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IN THE NATIONAL COMPANY LAW TRIBUNAL
AMARAVATI BENCH
(Through Hybrid Mode)

Item No.3

CP (IB)/58/7/AMR/2024

IN THE MATTER OF:

National Asset Reconstruction Company Limited

--- Financial Creditor

Vs

BGR Energy Systems Limited

--- Corporate Debtor

Under Section: 7 of IBC, 2016

Order delivered on 17.04.2026

CORAM:

SHRI UMESH KUMAR SHUKLA
HON'BLE MEMBER (TECHNICAL)

SHRI KISHORE VEMULAPALLI
HON'BLE MEMBER (JUDICIAL)

PRESENT:

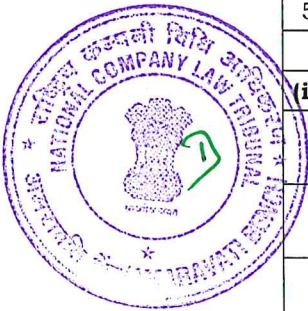
For the Financial Creditor : Mr. S. Sriram, Sr. Adv. with
Ms. Fatema Kachwalla, Advocate

For the Corporate Debtor : Mr. P.H. Arvindh Pandian, Sr. Advocate
with Mr. S.V.S. Chowdary, Advocate.

ORDER

The instant Petition CP (IB)/58/7/AMR/2024 ('**CP 58/2024**' or '**Petition**') was initially filed on 07.11.2024 (vide Diary No.1623) by Canara Bank under Section 7 of the Insolvency and Bankruptcy Code, 2016 ('**IBC**' or '**Code**') read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 ('**IB Rules**') seeking initiation of the Corporate Insolvency Resolution Process ('**CIRP**') against BGR Energy Systems Limited ('**Corporate Debtor**') against the default amount of Rs.584,67,81,149/- (Rupees Five Hundred Eighty Four Crores Sixty-Seven Lakhs Eighty-One Thousand One Hundred and Forty Nine only) as on 31.08.2024, as detailed below:

S. N.	Loan Account No.	Nature of Loan	Rate of Interest at present (%)	Outstanding amount as on 31.08.2024 (Rs.)
(i) CLAIM BY THE APPLICANT FOR FUND BASED (FB)				
	<u>APGENCO Project</u>			
1	60271250000340	Overdraft	15.70	147,81,72,800.34
2	173000464213	Working Capital Demand Loan	15.70	60,02,82,217.08
	Total			207,84,55,017.42
	<u>GHATAMPUR (NUPPL) Project</u>			
3	60271250000355	Overdraft	15.70	186,87,64,206.68
4	173000464226	WCDL	15.70	90,10,51,460.11
	Total			276,98,15,666.79
	<u>OPGCL Project</u>			
5	60271250000321	Overdraft		53,41,77,339.08
	TOTAL CLAIM ON FB			538,24,48,023.29
(ii) CLAIM BY THE APPLICANT FOR NON-FUND BASED (NFB)				
	APGENCO Project	109,00,00,000	From 25.04.2024 (129 days) @ 0.10% per day	16,59,19,800.00
	GHATAMPUR (NUPPL) Project	125,61,93,886	08.04.2024 (146 days) @ 0.10% per day	21,64,17,083.00
	OPGCL Project	49,99,16,127	15.04.2024 (139 days) @ 0.10% per day	8,19,96,243.00
	TOTAL CLAIM ON NFB			46,43,33,126.00
	AGGREGATE AMOUNT (FB+NFB)			584,67,81,149.29
	Rounded off: Rs.584,67,81,149/- (Rupees Five Hundred and Eighty-Four Crores Sixty-Seven Lakhs Eighty-One Thousand One Hundred & Forty-Nine only)			

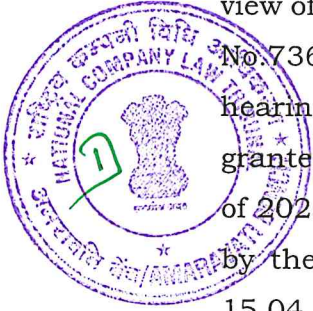


2. Vide Joint Assignment Agreement dated 29.09.2025 entered into between the Consortium of Banks including the Canara Bank and the National Asset Reconstruction Company Limited ('**NARCL**' or '**Financial Creditor**') various loans were assigned including the above loans of the Canara Bank in favour of NARCL. After assignment of the loans, the NARCL filed the Interlocutory Application bearing No.IA(IBC)/366/2025 ('**IA 366/2025**') seeking to substitute NARCL (acting in its capacity as Trustee of NARCL Trust-0029) as the Financial Creditor in place of Canara Bank in the instant Petition. This Adjudicating Authority vide its order dated 01.04.2026 allowed the IA 366/2025 by substituting the NARCL in CP 58/2024 as the Financial Creditor in place of Canara Bank and directed the NARCL to file an

amended neat copy of the cause title in CP 58/2024. Pursuant to the above order, an amended neat copy was filed, through a memo vide Diary No.668 dated 16.04.2026, through its Power of Attorney holder India Debt Resolution Company Limited, as the substituted Financial Creditor, along with amended Form-1.

3. The registered office of the Corporate Debtor is situated at Plot No. A5, Pannamgadu Industrial Estate, Ramapuram Post, Sullurpet Taluk, District Nellore-524401, Andhra Pradesh. Therefore, the territorial jurisdiction lies with this Adjudicating Authority.

