

**IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH – 1**

ATTENDANCE CUM ORDER SHEET OF THE HEARING HELD ON
07-02-2022 AT 10:30 A.M. THROUGH VIDEO CONFERENCE.

CP(IB) No.425/9/HDB/2020
U/s 9 of IBC, 2016

IN THE MATTER OF:

Sundar Steel Industries

...Operational Creditor

Vs

Sri Gopikrishna Pvt Ltd

...Corporate Debtor

CORAM:-

DR. VENKATA RAMAKRISHNA BADARINATH NANDULA, HON'BLE MEMBER (JUDICIAL)
SH. VEERA BRAHMA RAO AREKAPUDI, HON'BLE MEMBER (TECHNICAL)

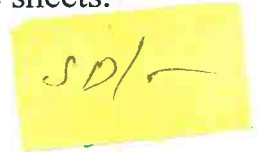
ORDER

Orders in CP (IB) No.425/9/HDB/2020 pronounced vide separate sheets.
The company petition is rejected. No costs



MEMBER (T)

Srinivas



MEMBER (J)

IN THE NATIONAL COMPANY LAW TRIBUNAL

HYDERABAD BENCH, HYDERABAD

CP(IB)No.425/9/HDB/2020

APPLICATION UNDER SECTION 9
OF IBC, 2016 READ WITH RULE 6 OF
I&B (AAA) RULES, 2016

In the matter of

M/s Sundar Steel Industries

A proprietary concern, represented by
its Proprietor- Sundar Kumar Mittal
Plot No.B-6, B-Block, I.D.A., Auto Nagar
Visakhapatnam – 530 012. Andhra Pradesh.

.. **Petitioner/
Operational Creditor**

Versus

M/s Sri Gopikrishna Private Limited

A company registered under the provisions of
Companies Act, 1956.

Having its registered office at

H. No.30/B (8-3-191/ 162)

Vengal Rao Nagar

Hyderabad – 500 038

State of Telangana

Represented by its Managing Director.

.. **Respondent
Corporate Debtor**

Date of order : 07.02 .2022

Coram:

**HON'BLE DR. VENKATA RAMAKRISHNA BADARINATH
NANDULA, MEMBER (JUDICIAL)**

and

**HON'BLE SHRI VEERA BRAHMA RAO AREKAPUDI
MEMBER (TECHNICAL)**

Parties / counsels present:

For the applicant .. Shri G. Kalyan Chakravarthy, Advocate
For the respondent .. Shri S. Ravi Ld. Sr. Advocate for
Shri. A. Krishnam Raju, Advocate.

PER BENCH

ORDER

This is a petition filed by M/s Sundar Steel Industries, herein after referred to as the Operational Creditor, under section 9 of Insolvency and Bankruptcy Code, 2016, read with Rule 6 of Insolvency & Bankruptcy (Application to the Adjudicating Authority) Rules, 2016, seeking admission of the petition, initiation of Corporate Insolvency Resolution Process, granting moratorium and appointment of Interim Resolution Professional as prescribed under the Code and Rules thereon, stating that the respondent, herein after referred to as the Corporate Debtor has failed in discharging the operational debt of an amount of Rs.1,78,37,156.10.



together with interest thereon at the rate of 24% per annum from 01.02.2020 to 17.09.2020.

2. The gist of the averments made in the petition are as follows:

2.1 According to the operational creditor, there are two projects involving the Corporate Debtor, namely:

Project-1

- (i) NBCC (India) Limited, a Government of India enterprise has awarded work of construction of National Institute of Disaster Management, Southern Campus at Kodapavuluru Village, Gannavaram Mandal, Krishna District in favour of M/s Tracks and Towers Infratech (P) Limited.
- (ii) M/s Tracks and Towers Infratech (P) Ltd had executed Agreement dated 27.06.2018 (ANNEXURE 'C', page 25) in favour of M/s Sri Gopikrishna Private Limited/ Corporate Debtor for the said project at the value of Rs.31,44,79,248/- within a period of 15 months.
- (iii) In turn the Corporate Debtor awarded the said work to M/s Selectarc India Private Limited vide Agreement dated 27.08.2018 (ANNEXURE 'D', page 32).



Project-2 :

- (i) NBCC (India) Limited has awarded work of “Construction of Additional Exhibition cum Conventional Hall at KTP Premises, Whitefield, Bengaluru” to Corporate Debtor vide award dated 19.12.2018 (ANNEXURE ‘E’, page 38).
- (ii) In turn the Corporate Debtor executed agreement dated 10.01.2019 (ANNEXURE ‘E’, page 40) in favour of M/s Selectarc India Private Limited.

2.2 For the said works, Purchase Orders (ANNEXURE ‘G’, page 47) were placed on the Operational Creditor for supply of TMT Bars and structural steel materials on different occasions from 25.04.2019. Supplies were made by Operational Creditor on Test Certificate (TC) given by the Corporate Debtor and its sub-contractor for all the materials and such materials supplied by Operational Creditor were put to use at both the above projects, viz. at Krishna District and at Bengaluru.


2.3 It is averred that out of several Purchase Orders raised, bills related to certain Purchase Orders were not cleared. The Corporate Debtor had asked for Material Testing Certificate (MTC), Statement of Accounts for both the projects for generation of LCs for the balance material, which the



Operational Creditor was to dispatch and needful was done by the Operational Creditor.

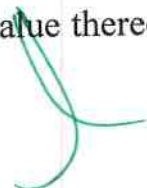
2.4 It is stated that the Operational Creditor has made demand on 28.05.2020 to clear the invoices which were supplied earlier and the same were put to use by the Corporate Debtor. In response thereto the Corporate Debtor replied that the materials related to Purchase Orders raised in 2018-19 and 2019-20 were not received. Even after clarification given by the Operational Creditor, the Corporate Debtor has neither paid the amounts nor responded. The Operational Creditor voiced its displeasure vide e-mails dated 17th and 18th September 2020. Ultimately, the Operational Creditor issued Demand Notice dated 17.09.2020, demanding the above sum of Rs.2,01,82,864.10. The respondent sent a reply, inter alia, raising the plea of existence of a dispute as to the operational debt payable by the corporate debtor by reiterating the contentions which were already answered with documentary proof by the operational creditor. It is stated that the so-called dispute is unfounded, spurious, hypothetical or illusory and pressed into operation with a view to avoid payment of the legitimate dues of the operational creditor.

