of authorized representatives are available: | a) Web Link: https://www.ibbi.gov.in/home/downloads b) Not Applicable |

Notice is hereby given that the National Company Law Tribunal, Hyderabad, Bench-1, has ordered the commencement of a corporate insolvency resolution process of the **SATHAVAHANA ISPAT LTD** on 28.07.2021.

The creditors of **SATHAVAHANA ISPAT LTD**, are hereby called upon to submit their claims with proof on or before **19.08.2021** to the interim resolution professional at the address mentioned against entry No. 10.

The financial creditors shall submit their claims with proof by electronic means only. All other creditors may submit the claims with proof in person, by post or by electronic means.

Submission of false or misleading proofs of claim shall attract penalties.

Date: 07.08.2021
Place: Hyderabad

Sd/-
Golla Ramakantha Rao
Interim Resolution Professional
No. IBBI/PA-003/IP-N00310/2020-21/13364