4. The case was listed for hearing dated 08.04.2025, 30.04.2025, 23.09.2025, 08.12.2025, 20.01.2026 and 17.02.2026, but was adjourned in view of the stay granted by the Hon'ble High Court of Andhra Pradesh in W.P. No.736 of 2025 filed by the Corporate Debtor. However, during the course of hearing dated 01.04.2026, the Financial Creditor stated that stay order granted earlier by the Hon'ble High Court of Andhra Pradesh in W.P. No.736 of 2025 has expired and there is no stay as of now, which was not disputed by the Corporate Debtor and the matter was posted for final hearing on 15.04.2026, on which date, the Financial Creditor stated that due to technical glitch, they could not file the amended neat copy on time and the matter was posted for today.



5. Today, the NARCL has submitted the following arguments:

- (i) As per Part-IV of the amended Form-1, the total amount of debt granted to the Corporate Debtor is Rs.650 crores, and the total amount claimed to be in default and date on which the default occurred are Rs.584,67,81,149/- (as on 31.08.2024) and 30.06.2022 respectively as shown in table below:

1.	TOTAL AMOUNT OF DEBT GRANTED DATE(S) OF DISBURSEMENT	(i) FUND BASED LIMITS SANCTIONED: :278 CRORES (ii)NON FUND BASED LIMITS SANCTIONED : 372 CRORES ----- TOTAL : 650 CRORES ----- (DETAILS AS PER ANNEX-1)
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S.No	DATE OF SANCTION	DATE OF AGREEMENT	PROJECTS	FUND BASED - SECURED OD (FBL) (Rs.in crores)	NON FUND BASED (NFBL) (Rs.in crores)	TOTAL Sanction (Rs.in crores)
i	20.01.2014	07.03.2014	OPGCL PROJECT	38	62	100
ii	27.01.2016	04.02.2017	APGENCO PROJECT	100	150	250
iii	07.03.2017	30.08.2017	GHATAMPUR PROJECT	140	160	300
TOTAL				278	372	650

2.	AMOUNT CLAIMED TO BE IN DEFAULT AND THE DATE ON WHICH THE DEFAULT OCCURRED (ATTACH THE WORKINGS FOR COMPUTATION OF AMOUNT AND DAYS OF DEFAULT IN TABULAR FORM)	<p>(i) DATE OF DEFAULT (NPA DATE): 30.06.2022</p> <p>(ii) AMOUNT OF DEFAULT ON THE DATE OF NPA: Rs.235,70,74,535.00</p> <p>(iii) AMOUNT OF CLAIM AS ON 31.08.2024: Rs.584,67,81,149.00 (ROUNDED OFF AMT) (AS PER ANNEX-2)</p> <p>Note: NFB liability of Rs.16,42,14,186/- for LARA project yet to be crystallized and shall be claimed upon crystallization.</p>
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(i) SUMMARY OF ACCOUNTS - FUND BASED

Date of Non Performing Asset (NPA)	Rate of Interest at 15.70%							
30.06.2022		Projects	Balance as on NPA date of 30.06.2022 (NPA DATE) (Rs.)	ADD Interest From 30.06.2022 TO 31.08.2024 (Rs.)	Add Debit txns made from 01.07.2022 to 31.08.2024 (Rs.)	TOTAL DEBIT SIDE	LESS Credits made from 01.07.2022 to 31.08.2024 (Rs.)	Balance as on 31.08.2024 (Rs.)
		APGENCO PROJECT						
OD(A/c No.60271250000340)			35,97,28,564.43	16,57,75,289.07	332,42,02,607.46	384,97,06,460.96	237,15,33,660.62	147,81,72,800.34
		WCDL(A/c No.173000464213)	56,40,00,000.00	13,87,07,420.60	79,11,054.06	71,06,18,474.66	11,03,36,257.58	60,02,82,217.08
			92,37,28,564.43	30,44,82,709.67	333,21,13,661.52	456,03,24,935.62	248,18,69,918.20	207,84,55,017.42
		GHATAMPUR PROJECT						
OD(A/c No.60271250000355)			54,14,05,282.67	24,90,15,449.49	445,53,53,356.84	524,57,74,089.00	337,70,09,882.32	186,87,64,206.68
		WCDL-173000464226 (transfer of balances from OD 6271250000355)	82,20,00,000.00	21,29,23,585.35	49,95,251.56	103,99,18,836.91	13,88,67,376.80	90,10,51,460.11
			136,34,05,282.67	46,19,39,034.84	446,03,48,608.40	628,56,92,925.91	351,58,77,259.12	276,98,15,666.79
		OPGCL PROJECT						
A/C-60271250000321)-OD			699,40,687.41	4,74,82,964.67	124,24,13,284.00	135,98,36,936.08	82,56,59,597.00	53,41,77,339.08
			699,40,687.41	4,74,82,964.67	124,24,13,284.00	135,98,36,936.08	82,56,59,597.00	53,41,77,339.08
		AGGREGATE TOTAL	235,70,74,534.51	81,39,04,709.18	903,48,75,553.92	1220,58,54,797.61	682,34,06,774.32	538,24,48,023.29

(ii) SUMMARY OF ACCOUNTS - NON-FUND BASED

DEVOLVEMENT CHARGES ON BANK GUARANTEES INVOKED (NON FUND BASED)

Project	Outstanding amount	Invocation date	No Of days upto 31.08.2024	Devolvement charges @ 0.10% per day	GST	Total claim as on 31.08.2024
APGENCO	109,60,00,000	25/04/2024	129	14,06,10,000	2,53,09,800	16,59,19,800
GHATAMPUR NUPPL	125,61,93,886	04-08-2024	146	18,34,04,307	3,30,12,775	21,64,17,083
OPGCL	49,99,16,127	15/04/2024	139	6,94,88,342	1,25,07,901	8,19,96,243
	284,61,10,013			39,35,02,649	7,08,30,476	46,43,33,126



SUMMARY OF CLAIM FOR BOTH FUND BASED AND NON FUND BASED (PROJECT WISE)