3. The gist of the averments in the counter are as follows;



The claim made by the Operational Creditor is false and the application being misconceived. In paragraph 11 it is alleged that there was a shortfall of steel delivered at Bengaluru, net value of which is assessed at Rs.1,40,12,597/-. Besides the Corporate Debtor has contended:

- (i) The operational creditor has indulged in unfair trade practices and created dummy invoices in collusion with SAIPL management and the alleged due does not reflect the true and correct transactions of sale actually taken place by delivery of goods. All the amounts so far received from SGIPL by you is far exceeding than the amounts representing actual sale transactions with goods delivered. The value of the goods actually delivered under the invoices raised by you pursuant to the purchase orders issued by our company is only Rs.10,02,76,683/- but not Rs.12,65,82,313/-.
- (ii) Therefore, no amount is due and payable by SGIPL to you and on the other hand you are liable to refund Rs.84,68,474/- as you received a total amount of Rs.108445157/- against the total value of the goods delivered of Rs.10276683/-. The shortfall of delivery of material quantified is 528.11 MT and value thereof




is Rs.2,63,05,630/-. The said amount and the quantity representing the dummy invoices out of the total invoices raised by you at the behest of SAIPL which are detailed in (Annexure-1).

- (iii) There is a bona fide dispute which is pre-existing prior to issuance of the Demand Notice between our company and you in relation to the amount demanded vide Demand Notice 17.09.2020 on non-delivery of goods.
- (iv) The issue relating to shortage of the material which is alleged to have been delivered to SAIPL under the dummy invoice bills was a subject matter of issue in the emails exchanged between you and us and also between our company and the representative of SAIPL much prior to the Demand Notice issued.
- (v) The Demand Notice is issued to coerce our company to accept the dictates of SAIPL in preventing us to make claims against SAIPL and also against you for recovering the excess amounts received by you and also our other claims against SAIPL, to gain illegally at the expense of our company.



- (vi) The amount demanded even otherwise is not correct and it was not due as on the 25th March 2020 and therefore, you have no right to issue Demand Notice under IBC 2016.
- (vii) When the goods are not delivered to the extent as mentioned above you have no right to demand us to pay the amount basing on the invoices cum delivery challans and other connected record falsified by you and SAIPL and the question of any liability on us to pay the amount does not arise.
- (viii) Further fresh proceeding under section 9 of IBC 2016 are suspended you have no right to issue demand notice under IBC, 2016.”
- (ix) That. a dispute between the parties exists prior to the receipt of demand notice in relation to the so called unpaid operational debt, as such the petition is liable to be dismissed.
- (x) the applicant had colluded with the sub-contractor in creating dummy invoices and false record.

As regards the payment asked for by the Operational Creditor vide e-mail dated 28.05.2020 (ANNEXURE 'L', page 169), the Corporate Debtor alleges that sub-contractor of the Corporate



Debtor, namely, Uday has misled the Corporate Debtor and asked the Corporate Debtor to make payment as claimed by the applicant. However, official of the Purchase Department apprised Uday that there was short supply of goods quantified at 280.655 MTs. The Corporate Debtor as well reiterated the same vide e-mail dated 06.08.2020 (ANNEXURE 'M', page 174). (paras 12 and 21 of the counter)

- (xi) The Corporate Debtor issued Show Cause Notice dated 27.08.2020 to the sub-contractor/ M/s Selectarc (India) Pvt Ltd. for its lapses. Though the sub-contract denied the same the Corporate Debtor, on verification, found shortfall in supply of material.
- (xii) The Corporate Debtor, in para 14 of the Counter, gave a list of invoices raised and the details of goods received thereunder to demonstrate shortcomings on the part of the Operational Creditor.
- (xiii) The Corporate Debtor, in para 19 of the Counter, furnished figures, viz. total amount payable to the applicant according to Corporate Debtor and the total amount paid and claimed that the Corporate Debtor had paid excess amount of Rs.70,37,246.32.

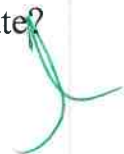
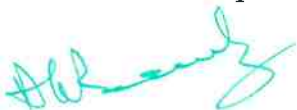


(xiv) Sub-contractor, M/s Selectarc India Pvt Ltd is under adjudication of proceedings of I&B Code, 2016 and the applicant is facing proceedings initiated by the Corporate Debtor for recovery of excess amount paid to the applicant.

4. The Operational Creditor has filed rejoinder denying the averments made and contentions raised in the Counter. It is stated that the plea of the Corporate Debtor that there is a pre-existing dispute is a new story sans proof. It is stated that for each supply there is a way bill generated and when the same is generated, it implies that tax is paid on each bill. On all delivery challans, M/s Selectarc India (P) Ltd, endorsed acknowledgment of receipt of the material. Thus, the Corporate Debtor cannot afford to say supplies were not made.

5. In the light of the contest as mentioned above, the following points are framed for consideration by this Adjudicating Authority:

1. Whether the documentary evidence furnished with application shows that the aforesaid debt is due and payable and has not yet been paid?
2. Whether there is existence of a dispute between the parties or the record of the pendency of a suit or arbitration proceeding filed before the receipt of demand notice of the unpaid operational debt in relation to such dispute?



6. We have heard Shri. G Kalyan Chakravarthy, Ld. Counsel for the Petitioner and Shri S. Ravi Ld. Senior Counsel for Shri A. Krishnam Raju, Counsel on record for the respondent, perused the record, written submissions and the case law.

POINT No.1 Whether the documentary evidence furnished with application shows that the aforesaid debt is due and payable and has not yet been paid?

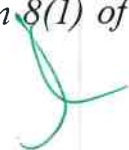
7. At the very outset, we may state herein that in order to arrive at a just and proper finding on the points involved in the subject *lis*, we feel it apt to rely on the following illuminating rulings of Hon'ble Supreme Court of India, on the legal aspects of sections 7 and 9 of I&B Code 2016;

(i). M/s Innoventive Industries Vs. ICICI Bank & another in Civil Appeal Nos.8337-8338 of 2017.

(ii). Decision in Mobilox Innovations Private Limited Vs. Kirusa Software Private Limited rendered by the Hon'ble Supreme Court in Civil Appeal No. 9405 OF 2017 dated 21.09.2017.

(1) In re, M/s Innoventive Industries, supra, Hon'ble Supreme Court of India, held that;

“The scheme of Section 7 stands in contrast with the scheme under Section 8 where an operational creditor is, on the occurrence of a default, to first deliver a demand notice of the unpaid debt to the operational debtor in the manner provided in Section 8(1) of the



Code. Under 71 Section 8(2), the corporate debtor can, within a period of 10 days of receipt of the demand notice or copy of the invoice mentioned in sub-section (1), bring to the notice of the operational creditor the existence of a dispute or the record of the pendency of a suit or arbitration proceedings, which is pre-existing – i.e., before such notice or invoice was received by the corporate debtor. The moment there is existence of such a dispute, the operational creditor gets out of the clutches of the Code.”

