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IN THE NATIONAL COMPANY LAW TRIBUNAL  
HYDERABAD BENCH, HYDERABAD

CP (IB) No. 118/9/HDB/2017  
U/s 9 of IBC R/w Rule 6 of I&B  
(Application Adjudicating Authority) Rules, 2016

In the matter of

Mr. C. Aravinda Babu  
S/o Late Sriramulu  
R/o Flat No.502, Fortune Homes  
Sheela Nagar, Rajahmundry  
East Godavari District -533103

... Petitioner/  
Operational creditor

Versus

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OF THE ORIGINAL

M/s VBC Industries Limited  
H.No.6-2-913/914, 3<sup>rd</sup> Floor  
Progressive Towers, Khairtabad  
Hyderabad – 500 004

...Corporate Debtor

Date of order: 11.08.2017

CORAM:

Hon'ble Shri Rajeswara Rao Vittanala, Member (J)  
Hon'ble Shri Ravikumar Duraisamy, Member (T)

Counsels /Parties Present

For the Petitioner: Shri C.M.R Velu, Advocate alongwith Shri  
K. Lakshman Rao, Advocate

For the Respondent: Shri M. Subramaniya Shastri, alongwith  
Shri Y. Prasanna Kumar, Advocate

Per: Rajeswara Rao Vittanala, Member (Judicial)



## ORDER

1. The present company petition bearing CP (IB) No. 118/9/HDB/2017, is filed by Shri C. Aravinda Babu, Applicant / Petitioner by seeking to initiate Corporate Insolvency Resolution Process (CIRP) against M/s VBC Industries Limited, Corporate Debtor, (represented by its Managing Director), U/s 9 of IBC Code 2016 R/w Rule 6 of I&B (Application to Adjudicating Authority) Rules, 2016.

2. Brief facts, of the case are as follows

(a) VBC Industries Limited (Corporate Debtor) was incorporated on 18.05.1987. The Petitioner / Operational Creditor Shri C. Aravinda Babu was appointed as General Manager (Purchase) in the Company by letter of appointment bearing No. VBC/HRD/09 dated 24.06.2009 on a consolidated pay of Rs. 40,000/- per month. Subsequently, he has resigned from the said post wef 15.02.2016. He stated that right from the date of joining in the company, he was not paid salary regularly.

(b) So, he is entitled to receive a sum of Rs. 10,00,000/- towards salary arrears. He has also issued demand notice dated 26/03/2017 in Form no.3, under Rule 5 of I&B (Application to Adjudicating Authority) by demanding to pay the said amount unconditionally within 10 days from the date of receipt of said notice. When the Respondent / Corporate Debtor did not pay the amount as per the demand notice, the present Company Petition is filed by seeking to initiate Corporate Insolvency Resolution Process.

3. Heard Shri C.M.R Velu, Advocate along with Shri K. Lakshman Rao, Advocate for the Petitioner and Shri M. Subramaniya



Shastry, alongwith Shri Y. Prasanna Kumar, Advocate for the Respondent

4. The case was listed for admission before this Bench on various dates viz. 27.07.2017, 28.07.2017, 31.07.2017, 01.08.2017, 02.08.2017, 04.08.2017, 08.08.2017 and the case was adjourned on the request of the Respondent that the issue is likely to be settled.
5. Today Shri M. Subramaniya Shastry along with Shri Y. Prasanna Kumar, Advocates for the Respondent has filed a memo dated 11.08.2017 by stating as follows:-

***"It is respectfully submitted in the above matter, the parties have arrived into a settlement in respect of the claim made by the Petitioner. After discussing with the Petitioner, management has agreed to pay the amount in four equal instalments and the Petitioner has agreed for the above said terms. As per mutually agreed terms the amount will be paid as follows:-"***

- 1<sup>st</sup> instalment by the end of August, 2017***
- 2<sup>nd</sup> Instalment by the end of September, 2017***
- 3<sup>rd</sup> Instalment by the end of October, 2017***
- 4<sup>th</sup> Instalment by the end of November, 2017***

***In view of the above settlement, the application filed by the petitioner may be as settled out of court by recording the memo".***

6. The Learned Counsel for the Petitioner also accepts this settlement and seeks permission to withdraw the petition.
7. We have considered the issue along with material papers and we are of the considered view that the Petitioner can be permitted to withdraw the Company Petition bearing CP (IB) No.118/9/HDB/2017. Therefore, we dispose of the Company Petition as withdrawn and with a direction to the Respondent to





strictly adhere to the terms and conditions mentioned in the memo dated 10.08.2017 as extracted above. No order as to costs.



*Sd/-*  
Ravikumar Duraisamy  
Member (T)

*Sd/-*  
Rajeswara Rao Vittanala  
Member (J)

*Order received by the  
Registry on 21/8/2017*

प्रमाणित प्रति  
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केस संख्या  
CASE NUMBER *CP(OB) No. 118/9/HDB/2017*  
निर्णय का तारीख  
DATE OF JUDGEMENT... *11-8-2017*  
प्रति तैयार किया गया तारीख  
COPY MADE READY ON... *21-8-2017*

*V. Annapoorna*  
V. ANNAPOORNA  
Asst. DIRECTOR  
NCLT, HYDERABAD.

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OF THE ORIGINAL