Project	CLAIM AS ON 31.08.2024 FOR FUND BASED	CLAIM AS ON 31.08.2024 FOR NON- FUND BASED	TOTAL CLAIM AS ON 31.08.2024 FOR FB+NFB
APGENCO	207,84,55,017.42	16,59,19,800	224,43,74,817.42
GHATAMPUR-NUPPL	276,98,15,666.79	21,64,17,083	298,62,32,749.79
OPGCL	53,41,77,339.08	8,19,96,243	61,61,73,582.08
TOTAL	538,24,48,023.29	46,43,33,126	584,67,81,149.29

(ii) The Corporate Debtor incurred continuous losses during the financial years 2020-21 to 2022-23 and remained under financial stress and failed to conduct its business to the satisfaction of the Lenders. Pursuant to the Reserve Bank of India divergence, the loan accounts were classified as NPA with effect from 30.06.2022. Further, the bank guarantees issued by the Canara Bank on behalf of the Corporate Debtor for various projects have been invoked by the respective Project Authorities due to non-fulfilment of contractual obligations, which further indicates the improper conduct of the business of the Corporate Debtor. Despite repeated demands, the Corporate Debtor failed to repay dues. Therefore, the Canara Bank issued notice calling upon the Corporate Debtor to regularize the loan accounts and subsequently issued a demand notice dated 16.11.2023 under Section 13(2) of the SARFAESI Act, 2002 requiring repayment of the aforesaid credit facility within 60 days. However, the Corporate Debtor failed to comply with the same.

(iii) The Corporate Debtor, by reply dated 12.01.2024, acknowledged receipt of the Section 13(2) notice and the existence of loan, but denied financial indiscipline and losses, and sought for restructuring of outstanding dues. The Canara Bank, by reply dated 24.01.2024, clarified that the demand notice was issued lawfully following NPA classification with effect from 30.06.2022 due to sustained losses, and emphasized the need for resolution.



- (iv) Despite these measures, no effective response or repayment has been made, making the Canara Bank to initiate the present proceedings for suitable resolution of its dues.
- (v) The Corporate Debtor is liable to pay a sum of Rs.584,67,81,149.29 as on 31.08.2024, together with further interest and costs. Interest shall accrue with monthly rests from the date of the Petition until full realization, in respect of the facilities.
- (vi) The Form-D Record of Default issued by the National E-Governance Services Limited ('NeSL') at pages 63, 76, 86, 99, 109 of the Petition in respect of five loan accounts of the Corporate Debtor clearly shows the defaulted amount of debt and date of default being 30.06.2022.
- (vii) Further, the Certificate of the Canara Bank under Section 2(A)(a) of The Bankers' Books of Evidence Act, 1891 at page 314 along with the Statement of Accounts of the Corporate Debtor at pages 315 to 529 in respect of eight loan accounts of the Corporate Debtor as on 31.08.2024 also establishes the debt and default.
- (viii) Since, both the 'debt' and 'default' are established, the Petition needs to be admitted.
- (ix) Further, in Part-III of Form-1 of the Petition, Mr. Dommeti Surya Rama Krishna Saibaba has been proposed as the Interim Resolution Professional ('IRP') and his consent in Form-2 and Authorisation for Assignment, have been annexed at pages 18 to 22 of the Petition



6. The Corporate Debtor has raised the following contentions:

- (i) The classification of NPA by the Canara Bank is under dispute and has been challenged before the Hon'ble High Court of Andhra Pradesh in W.P. No.736 of 2025.
- (ii) The amended neat copy filed by the NARCL is not complete, as the Joint Assignment Agreement entered into between the Canara

Bank and NARCL is not enclosed therewith. Thus, the Petition is not maintainable under Section 7 of the IBC as the Form-1 needs to be accompanied with documents and records required therein and Rule 4(2) of the IB Rules provides that where the Applicant is an assignee or transferee of a financial contract, the Application shall be accompanied with a copy of the assignment or transfer agreement and other relevant documentation to demonstrate the assignment or transfer. Under Section 7(2) of the IBC, the Adjudicating Authority has to satisfy itself that a default has occurred and the application under Section 7(2) is complete and under proviso to Section 7(5) of the IBC, this Adjudicating Authority needs to give a notice to rectify the defect within seven days.

7. In response to the objections raised by the Corporate Debtor, the Financial Creditor submitted the following:



- (i) In Section 7 Petition, the Adjudicating Authority needs to satisfy itself with regard to the debt and default and any dispute regarding the debt and default pending in any Court has no relevance so long as the defaulted amount exceeds the threshold of Rs. One crore. In this regard, reliance was placed on the Hon'ble Supreme Court Judgment in the matter of **M. Suresh Kumar Reddy vs. Canara Bank & Ors. (Civil Appeal No. 7121 of 2022)**, wherein it has clarified that once the default is proved, an order of admission under Section 7 of the IBC must follow.
- (ii) Further, there is no stay as of now with regard to proceedings before this Adjudicating Authority. Therefore, this Petition needs to be admitted.
- (iii) The IA 366/2025 was filed by the NARCL for substituting NARCL as the Financial Creditor in place of Canara Bank in CP 58/2024, which has been allowed by this Adjudicating Authority vide its order dated 01.04.2026, and therefore the Joint Assignment Agreement would form the part of the Petition.

(iv) The Authorisation for Assignment of the proposed IRP has been extended till 31.12.2026, which can be verified from the IBBI website.

8. We have heard the learned Senior Counsels for both the Parties and have also perused the records carefully.

9. The first issue for consideration before us is **“Whether the Petition has been filed within the limitation period.** As per Part-IV of Form 1 of the Petition, the date of default is mentioned as 30.06.2022 and the present Petition has been e-filed on 24.10.2024 and physically filed on 07.11.2024. In view of the above, we are of the considered view that the Petition has been filed within the limitation period.