“On the other hand, as we have seen, in the case of a corporate debtor who commits a default of a financial debt, the adjudicating authority has merely to see the records of the information utility or other evidence produced by the financial creditor to satisfy itself that a default has occurred. It is of no matter that the debt is disputed so long as the debt is “due” i.e. payable unless interdicted by some law or has not yet become due in the sense that it is payable at some future date. It is only when this is proved to the satisfaction of the adjudicating authority that the adjudicating authority may reject an application and not otherwise.”

(2). In re, Mobilox Innovations Private Limited (supra), Hon'ble Supreme Court of India, has held that;

“It is, thus, clear that so far as an operational creditor is concerned, a demand notice of an unpaid operational debt or copy of an invoice demanding payment of the amount involved must be delivered in the prescribed form. The corporate debtor is then given a period of 10 days from the receipt of the demand notice or copy of the invoice to bring to the notice of the operational creditor the existence of a dispute, if any. We 72 have also seen the notes on clauses annexed to the Insolvency and Bankruptcy Bill of 2015, in which “the existence of a dispute” alone is mentioned. Even otherwise, the word “and” occurring in Section 8(2)(a) must be read as “or” keeping in mind the legislative intent and the fact that an anomalous situation would arise if it is not read as “or”. If read as “and”, disputes would only stave off the bankruptcy process if they are already pending in a suit or arbitration proceedings and not otherwise.”

“It is clear, therefore, that once the operational creditor has filed an application, which is otherwise complete, the adjudicating authority must reject the application under Section 9(5)(2)(d) if notice of dispute has been received by the operational creditor or there is a record of dispute in the information utility. It is clear that such notice must bring to the notice of the operational creditor the “existence” of a dispute or the fact that a suit or arbitration proceeding relating to a dispute is pending between the parties. Therefore, all that the adjudicating authority is to see at this stage is whether there is a plausible contention which requires further investigation and that the “dispute” is not a patently feeble legal argument or an assertion of fact unsupported by evidence. It is important to separate the grain from the chaff and to reject a spurious defence which is mere bluster. However, in doing so, the Court does not need to be satisfied that the defence is likely to succeed. The Court does not at this stage examine the merits of the dispute except to the extent indicated above. So long as a dispute truly exists in fact and is not spurious, hypothetical or illusory, the adjudicating authority has to reject the application”

(3). In in the same ruling, it has been also that,

“Therefore, the adjudicating authority, when examining an application under Section 9 of the Act will have to determine: (i) Whether there is an “operational debt” as defined exceeding Rs.1 lakh? (See Section 4 of the Act) (ii) Whether the documentary evidence furnished with the application shows that the aforesaid debt is due and payable and has not yet been paid? and (iii) Whether there is existence of a dispute between the parties or the record of the pendency of a suit or arbitration proceeding filed before the receipt of the demand notice of the unpaid operational debt in relation to such dispute?”

“If any one of the aforesaid conditions is lacking, the application would have to be rejected.” (Emphasis is ours).

8. Since the corporate debtor has been contending vehemently, that it has raised a dispute through its various emails prior to the receipt of the


demand notice from the operational creditor, as regards the quality, short as well as non-receipt/supply of materials under some invoices, non-receipt of Material Test Reports (MTS), raising dummy invoices without actually supplying the material at both the work sites, payment in excess, collusion, fraud etc, and as all these allegations have been denied out rightly by the operational creditor by terming them as false and invented by the corporate debtor to escape from paying legitimate dues of the operational creditor, it is imperative for us to ascertain whether or not a dispute in relation to the alleged unpaid operational debt between the parties herein exists, prior to the receipt of the demand notice dated 17.09.2020 by the corporate debtor,? If so, whether the said dispute is not spurious, hypothetical or illusory?

9. Dispute is defined under *Sub Clause* 6 of Section 5 of I&B Code, as follows;

“(6) “dispute” includes a suit or arbitration proceedings relating to— (a) the existence or the amount of debt; (b) the quality of goods or service; or (c) the breach of a representation or warranty;”

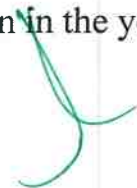
Scope of enquiry;

Since *Mobilox, supra*, also sets the perfect parameters for an enquiry by the Adjudicating Authority in an application filed under section 9 of I&B Code, we profitably refer once again to the following para,



“all that the adjudicating authority is to see at this stage is whether there is a plausible contention which requires further investigation and that the “dispute” is not a patently feeble legal argument or an assertion of fact unsupported by evidence. It is important to separate the grain from the chaff and to reject a spurious defence which is mere bluster. However, **in doing so, the Court does not need to be satisfied that the defence is likely to succeed. The Court does not at this stage examine the merits of the dispute except to the extent indicated above. So long as a dispute truly exists in fact and is not spurious, hypothetical or illusory, the adjudicating authority has to reject the application”** (Emphasis is ours).

10. In the above legal frame when the factual matrix of this case is examined, it is manifest from the pleadings and submissions, that the parties herein, have admitted that the applicant/operational creditor has been under contractual obligation with the respondent/corporate debtor to supply TMT bars, structural steel materials etc., as per the terms of the agreements, by raising invoices and delivery challans and the respondent/corporate debtor shall make payment on receipt of the supplies as per the terms of the agreement. It is stated by the parties that M/s Selectarc India Private Limited, for short, ‘SIPL’, will place purchase orders on the supplier for execution of work, conduct inspection of supplies and issue certification of supplies to give clearance to the invoices raised by the Operational Creditor. According to the Operational Creditor the supplies in terms of the subject agreement, began in the year



2018 and continued till 2020 under several invoices raised on the corporate debtor by the operational creditor for the work sites at Bangalore and Vijayawada.

11. Ld. Counsels for the Operational Creditor as well as Corporate Debtor in their endeavour to drive home their respective contentions have relied extensively on the e-mail correspondence, invoices, way bills, inspection reports, letters from NBCC Bengaluru, etc, concerning post-2019 supplies which were exchanged among the operational creditor, corporate debtor and the 'SIPL'.

12. (i). Shri. G. Kalyan Chakravarthy, Ld. Counsel for the operational creditor in his very emphatic, oral as well as written submissions, has contended that through the invoices pertaining to the year 2018 were cleared, the invoices pertaining to the year 2019-2020, though certified in all aspects by 'SIPL', for payment, the respondent/ corporate debtor unjustly withheld payment from January onwards, alleging short/non supply/delivery of the quantity mentioned in some invoices, despite providing ample and authentic record of delivery of the entire quantity of material mentioned in all the invoices.