10. The next issue that arises before us is **“Whether Form 1 filed by the Financial Creditor is incomplete and the Petition becomes defective?”**

This Adjudicating Authority vide its order dated 01.04.2026 in IA 366/2025 has allowed the substitution application filed by the NARCL, wherein, the NARCL had enclosed the Joint Assignment Agreement dated 29.09.2025. We are of the considered view that once the IA 366/2025 filed by the NARCL is allowed and NARCL has been substituted with the Financial Creditor, the Assignment Agreement is deemed to be considered a document in the Petition and it is compliance of the filing of the Petition in all respects and the Petition is complete. Therefore, the objection raised by the Corporate Debtor that the Petition is not maintainable, as the Form 1 does not include the Joint Assignment Agreement dated 29.09.2025 is not tenable.

11. The next issue that arises before us is **“Whether there is a financial debt and default in repayment thereof, when it became due and payable, which meets the minimum threshold limit of Rs. One crore as required under Section 4 of the IBC?”**

(i) As stated supra, in Part-IV of Form-1, the total amount claimed to be in default is Rs.584,67,81,149/- as on 31.08.2024. To substantiate the said default, the Financial Creditor enclosed the

following evidences: (a) Record of default (RoD) with the Information Utility (NeSL) at pages 63 to 122 of the Petition. (b) Copy of entries in the Banker's Book in accordance with the Banker's Book of Evidence Act, 1891.

Record of Default issued by NeSL:

(ii) The Financial Creditor at page nos.63 to 122 of the Petition has enclosed the RoDs (Form D) issued by the NeSL. The relevant extracts of above RoDs are reproduced below:



**FORM D
RECORD OF DEFAULT(RoD)**

(Issued By information utility under sub- regulation (4) of regulation 21 of the Insolvency and Bankruptcy Board of India (Information Utilities) Regulations, 2017)

This Record of Default is issued to the Financial Creditor M/s CANARA BANK in respect of the default of debt as per details given below-

- (a) Name of the Submitter: M/s CANARA BANK
- (b) Schedule-2 Bank (Y/N): Y
- (c) Name of Corporate Debtor: M/s BGR ENERGY SYSTEMS LTD
- (d) Unique Debt Identifier Number: AAACC6106G_6027125000340
- (e) Registered Address: JC Road 112, HO ANNEX,6th floor, Head office
- (f) Total Outstanding Amount: 369352507.90
- (g) Default Amount: 369352507.90
- (h) Date of Default: 30-06-2022
- (i) Status of Authentication of Default: AUTHENTICATED
- (j) Date of Last Acknowledgement of Debt (AoD): Not Available



Filing of Default(Submission ID No.)	Submitted on	Status of Authentication(Authenticated/Disputed/Deemed to be authenticated)	Authentication completed on
(33)	23-01-2024 18:39:24	*AUTHENTICATED Colour Code :GREEN	28-04-2024 00:04:08

NeSL is authorized to issue this record of default and has accordingly affixed its digital signature, as per the provisions of the Insolvency and Bankruptcy Code, 2016 read with Insolvency and Bankruptcy Board of India (Information Utilities) Regulations, 2017, Guidelines for Technical Standards for Performance of Core Services and Other Services and the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2017.

**FORM D
RECORD OF DEFAULT (RoD)**

(Issued By information utility under sub-regulation (4) of regulation 21 of the Insolvency and Bankruptcy Board of India (Information Utilities) Regulations, 2017)

This Record of Default is issued to the Financial Creditor M/s CANARA BANK in respect of the default of debt as per details given below-

(a) Name of the Submitter: M/s CANARA BANK
 (b) Schedule-2 Bank (Y/N): Y
 (c) Name of Corporate Debtor: M/s BGR ENERGY SYSTEMS LTD
 (d) Unique Debt Identifier Number: AAACC6106G_173000464213
 (e) Registered Address: JC Road 112, HO ANNEX, 6th floor
 .Head office
 (f) Total Outstanding Amount: 543087174.04
 (g) Default Amount: 543087174.04
 (h) Date of Default: 30-06-2022
 (i) Status of Authentication of Default: AUTHENTICATED
 (j) Date of Last Acknowledgement of Debt (AoD): Not Available

Filing of Default (Submission ID No.)	Submitted on	Status of Authentication (Authenticated / Disputed / Deemed to be authenticated)	Authentication completed on
(15)	23-01-2024 18:42:25	*AUTHENTICATED Colour Code : GREEN	28-04-2024 00:04:03

NeSL is authorized to issue this record of default and has accordingly affixed its digital signature, as per the provisions of the Insolvency and Bankruptcy Code, 2016 read with Insolvency and Bankruptcy Board of India (Information Utilities) Regulations, 2017, Guidelines for Technical Standards for Performance of Core Services and Other Services and the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2017.

**FORM D
RECORD OF DEFAULT (RoD)**

(Issued By information utility under sub-regulation (4) of regulation 21 of the Insolvency and Bankruptcy Board of India (Information Utilities) Regulations, 2017)

This Record of Default is issued to the Financial Creditor M/s CANARA BANK in respect of the default of debt as per details given below-

(a) Name of the Submitter: M/s CANARA BANK
 (b) Schedule-2 Bank (Y/N): Y
 (c) Name of Corporate Debtor: M/s BGR ENERGY SYSTEMS LTD
 (d) Unique Debt Identifier Number: AAACC6106G_60271250000355
 (e) Registered Address: JC Road 112, HO ANNEX, 6th floor
 .Head office
 (f) Total Outstanding Amount: 547682562.11
 (g) Default Amount: 547682562.11
 (h) Date of Default: 30-06-2022
 (i) Status of Authentication of Default: AUTHENTICATED
 (j) Date of Last Acknowledgement of Debt (AoD): Not Available

Filing of Default (Submission ID No.)	Submitted on	Status of Authentication (Authenticated / Disputed / Deemed to be authenticated)	Authentication completed on
(33)	23-01-2024 18:42:54	*AUTHENTICATED Colour Code : GREEN	28-04-2024 00:04:05

NeSL is authorized to issue this record of default and has accordingly affixed its digital signature, as per the provisions of the Insolvency and Bankruptcy Code, 2016 read with Insolvency and Bankruptcy Board of India (Information Utilities) Regulations, 2017, Guidelines for Technical Standards for Performance of Core Services and Other Services and the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2017.



**FORM D
RECORD OF DEFAULT(RoD)**

(Issued By information utility under sub- regulation (4) of regulation 21 of the Insolvency and Bankruptcy Board of India (Information Utilities) Regulations, 2017)

This Record of Default is issued to the Financial Creditor M/s CANARA BANK in respect of the default of debt as per details given below-

(a) Name of the Submitter: M/s CANARA BANK
 (b) Schedule-2 Bank (Y/N): Y
 (c) Name of Corporate Debtor: M/s BGR ENERGY SYSTEMS LTD
 (d) Unique Debt Identifier Number: AAACC6106G_173000464226
 (e) Registered Address: JC Road 112, HO ANNEX,6th floor ,Head office
 (f) Total Outstanding Amount: 818445212.06
 (g) Default Amount: 818445212.06
 (h) Date of Default: 30-06-2022
 (i) Status of Authentication of Default: AUTHENTICATED
 (j) Date of Last Acknowledgement of Debt (AoD): Not Available

Filing of Default(Submission ID No.)	Submitted on	Status of Authentication(Authenticated/Disputed/Deemed to be authenticated)	Authentication completed on
(15)	23-01-2024 18:39:24	*AUTHENTICATED Colour Code :GREEN	28-04-2024 00:04:08

NeSL is authorized to issue this record of default and has accordingly affixed its digital signature, as per the provisions of the Insolvency and Bankruptcy Code, 2016 read with Insolvency and Bankruptcy Board of India (Information Utilities) Regulations, 2017, Guidelines for Technical Standards for Performance of Core Services and Other Services and the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2017.



**FORM D
RECORD OF DEFAULT(RoD)**

(Issued By information utility under sub- regulation (4) of regulation 21 of the Insolvency and Bankruptcy Board of India (Information Utilities) Regulations, 2017)

This Record of Default is issued to the Financial Creditor M/s CANARA BANK in respect of the default of debt as per details given below-

(a) Name of the Submitter: M/s CANARA BANK
 (b) Schedule-2 Bank (Y/N): Y
 (c) Name of Corporate Debtor: M/s BGR ENERGY SYSTEMS LTD
 (d) Unique Debt Identifier Number: AAACC6106G_60271250000321
 (e) Registered Address: JC Road 112, HO ANNEX,6th floor ,Head office
 (f) Total Outstanding Amount: 87877419.16
 (g) Default Amount: 87877419.16
 (h) Date of Default: 30-06-2022
 (i) Status of Authentication of Default: AUTHENTICATED
 (j) Date of Last Acknowledgement of Debt (AoD): Not Available

Filing of Default(Submission ID No.)	Submitted on	Status of Authentication(Authenticated/Disputed/Deemed to be authenticated)	Authentication completed on
(33)	23-01-2024 18:39:24	*AUTHENTICATED Colour Code :GREEN	28-04-2024 00:04:08

NeSL is authorized to issue this record of default and has accordingly affixed its digital signature, as per the provisions of the Insolvency and Bankruptcy Code, 2016 read with Insolvency and Bankruptcy Board of India (Information Utilities) Regulations, 2017, Guidelines for Technical Standards for Performance of Core Services and Other Services and the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2017.

- (iii) The total outstanding default amount as per the above RoDs works out to Rs.236,64,44,875.27 as shown in table below:

Unique Debt Identifier Number	Outstanding Default Amount (Rs.)
AAACC6106G_60271250000340	36,93,52,507.90
AAACC6106G_173000464213	54,30,87,174.04
AAACC6106G_60271250000355	54,76,82,562.11
AAACC6106G_173000464226	81,84,45,212.06
AAACC6106G_60271250000321	8,78,77,419.16
Total	236,64,44,875.27

Banker's Book as per Banker's Book of Evidence Act, 1891

- (iv) The Financial Creditor at page nos.314 to 318 of the Petition has enclosed the Certificate under Section 2(A) of the Bankers' Book of Evidence Act, 1891 along with Statement of Accounts in respect of five Fund based and three Non-fund based accounts of the Corporate Debtor, the relevant extracts of which are reproduced below:



CERTIFICATE UNDER SECTION 2(A) (a) OF THE BANKERS BOOKS OF EVIDENCE ACT 1891 (as amended)

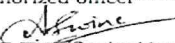
This is to certify that the statement of account of the Defendant in respect of Accounts of M/s.BGR Energy Systems Ltd as detailed below from 30.06.2022 (NPA) to 31.08.2024 at M/s.Canara Bank, Large Corporate Branch, 524, 1st Floor, Canara Tower, Anna Salai, Teynampet, Chennai-600 018 where the accounts of the said borrower maintained is a true copy of the print out of data stored in core banking solutions.