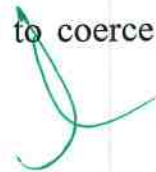
(ii). Ld. Counsel for the applicant/operational creditor, further submitted that the plea of the respondent/ Corporate Debtor that there were complaints of quality, short or non-supply/delivery of quantities of material covered by invoices mentioned in e-mail dated 06.08.2020 is incorrect. Ld. Counsel, further submitted that, the reply emails dated 11/05/2020, 25/11/2020, 18/08 2020 and the letter(undated) addressed in the month of September 2020, besides the emails of 'SIPL' dated 2/06/2020, would categorically establish the actual receipt of the entire quantity of material mentioned in the so-called disputed invoices at the respective work sites.

(iii). Ld. Counsel, would therefore submit that, when authentic proof of delivery of the material physically at both the work sites under the duly raised invoices, has been furnished to the corporate debtor well before the issuance of the demand notice, the so-called dispute is non est. So much so, the plea of pre-existing dispute raised once again, is nothing but spurious, hypothetical, illusory besides false, deliberately introduced with a *mala fide*, intention to deny the legitimate outstanding dues of the operational creditor by the corporate debtor, hence liable to be rejected outrightly.



13. Shri. S. Ravi, Learned Senior Counsel for the respondent/ Corporate Debtor, in his articulation, highlighted the pre demand notice emails between the corporate debtor and the operational creditor, wherein the corporate debtor specifically raised complaints not only in respect of quality, non-issue of Material Test Certificate (MTS) etc, but also in respect of short as well as non-receipt/supply of materials under some invoices by terming them as 'dummy invoices' the delivery of which has been claimed by the operational creditor and recovered payment by the corporate debtor.

14. Ld. Sr. Counsel further submitted that *work site(s)* and material inspections carried out by the corporate debtor post *termination of contract with 'SIPL'*, has brought to light not only the huge short fall in actual receipt of material than what has been shown in the invoices as delivered at both the work sites, *supra*, but also several collusive acts between the 'SIPL' and the operational creditor causing wrongful gain to the operational creditor and wrongful loss to the corporate debtor. The Operational Creditor instead of resolving these complaints/disputes got issued the demand notice dated 17.09.2020 with a view to coerce and extract payment form the corporate debtor.



15. Thus, contending Ld. Senior Counsel emphatically submitted that the dispute as afore stated which have been raised prior to the receipt of the demand notice, *supra*, would fall squarely within the scope of “*pre-existing*” dispute enshrined under subclause 2 of section 8 of I&B Code, and that the said dispute is not spurious, hypothetical, illusory. Hence the application is liable to be *rejected*.

16. A bare perusal of the *following* emails exchanged between the corporate debtor and the operational creditor prior to the receipt of *demand notice* from the operational creditor besides the reply e mails, would invariably go to show that the subject matter of the said emails is;

- (a) *non delivery* of material covered under the invoices mentioned in the email dated 25 /05/2020,
- (b) *claim for refund* of the sum of Rs.84,68,474.00, being the excess amount allegedly paid as against the actual delivery of material of the value of Rs.10276683.00.



1. Email dated; 27/01/2020. Exhibit 1

2. Email dated; 25/02/2020. Exhibit 2

3. Email dated; 11/05/2020. Exhibit 3

4. Email dated; 25/05/2020. Exhibit 4

5. Email dated; 02 /06/2020. Exhibit 5

6. Email dated: 06/08/2020 Exhibit 6

7. Email dated; 18/08/2020 Exhibit 7

8. Letter dated; 17/09/2020 Exhibit 8

9. Letter dated; 12/012/2020 Exhibit 9



M Gmail **Annexure-I** (159)
 e-mail dated 27.01.2020 from CD to the OC.
 [Annexure 'I', page 159-162]

Non Availability of MTCs (Material Test Certificate) - KTPO, Bengaluru Project

1 message
 M Viswanath <viswanath.m@sgipl.com> Mon, Jan 27, 2020 at 10:19 AM
 To: SUNDAR MITTAL <sundarsteelindustries@gmail.com>, marketing.ssi <marketing@sundarsteel.com>
 Cc: karegow@sgipl.com, NVV Prasad <nvvprasad@sgipl.com>, Venu Ganji <venu.g@sgipl.com>

Dear Mr. Madhuran,

With reference to the above subject, regarding KTPO, Bengaluru project, the supplied TMT Bars and Structural Steel materials' the MTC (Material Test Certificate) are not been submitted with the material delivery. Now, our client is insisting and due to this our payments (huge amount) has been hold by my client.

On urgent basis we need this certificates for releasing of our payments and in return we need to give payments to our suppliers like M/s. Sundar Steels. The details of invoices and dates are herewith mentioned under.

MTC Not Received at site for TMT Bars				
Sl no	Date	Invoice No	Dia of rod	Qty in MT
1	23-10-19	GST/1474	8 mm	4.97
2	8/1/2020	GST/2419	8 mm	24.01
				28.98
1	23-10-19	GST/1474	10 mm	4.99
2	7/1/2020	GST/2403	10 mm	19.16
3	9/1/2020	GST/2430	10 mm	22.89
4	9/1/2020	GST/2431	10 mm	20.07
				67.11
1	23-10-19	GST/1474	12 mm	19.99
3	7/1/2020	GST/2401	12 mm	23.35
3	8/1/2020	GST/2416	12 mm	23.09
				66.43

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1	23-10-19	GST/1474	16 mm	4.98
				4.98
			Total Qty	167.5

160

MTC Not Received at site for structural steel					
Sl No	Date	Invoice No	Size	Qty in MT	Remarks
1	28-06-19	GST/708	250*82*9	32.04	
2	28-06-19	GST/709	250*82*9	31.98	
3	28-08-19	GST/1113	250*82*9	6.82	
4	30-08-19	GST/1136	250*82*9	28.94	
5	30-08-19	GST/1137	250*82*9	29.54	
6	30-08-19	GST/1128	250*82*9	12.64	
7	23-12-19	GST/2248	250*82*9	1.43	
8	31-12-19	GST/2321	250*82*9	13.21	
				158.6	
1	28-08-19	GST/1114	300*90*7.8	26.26	
2	30-08-19	GST/1127	400*100*8.8	13.65	
				39.91	
1	28-08-19	GST/1115	400*100*8.8	6.939	
2	30-08-19	GST/1131	400*100*8.8	19.721	
				26.66	
1	29-10-19	GST/1483	ISM 200	14.29	
			ISM 200		
				14.29	