Account Number	Nature of facility	Name of the project	Interest rate (%)	Claim amount as on 31.08.2024
(i) Claims for Fund Based (FB) as on 31.08.2024				
60271250000340	Overdraft	APGENCO PROJECT	15.70%	147,81,72,800.34
173000464213	WCDL	APGENCO PROJECT	15.70%	60,02,82,217.08
60271250000355	Overdraft	GHATAMPUR	15.70%	186,87,64,206.68
173000464226	WCDL	GHATAMPUR	15.70%	90,10,51,460.11
60271250000321	Overdraft	OPGCL PROJECT	15.70%	53,41,77,339.08
Total				538,24,48,023.29
(ii) Claims for Non fund based (NFB) as on 31.08.2024				
DEVOLVEMENT CHARGES ON BGs O/S Rs.109.00 CRORES FOR 67 DAYS	INVOCATION AS ON 25/04/2024	APGENCO PROJECT	0.10% PER DAY	16,59,19,800.00
DEVOLVEMENT CHARGES ON BGs O/S Rs.125.62 CRORES FOR 84 DAYS	INVOCATION AS ON 8/4/2024	GHATAMPUR	0.10% PER DAY	21,64,17,083.00
DEVOLVEMENT CHARGES ON BGs O/S Rs.49.99 CRORES FOR 77 DAYS	INVOCATION AS ON 15/04/2024	OPGCL PROJECT	0.10% PER DAY	8,19,96,243.00
Total				46,43,33,126.00
Aggregate total (FB+NFB)				584,67,81,149.29
Rounded Off: Rs.584,67,81,149/- (Rupees Five hundred and eighty four crores sixty seven lakhs eighty one thousand one hundred and forty nine only)				

Place :Chennai

Date : 31.08.2024

करो कोरपरेटिव बँक / CANARA BANK

Authorized Officer

 वरिष्ठ प्रबंधक / Senior Manager
 लार्ज कॉर्पोरेट ब्रांच / Large Corporate Branch
 चेन्नई / Chennai-600 018.

- (v) The outstanding amount as per the above Statement of Accounts as on 31.08.2024 enclosed at page nos.319 to 528 of the Petition, works out to Rs. 584,67,81,149.29 as shown in the table below:

Account Number	Outstanding Amount as on 31.08.2024 (Rs.)
Fund Based	
60271250000340	1478172800.34
173000464213	600282217.08
60271250000355	1868764206.68
173000464226	901051460.11
60271250000321	534177339.08
Total	5382448023.29
Non-Fund Based	
APGENCO Project	165919800.00
GHATAMPUR-NUPPL Project	216417083.00
OPGCL Project	81996243.00
Total	464333126.00
Total (A+B)	5846781149.29



- (vi) It is observed that the total amount of outstanding financial debt appearing as per the Records of Default issued by the NeSL and Statement of Accounts of the Corporate Debtor maintained as per the Banker's Books of Evidence Act, 1891 are different. However, in case of Section 7 Petition, we need to see that the outstanding default amount is meeting the threshold limit of Rupees one crore and in both of the above evidences submitted by the Financial Creditor, the outstanding default amount is above the threshold limit of Rupees one crore as required under Section 4 of the IBC.
- (vii) The Corporate Debtor has contended that the classification of NPA is under dispute and has been challenged before the Hon'ble High Court. However, it has been clarified by the Financial Creditor and also not disputed by the Corporate Debtor that no stay with regard to proceedings before this Adjudicating Authority is in force.
- (viii) It is also noted that after classifying the accounts of the Corporate Debtor as NPA, the Canara Bank has also issued the Demand Notices dated 16.11.2023 under Section 13(2) of the SARFAESI Act, 2002 to the Corporate Debtor recalling the outstanding loan as on

31.10.2023 for APGENCO Project amounting to Rs.201,60,31,075.24, OPGCL Project amounting to Rs.74,97,10,214.00, Ghatampur Project amounting to Rs.262,47,22,315.02 and Lara Project amounting to Rs.23,22,83,548.21. The Canara Bank vide its letters dated 08.04.2024 have further requested the Corporate Debtor to refund the amount of Rs.125,61,93,886/-, Rs.49,99,16,127/- and Rs.109,00,00,000/- immediately, which is due towards invoked bank guarantees. Further, in addition, the Financial Creditor has also submitted the RoD issued by the NeSL evidencing the debt and default.

- (ix) In view of the above, we are of the considered view that the Financial Creditor has been able to establish the debt and default exceeding the threshold limit of Rupees one crore and therefore, the Petition needs to be admitted. In support of the same, we also place the reliance to the recent Judgment rendered by the Hon'ble Supreme Court in the matter of **Power Trust (Promoter of Hiranmaye Energy Ltd.) Vs. Bhuvan Madan (Interim Resolution Professional of Hiranmaye Energy Ltd.) & Ors.** in Civil Appeal No(s).2211 of 2024 decided on 18.02.2026, the relevant extract of which are reproduced below:

*“34. The Code restricts the scope of enquiry for admission of an insolvency process by a financial creditor **merely to the existence of default of a debt due and payable and nothing more.** The legislative intent behind such prompt and summary intervention is “to ensure revival and continuation of the corporate debtor by protecting the corporate debtor from its own management and from a corporate death by liquidation.”*

12. However, before admission, this Adjudicating Authority has to satisfy that the Petition is complete and there are no disciplinary proceedings pending against the proposed IRP. Further, Rule 4 of the IB Rules prescribes the procedural requirements, including the format and supporting documents required for filing such a Petition.



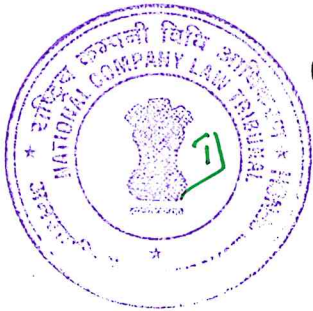
13. We have gone through the contents of the Petition filed by the Financial Creditor and found that the same is complete in all respects. The Financial Creditor has proposed the name of Mr. Dommeti Surya Rama Krishna Saibaba, having Registration No. IBBI/IPA-003/IP-N000165/2018-2019/12106 as IRP in this matter. The written consent of the proposed IRP in Form 2 dated 23.08.2024 affirming that he is eligible to be appointed as IRP in respect of the Corporate Debtor and certified that there are no disciplinary proceedings pending against him with the Board or the Insolvency Professional Agency of Institute of Cost Accountants of India. However, it is noted from the copy of the AFA of the proposed IRP annexed at Page 20 of the Petition, that his AFA is valid till 31.12.2025. Therefore, during the course of hearing, the credentials of the proposed IRP have been verified on the IBBI website, which shows that the proposed IRP holds the valid AFA up to 31.12.2026. The relevant extract of the IBBI website is given below:

Name of the IP	Mr. Dommeti Surya Rama Krishna Saibaba
Registration no	IBBI/IPA-003/IP-N00165/2018-2019/12106
Date of Registration	11-Oct-18
Member of IPA	Insolvency Professional Agency of Institute of Cost Accountants of India
Member of IPA Since	19-Jun-18
Member of IPE	K-Source Financial Consultancy Services Private Limited
Email id	dsrk39[at]yahoo[dot]com
Address	Flat No. A-105, Mahindra Ashvita, Hafeejpet Road, Near Hi-Tech City MMTS Railway Station, KPHB Colony, Hyderabad, Telangana, 500085
Have Valid AFA	Yes
AFA Certificate No.	AA3/12106/02/311226/301386
AFA Valid Upto	31-Dec-26
Total CPE Earned	60
Total Assignments	12

14. As a sequel to the discussion above, the present Petition bearing CP(IB)/58/7/AMR/2024 filed by the Financial Creditor under Section 7 of the IBC for initiating CIRP against the Corporate Debtor, namely, BGR Energy Systems Limited, is hereby admitted and accordingly, the moratorium is declared in terms of Section 14 of the Code:

- (i) Moratorium under Section 14 (1) for prohibiting all of the following, namely:

- (a) The institution of suits or continuation of pending suits or proceedings against the Corporate Debtor including execution of any judgement, decree or order in any court of law, tribunal, arbitration panel or other authority;
- (b) Transferring, encumbering, alienating or disposing of by the Corporate Debtor any of its assets or any legal right or beneficial interest therein;
- (c) Any action to foreclose, recover or enforce any security interest created by the Corporate Debtor in respect of its property including any action under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;
- (d) The recovery of any property by an owner or lessor, where such property is occupied by or in the possession of the Corporate Debtor.



- (ii) It is hereby clarified that notwithstanding anything contained in any other law for the time being in force, a licence, permit, registration, quota, concession, clearance 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, concession, clearances or a similar grant or right during the moratorium period;
- (iii) The provisions of Section 14(1) shall not apply to such transactions, agreements or other arrangement, as may be notified by the Central Government in consultation with any financial sector regulator or any other authority; and also to a surety in a contract of guarantee to a corporate debtor.

- (iv) The supply of essential goods or services to the Corporate Debtor, as may be specified, shall not be terminated or suspended or interrupted during moratorium period, except where such Corporate Debtor has not paid dues arising from such supply during the moratorium period or in such circumstances, as may be specified.
- (v) The order of moratorium shall have effect from the date of this order till the completion of the CIRP or until this Adjudicating Authority approves the resolution plan under sub-section (1) of Section 31 or passes an order for liquidation of the Corporate Debtor under Section 33 as the case may be.

15. Accordingly, we hereby appoint Mr. **Dommeti Surya Rama Krishna Saibaba**, bearing Registration No. IBBI/IPA-003/IP-N000165/2018-2019/12106, email ID- dsrk39@yahoo.com having registered address at Flat No. A-105, Mahindra Ashvita, Hafeejpet Road, Near Hi-Tech City MMTS Railway Station, KPHB Colony, Hyderabad, Telangana - 500085, as IRP in the instant matter, with the following directions: -



- (i) The term of appointment of the aforesaid IRP shall be in accordance with the provisions of Section 16(5) of the Code;
- (ii) The aforesaid IRP shall submit an affidavit to this Adjudicating Authority within 7 days of this Order that his existing assignments including the present assignment are within the permissible limit of clause 22 of Code of Conduct specified in First Schedule to IBBI (Insolvency Professionals) Regulations, 2016;
- (iii) The aforesaid IRP shall also submit an affidavit to this Adjudicating Authority within 7 days of this Order that he is eligible to be appointed as IRP under Regulation 3 of IBBI (Insolvency Resolution Process for Corporate Persons), Regulations, 2016;
- (iv) The IRP shall make all requisite disclosures as per First Schedule under Regulation 7(2)(h) of the IBBI (Insolvency Professionals) Regulations, 2016 in the first meeting of the CoC;

(v) In terms of Section 17 of the Code, from the date of this appointment, the powers of the Board of Directors shall stand suspended and the management of the affairs shall vest with the IRP and the officers and the managers of the Corporate Debtor shall report to the IRP, who shall be enjoined to exercise all the powers, as are vested with the IRP and strictly perform all the duties as are enjoined on the IRP under Section 18 and other relevant provisions of the Code, including taking control and custody of the assets, over which the Corporate Debtor has ownership rights recorded in the balance sheet of the Corporate Debtor, etc. as provided in Section 18(1)(f) of the Code. The IRP is directed to prepare a complete list of the inventory of assets of the Corporate Debtor;

(vi) The IRP shall strictly act in accordance with the Code, all the rules framed thereunder by the Board or the Central Government and in accordance with the Code of Conduct governing his profession and as an Insolvency Professional with high standards of ethics and moral;



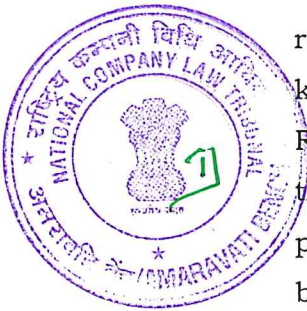
(vii) The IRP shall cause a public announcement within three days as contemplated under Regulation 6 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 of the initiation of the CIRP in terms of Section 13(1)(b) read with Section 15 of the Code calling for the submission of claims against Corporate Debtor;

(viii) The IRP/RP shall prepare the Audited Financial Statements as on date of the CIRP and shall submit before the CoC for consideration.