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1	5/11/2019	GST/1579	ISMC 125	14.04
				14.04
1	5/11/2019	GST/1579	ISMC 75	9.04
2	23-12-19	GST/2248	ISMC 75	10.03
3	8/1/2020	GST/2410	ISMC 75	3.73
4	9/1/2020	GST/2436	ISMC 75	2.89
				25.89
1	4/11/2019	GST/1564	10 mm MS plate	6.37
1	8/1/2020	GST/2410	10 mm MS plate	23.95
				30.32
1	23-12-19	GST/2248	12 mm MS plate	17.85
2	31-12-19	GST/2321	12 mm MS plate	1.92
3	8/1/2020	GST/2410	12 mm MS plate	4.2
				23.97
1	23-12-19	GST/2248	20 mm MS plate	10.32
1	31-12-19	GST/2321	20 mm MS plate	5.24
				15.56
1	31-12-19	GST/2321	25 mm MS plate	18.98
				18.98
1	9/1/2020	GST/2436	30 mm MS plate	2.95
				2.95
1	29-10-19	GST/1483	36 mm MS plate	4.35
2	9/1/2020	GST/2436	36 mm MS plate	4.23
				8.58
				377.55

(161)

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Kindly on war foot basis forward the MTCs through soft copy and also courier the hard copies to our Hyderabad address, for your ready reference please find the address below:

162

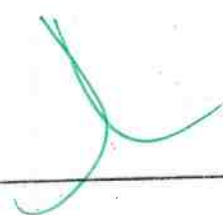
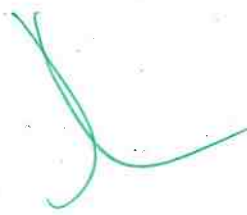
Mr. M. V. Viswanath
M/s. Sri Gopikrishna Infrastructure Private Limited
Plot No. 30/B, (8-3-191/162),
Vengalrao Nagar, Hyderabad - 500 038

Please make this possible by today EOD.

Thanking you,

With Regards,

Venkata Viswanath M
AGM - Business Development
Sri Gopikrishna Infrastructure Private Limited
Plot No. 30/B, (8-3-191/162),
Vengalrao Nagar, Hyderabad - 500 038
Ph No: 040-44654444, Fax: 040-44654445



e-mail dated 11.05.2020 from OC to the CD.
[page 163]

M Gmail

Madhur Mittal <madhur@sundarsteel.com>

SGPIL TEST CERTIFICATES

2 messages

163

Sundar Steel Industries <sundarsteelindustries@gmail.com>
To: Madhur Mittal <madhur@sundarsteel.com>

11 May 2020 at 14:12

SGPIL TEST CERTIFICATE11052020.pdf

PFA

S K Mittal
Proprietor
Cont. 9849913299



SUNDAR STEEL INDUSTRIES

Plot No. B-6, B-Block, I.D.A.,
Autonagar, A.P.I.E.,
Visakhapatnam - 530 012 (A.P.)

Email: sundarsteelindustries@gmail.com

Cont No: +91 9849118585

Madhur Mittal <madhur@sundarsteel.com>
To: UDAY KUMAR <udayparuchuri@gmail.com>

11 May 2020 at 14:15

Please find attached TC's.
[Quoted text hidden]

Thank You,
Madhur Mittal
Director
Sundar Steel Industries
Sundar Steel Udyog Private Limited
Sundar Steel Industries Private Limited
Plot No: B-6, B-Block,
Autonagar, Visakhapatnam-530012
Andhra Pradesh
Mobile No: +91-9849913296



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e-mail dated 25.02.2020 from CD to OC.
[Annexure 'J' page 164]

M Gmail

Annexure J

Madhur Mittal <madhur@sundarsteel.com>

164

Statement of Account

4 messages

25 February 2020 at 12:12

M Viswanath <viswanath.m@sgipl.com>
To: SUNDAR MITTAL <sundarsteelindustries@gmail.com>, Madhur Mittal <madhur@sundarsteel.com>
Cc: NVV Prasad <nvvprasad@sgipl.com>, ksreddy@sgipl.com, narasimharaju.p@sgipl.com

Dear Mr. Madhur garu,

As we are in process of reconciliation and generation of LCs for balance materials from your dispatch.

We request you to forward the statement of account for Vijayawada and Bengaluru project till date.

Kindly forward the same at the earliest.

Thanking you,

With Regards,

Venkata Viswanath M
AGM - Business Development
Sri Gopikrishna Infrastructure Private Limited
Plot No. 30/B, (8-3-191/162),
Vengalrao Nagar, Hyderabad - 500 038
Ph No: 040-44654444, Fax: 040-44654445

25 February 2020 at 12:24

Sundar Steel Industries <sundarsteelindustries@gmail.com>
To: M Viswanath <viswanath.m@sgipl.com>
Cc: Madhur Mittal <madhur@sundarsteel.com>, NVV Prasad <nvvprasad@sgipl.com>, ksreddy@sgipl.com,
narasimharaju.p@sgipl.com

Dear sir

Please attached account statement

Thanking you
(Quoted text hidden)

S K Mittal
Proprietor
Cont. 9849913299

True Copy
Kalyan's

e-mail dated 25.02.2020 from OC to CD.
[page 165]



SUNDAR STEEL INDUSTRIES

Plot No. B-6, B-Block, I.D.A.,

Autonagar, A.P.I.E.,

Visakhapatnam - 530.012 (A.P.)

Email: sundarsteelindustries@gmail.com

Cont No: +91-9849118588

165

3 attachments

18-19.pdf
5K

18-20 hyd.pdf
2K

19-20.pdf
6K

25 February 2020 at 12:24

Madhur Mittal <madhur@sundarsteel.com>
To: UDAY KUMAR <udayparuchuri@gmail.com>

(Quoted text hidden)

3 attachments

18-19.pdf
5K

18-20 hyd.pdf
2K

19-20.pdf
6K

25 February 2020 at 12:50

M Viswanath <viswanath.m@sgipl.com>
To: Sundar Steel Industries <sundarsteelindustries@gmail.com>
Cc: Madhur Mittal <madhur@sundarsteel.com>, NVV Prasad <nvvprasad@sgipl.com>, ksreddy@sgipl.com,
narasimharaju.p@sgipl.com

Dear Sundar Steels / Mr. Madhur garu,

Thank you so much for your immediate response and we will soon get back to you of all.