(ix) The IRP/RP shall also ensure that all the assets appearing in the Financial Statements on the CIRP date have been considered in the valuation report. The IRP/RP shall send individual communication through post or electronic means along with a copy of public announcement to all the creditors as per last available books of accounts / financial statements on the CIRP date of Corporate

Debtor as prescribed under Regulation 6A of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.

- (x) The Corporate Debtor, its Directors, personnel and the persons associated with the management shall extend all cooperation to the IRP in managing the affairs of the Corporate Debtor as a going concern and extend all cooperation in accessing books and records as well as assets of the Corporate Debtor;
- (xi) The suspended Board of Directors is directed to give complete access to the books of accounts of the Corporate Debtor maintained under Section 128 of the Companies Act, 2013. In case, the books are maintained in the electronic mode, the suspended Board of Directors are to share with the IRP/ RP all the information regarding maintaining the backup and regarding service provider kept under Rule 3(5) and Rule 3(6) of the Companies (Accounts) Rules, 2014 respectively as effective from 11.08.2022, especially the name of the service provider, the internet protocol of the service provider and its location, and also address of the location of the books of accounts maintained in the cloud. In case accounting software for maintaining the books of accounts is used by the Corporate Debtor, then IRP/ RP is to check that the audit trail in the same is not disabled as required under the notification dated 24.03.2021 of the Ministry of Corporate Affairs. A reference is made to the provisions of Section 128(5) of the Companies Act, 2013, whereby every company should maintain its books of accounts for not less than eight financial years immediately preceding a financial year. Minutes and statutory records are the principal documents of the company that should be maintained and preserved since inception.
- (xii) In view of the above mandatory provisions, the suspended Directors of the Board will ensure that the books of accounts for the eight previous financial years preceding the date of this order be made available to the IRP/ RP within 15 days of the initiation of the CIRP



order. The Statutory Auditor is also directed to share the records maintained by him in the course of the audit of the accounts of the Corporate Debtor for the period of three years prior to the date of initiation of this CIRP order within the same period of 15 days.

(xiii) In case of any non-cooperation by the suspended Board of Directors or the statutory auditors, the IRP/ RP may take the help of the police authorities to enforce this order. The concerned police authorities are directed to extend help to the IRP/ RP in implementing this order for retrieval of relevant information from the systems of the Corporate Debtor. The suspended Board of Directors is also directed to hand over all user IDs and passwords relating to the Corporate Debtor, particularly for government portals, for various compliances. The IRP is also directed to make a specific mention of non-compliance, if any, in this regard in his status report filed before this Adjudicating Authority immediately after a month of the initiation of the CIRP.



(xiv) The IRP/ RP is directed to approach the government departments, banks, corporate bodies and other entities with request for information/ documents available with those authorities/ institutions/ others pertaining to the Corporate Debtor, which would be relevant in the CIRP. The government departments, banks, corporate bodies and other entities are directed to render the necessary information and cooperation to the IRP/ RP to enable him to conduct the CIRP as per law.

(xv) The IRP shall, after collation of all the claims received against the Corporate Debtor and the determination of the operational position of the Corporate Debtor constitute a Committee of Creditors and shall file a report, certifying constitution of the Committee to this Adjudicating Authority on or before the expiry of thirty days from the date of his appointment, and shall convene first meeting of the Committee within seven days of filing the report of constitution of the Committee;

(xvi) The IRP shall also serve a copy of this order to all relevant statutory departments such as Income Tax, GST (Centre and State), Provident Fund authorities, trade unions, and employee associations to inform them about the commencement of CIRP.

(xvii) The IRP is directed to send a regular progress report to this Adjudicating Authority every month.

16. The Financial Creditor is directed to deposit Rs.5,00,000/- (Rupees Five Lakhs only) with the IRP to meet out the expense to perform the functions assigned to him in accordance with Regulation 6 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016. The amount, however, will be subject to adjustment by the Committee of Creditors as to be duly accounted for by IRP and shall be paid back to the Financial Creditor.

17. A copy of this Order shall immediately be communicated to the Financial Creditor, the Corporate Debtor, IBBI, and the IRP named above by the Court Officer/ Registry of this Adjudicating Authority.

Accordingly, CP (IB)/58/7/AMR/2024 stands admitted.

Sd/-
(UMESH KUMAR SHUKLA)
MEMBER (TECHNICAL)

Sd/-
(KISHORE VEMULAPALLI)
MEMBER (JUDICIAL)

Krishna/ Naila

प्रमाणित प्रति/CERTIFIED TRUE COPY

केस संख्या

CASE NUMBER ..CP(IB)/58/7/AMR/2024

निर्णय का तारीख

DATE OF JUDGEMENT ..17.04.2026

प्रमाणित किया गया तारीख

COPY MADE READY ON ..22.04.2026

INS/KUM
Deputy Registrar / Assistant Registrar
Court Officer
NATIONAL COMPANY LAW TRIBUNAL
AMARAVATI BENCH