Thanking you,

With Regards,

Venkata Viswanath M

AGM - Business Development

Handwritten signature in blue ink

e-mail dated 11.05.2020 from OC to CD.
[page 169]

Please don't print this e-mail unless you really need it. Save paper and help to conserve nature.

169

Sundar Steel Industries <sundarsteelindustries@gmail.com>
To: Rajasekhar R <rajasekhar.r@sgipl.com>, Madhur Mittal <madhur@sundarsteel.com>
Cc: Venu Ganji <venu.g@sgipl.com>

Mon, May 11, 2020 at 6:29 PM

Dear Rajasekhar,

Please find attached Quotation/PI for the above inquiry, with below conditions

Offer Validity: 15-05-2020
Payment Terms: Against LC with interest on our account for 90 days
Delivery: F.O.R. Site
Delivery Terms: Delivery shall take place after receipt of LC
Make: SAIL

We would also like to bring to your attention that an amount of Rs. 1.65 crs is long pending at your end. We are going through a tough time where we need help of our customers like you to sustain. Request you to kindly process our payment at the earliest as we also have a few commitments. Always looking forward for healthy business.

Thank You,
Madhur

[Quoted text hidden]

S K Mittal
Proprietor
Cont. 9849913299



SUNDAR STEEL INDUSTRIES
Plot No. B-6, B-Block, I.D.A.,
Autonagar, A.P.I.E.,
Visakhapatnam - 530 012 (A.P.)
Email: sundarsteelindustries@gmail.com
Cont No: +91 98491 3299

ssl_quotation_srigopikrishna0211052020.pdf
377K

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Handwritten signature in green ink at the bottom right of the page.

e-mail dated 02.06.2020 from SAIPL to CD
[Annexure 'L', pages 169-171]



Annexure-L

Madhur Mittal - madhur@sundarsteel.com

69

Re: KTPO steel supply vs receipt Details - Sunder Steel

1 message

2 June 2020 at 09:31

Uday Kumar <udayeruchuri@gmail.com>

To: Venu Ganji <venu.g@sgipl.com>

Cc: kaneddy@sgipl.com, mvprasad@sgipl.com, "Dr.GovindaRao" <govindarao.l@sgipl.com>, Soma Raju <sumugko@gmail.com>

Dear Venu

I have been noticing the various correspondences with Madhur Mittal of Sunder Steels, in this context my comments are as under

- The list of invoices sent by Sunder Steels as under, have been certified by us for payment and all relevant documents have been submitted to your office for payment processing in FEB 2020. The following goods against the said invoices have been received at site in JAN2020 in the presence of your senior executives. Based on good business relation with the vendor and relationship between the Top management of SGIPL & SAIPL, The Vendor has supplied on our instructions & trust, we feel they should not be dragged into dispute at this stage, however if you still exercise your stand of not being able to process the payment after our due certification as per agreement between SAIPL & SGIPL, then we will leave it to your endeavour. Hereafter, We will not be responsible for any unwarranted consequences.

- Regarding your statement of goods not received at site in June 2019, The goods pertaining to the said invoices have been sold by SGIPL to SAIPL subsequently and the same have been certified by SAIPL and payment also settled. If you state that the goods have not been received, then the same goods should not have been sold in favour of SAIPL. I fail to understand your intentions behind raising such issues at this time.

I have any number of times informed you that, we will reconcile our stocks and books of account internally between us and any shortages found can be adjusted /settled mutually between us, such shortages can be debited to our account. The same has been informed to your top management as well.

In the interest of the running projects and to avoid any unwarranted circumstances, I once again request your management to settle the outstanding issue of Sunder steels by processing their payment and oblige.

Regards

Uday

Sent from my iPad

On 01-Jun-2020, at 11:46, Venu Ganji <venu.g@sgipl.com> wrote:

Dear Sir,

We are unable to process the LC request of M/s. Sunder Steel, as the receipt qty is not matching (280.66 MT not received from the total qty supplied by Sunder Steel for KTPO project).

Please see trailing email from M/s. Sunder Steel & advise.

Thanks,

With best regards,

Venu Ganji

From: Madhur Mittal [mailto:madhur@sundarsteel.com]
Sent: Thursday, May 28, 2020 1:45 PM
To: Venu Ganji <venu.g@sgipl.com>

True Copy
Kalyans

Handwritten signature in blue ink

Cc: Dr.GovindaRao <govindarao.k@sgipl.com>; UDAY KUMAR <utlayparuchun@gmail.com>; NVV Prasad <nvvprasad@sgipl.com>; K Sudharshan Reddy <ksreddy@sgipl.com>
 Subject: Re: KTPD steel supply vs receipt Details

70

Dear Mr.Venu

Noted the contents of your email and I find it very shocking , wherein you have stated that the above said goods for the invoices mentioned have not reached the site.It is surprising that this issue is being cropped up after 1 year of delivery of goods.

Let me reiterate the situation for your kind perusal , the said invoices for which you state that goods have not been delivered to the site is wrong , since we have all the documents pertaining to the said delivery duly acknowledged by the site personnel. Any further clarifications in this matter may be obtained from Mr.Uday.

Moreover our claim for outstanding payment is pertaining to invoice nos as below which you have not addressed till date.

Voucher No.	Quantity	Value	Gross Total	
GST/2233	20.050 MT	724447.50	854848.00	Dr TMT
GST/2234	23.100 MT	827070.00	975943.00	Dr TMT
GST/2401	23.350 MT	928162.50	1095232.00	Dr TMT
GST/2403	19.180 MT	771190.00	910004.00	Dr TMT
GST/2418	23.690 MT	817827.50	1083038.00	Dr TMT
GST/2419	24.010 MT	890412.50	1168687.00	Dr TMT
GST/2430	22.890 MT	921322.50	1087161.00	Dr TMT
GST/2431	20.070 MT	807817.50	953225.00	Dr TMT
GST/2455	17.780 MT	733425.00	865442.00	Dr TMT
GST/2402	7.500 MT	298125.00	351788.00	Dr TMT
GST/2404	11.600 MT	466900.00	550942.00	Dr TMT
GST/2416	8.780 MT	349005.00	411826.00	Dr TMT
GST/2420	8.440 MT	348150.00	410817.00	Dr TMT
GST/2432	9.810 MT	386802.50	456427.00	Dr TMT
GST/2433	10.820 MT	435505.00	513896.00	Dr TMT

H.R. Reddy

GST/2248	39.630 MT	1612445.50	19,02,688.00	STRUCTURES
GST/2321	39.350 MT	1584730.00	18,69,981.00	STRUCTURES
GST/2410	31.880 MT	1377750.00	1625745.00 Dr	STRUCTURES
GST/2436	10.070 MT	442425.00	522062.00 Dr	STRUCTURES
GST/2579	24.430 MT	977200.00	1153096.00 Dr	STRUCTURES

(71)

Hence you may please settle the above mentioned invoices for a value of Rs. 1,87,62,844/- immediately, since we have waited for a long period of 6 months.

We will appreciate your kind co-operation in this regard and any further delays in settling our dues will compel us to initiate appropriate action for recovering our dues, which is not in the best interest of our relations and business prospects.

We once again request you to settle our legitimate dues at the earliest.

Regards

Madhur Mittal




e-mail dated 25.05.2020 from CD to OC.
[Pages 171-172]

On Mon, 25 May 2020 at 16:25, Venu Ganji <venu.g@sgipl.com> wrote:

Dear Mr. Madhur,

As discussed earlier, we have sent your supply details to our site @ KTPO, Bangalore & reconciled the receipts against dispatches. As per site, we have not received any material against below invoices raised by you.

2018-19 Sales Details

Date	Particulars	Inv No	Qty.	Amount	Not Received
01/Mar/2019	Sri Gopikrishna Infrastructure Pvt Ltd	GST/3457	33.000 MT	1,557,800.00	33
01/Mar/2019	Sri Gopikrishna Infrastructure Pvt Ltd	GST/3458	33.010 MT	1,558,072.00	33.01
01/Mar/2019	Sri Gopikrishna Infrastructure Pvt Ltd	GST/3459	32.950 MT	1,555,240.00	32.95
01/Mar/2019	Sri Gopikrishna Infrastructure Pvt Ltd	GST/3460	29.885 MT	1,411,044.00	29.895

06/Mar/2019	Sri Gopikrishna Infrastructure Pvt Ltd	GST/3507	26.500 MT	1,328,975.00	(172)
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Total Amount KTPO Sales 2018-19

16,511,683.00 128.855

2019-20 Sales Details

30/Aug/2019	Sri Gopikrishna Infrastructure Pvt Ltd	GST/1134	33.450 MT	1,934,079.00	33.45
30/Aug/2019	Sri Gopikrishna Infrastructure Pvt Ltd	GST/1135	30.290 MT	1,751,368.00	30.29
26/Oct/2019	Sri Gopikrishna Infrastructure Pvt Ltd	GST/1459	35.600 MT	1,646,714.00	35.6
04/Nov/2019	Sri Gopikrishna Infrastructure Pvt Ltd	GST/1566	15.520 MT	724,145.00	15.62
05/Nov/2019	Sri Gopikrishna Infrastructure Pvt Ltd	GST/1580	11.500 MT	571,863.00	11.5
08/Jan/2020	Sri Gopikrishna Infrastructure Pvt Ltd	GST/2411	2.010 MT	103,173.00	2.01
09/Jan/2020	Sri Gopikrishna Infrastructure Pvt Ltd	GST/2437	23.930 MT	1,189,299.00	23.33

Total Amount KTPO Sales 2019-20

56,630,339.38 153.8

Total
280.655 Qty

As per site, we have not received total Qty of 280.655 as per your supply details shared by you. Kindly note that, We are yet to reconcile your supplies @ NIDM site.

Thanks,

With best regards,

Venu Ganji

From: Madhur Mittal [mailto:madhur@sundarsteel.com]

Sent: Thursday, May 21, 2020 4:33 PM

To: Venu Ganji <venu.g@sgipl.com>; UDAY KUMAR <udayparuchuri@gmail.com>; NVV Prasad <nvvprasad@sgipl.com>; Dr.GovindaRao <govindarao.l@sgipl.com>; M Viswanath



Annexure -

e-mail dated 06.08.2020 from CD to OC.
[Pages 174-176]

Madhur Mittal <madhur@sundarsteel.com>

RE: KTPO steel supply vs receipt Details

6 messages

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ANNEXURE 'M'

6 August 2020 at 12:00

Venu Ganji <venu.g@sgipl.com>
To: Madhur Mittal <madhur@sundarsteel.com>
Cc: NVV Prasad <nvvprasad@sgipl.com>, K Sudharshan Reddy <ksreddy@sgipl.com>

Dear Mr. Madhur,

As discussed this morning during your visit to our office. Once again, we are sending the details of the invoices against which we have not received any steel at our site @ KTPO, Bangalore. Summary is given below.

Year	Qty(MT)	Value in Rs.
2018-19	128.86	6,081,956.00
2019-20	151.80	7,930,641.00
Total	280.66	14,012,597.00

As requested, kindly send us the complete details of dispatches along with acknowledgment of LR copies for proof of receipt of above material.

Thanks,

with best regards,

Venu Ganji

From: Venu Ganji [mailto:venu.g@sgipl.com]
Sent: Monday, May 25, 2020 4:15 PM
To: 'Madhur Mittal' <madhur@sundarsteel.com>
Cc: 'Dr.GovindaRao' <govindarao.f@sgipl.com>; 'UDAY KUMAR' <udayparuchuri@gmail.com>; 'NVV Prasad' <nvvprasad@sgipl.com>; 'K Sudharshan Reddy' <ksreddy@sgipl.com>
Subject: RE: KTPO steel supply vs receipt Details

Dear Mr. Madhur,

True Copy
Kalyans

As discussed earlier, we have sent your supply details to our site @ KTPO, Bangalore & reconciled the receipts against dispatches. As per site, we have not received any material against below invoices raised by you.

175

2018-19 Sales Details

Date	Particulars	Inv No	Qty.	Amount	Not Received
01/Mar/2019	Sri Gopikrishna Infrastructure Pvt Ltd	GST/3457	33.000 MT	1,557,000.00	33
01/Mar/2019	Sri Gopikrishna Infrastructure Pvt Ltd	GST/3458	33.010 MT	1,558,072.00	33.01
01/Mar/2019	Sri Gopikrishna Infrastructure Pvt Ltd	GST/3459	32.950 MT	1,555,240.00	32.95
01/Mar/2019	Sri Gopikrishna Infrastructure Pvt Ltd	GST/3460	29.895 MT	1,411,044.00	29.895
09/Mar/2019	Sri Gopikrishna Infrastructure Pvt Ltd	GST/3507	26.500 MT	1,326,975.00	
Total Amount KTPO Sales 2018-19				16,511,683.00	128.855

2019-20 Sales Details

30/Aug/2019	Sri Gopikrishna Infrastructure Pvt Ltd	GST/1134	33.450 MT	1,934,079.00	33.45
30/Aug/2019	Sri Gopikrishna Infrastructure Pvt Ltd	GST/1135	30.290 MT	1,751,368.00	30.29
26/Oct/2019	Sri Gopikrishna Infrastructure Pvt Ltd	GST/1489	35.600 MT	1,646,714.00	35.6
04/Nov/2019	Sri Gopikrishna Infrastructure Pvt Ltd	GST/1566	15.620 MT	724,145.00	15.62
05/Nov/2019	Sri Gopikrishna Infrastructure Pvt Ltd	GST/1580	11.500 MT	571,863.00	11.5
08/Jan/2020	Sri Gopikrishna Infrastructure Pvt Ltd	GST/2411	2.010 MT	103,173.00	2.01
09/Jan/2020	Sri Gopikrishna Infrastructure Pvt Ltd	GST/2437	23.330 MT	1,199,299.00	23.33

Total Amount KTPO Sales 2019-20	56,630,339.38	151.8
		Total Qty
		280.655

(176)

As per site, we have not received total Qty of 280.655 as per your supply details shared by you. Kindly note that, We are yet to reconcile your supplies @ NIDM site .

Thanks,

With best regards,

Venu Ganji

From: Madhur Mittal [mailto:madhur@sundarsteel.com]
 Sent: Thursday, May 21, 2020 4:33 PM
 To: Venu Ganji <venu.g@sgipl.com>; UDAY KUMAR <udaypanichuri@gmail.com>; NVV Prasad <nvvprasad@sgipl.com>; Dr.GovindaRao <govindarao.l@sgipl.com>; M Viswanath <viswanath.m@sgipl.com>
 Subject: KTPO Details

Dear Sir,

Please find attached details

Thank You,

Madhur Mittal

Director

Sundar Steel Industries

Sundar Steel Udyog Private Limited

Sundar Steel Industries Private Limited

Plot No: B-6, B-Block,

Autonagar, Visakhapatnam-530012

Andhra Pradesh

Mobile No: +91-9849913296

e-mail dated 18.08.2020 from OC to CD.
[Page 177]



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Copy of SRI GOPIKRISHNA SALES DETAILS (1) (002).xlsx
19K

Madhur Mittal <madhur@sundarsteel.com>
To: Venu Ganji <venu.g@sgipl.com>, "Dr.GovindaRao" <govindarao.l@sgipl.com>, UDAY KUMAR <udayparuchuri@gmail.com>, somugkc@gmail.com, somaraju@sgipl.com
Cc: NVV Prasad <nvvprasad@sgipl.com>, K Sudharshan Reddy <ksreddy@sgipl.com> 18 August 2020 at 12:57

Dear Mr. Ganji,

Please find attached below received copies of bills and LR for the year 2019-20. For the year 18-20 all the documents have been submitted to your office earlier and we have received our payment for the same.
We really do not know why we are being troubled with our payment as we have dispatched the relevant material as and when requested by Mr. Uday Kumar, against your PO
You are requested to release our payment immediately of Rs. 1.80 crs approximately along with interest towards late payment for 7 months of Rs. 18 lacs approx.
A credit line was given to your company only because of its reputation and our relation with Mr Uday.
Kindly release our total payment of Rs. 1.98 crs immediately, else relevant actions shall be taken to recover our dues.
Also, please find the attached debit note.
We hope that you continue to maintain a healthy relationship with us.

Thank You,
Madhur
[Quoted text hidden]

2 attachments

INVOICE (4).pdf
2112K
GOPIKRISHNA.pdf
201K

Madhur Mittal <madhur@sundarsteel.com>
To: Venu Ganji <venu.g@sgipl.com>, "Dr.GovindaRao" <govindarao.l@sgipl.com>, UDAY KUMAR <udayparuchuri@gmail.com>, somugkc@gmail.com, somaraju@sgipl.com, Accounts SSI <accounts@sundarsteel.com>
Cc: NVV Prasad <nvvprasad@sgipl.com>, K Sudharshan Reddy <ksreddy@sgipl.com> 21 August 2020 at 17:48

Dear Venu Garu,

Please find attached SGIPL ledger copies.

Thank You,
Madhur
[Quoted text hidden]

3 attachments

Sri Gopikrishna2019-20.pdf
6K
Sri Gopikrishna 2018-19.pdf
5K
Sri Gopikrishna 2019-20 hyd.pdf

Letter dated Nil from OC to NBCC.
[Pages 178-179]



SUNDAR STEEL INDUSTRIES

Dealers In : VIZAG STEEL, SAIL FERROUS & NON-FERROUS SCRAP, CEMENT

GSTIN : 37ADPPM7281F1Z2

178 ANNEXURE - N

To
The Deputy general manager
NBCC (I) Limited,
Quarter No. B-32, ITI Colony,
South Avenue, Dooravani Nagar,
Old Madras Road, KR Puram,
Bengaluru - 560 016

Dear Sir,

Sub: Grievance letter for Nonpayment of steel invoices supplied to KTPO project, by Sri Gopi Krishna Infrastructure Pvt Ltd (SGIPL)

Ref: 1. LOA No. NBCC/CGM (CPG)/2018/399, Dated 19.12.2018 for the Construction of Additional Exhibition cum Conventional Hall at KTPO premises by M/s Sri Gopi Krishna Infrastructure Pvt Ltd (SGIPL)

Please refer to the above subject, in this context we would like to inform to your good office that we are the steel suppliers for the above project, and we have supplied the following materials vide various invoice numbers as below.

Date	Inv NO	Material Description	Quantity in Mts	GRN	Value
23-Dec-2019	GST/2248	MS PALTE & CHANNEL (28.170 + 11.460)	39.630	32/30-12-2019	19,02,866.00
31-Dec-2019	GST/2321	MS PALTE & CHANNEL (26.140 + 13.210)	39.350	33/03-01-2020	18,69,581.00
07-Jan-2020	GST/2401	TMT BARS 12MM	23.350	34/08-01-2020	10,95,231.00
07-Jan-2020	GST/2403	TMT BARS 10MM	19.100	35/08-01-2020	8,10,100.00
08-Jan-2020	GST/2410	MS PALTE & CHANNEL (28.150 + 3.730)	31.880	40/09-01-2020	16,25,245.00
08-Jan-2020	GST/2413	TMT BARS 12MM	23.000	36/09-01-2020	10,83,036.00
08-Jan-2020	GST/2415	TMT BARS 8MM	24.010	37/09-01-2020	11,66,657.00
08-Jan-2020	GST/2430	TMT BARS 10MM	22.890	45/10-01-2020	10,87,183.00

Office & Godown : Plot No. B-6, B-Block, I.D.A., Autonagar, VISAKHAPATNAM-530 012.
Cell : +91 9849118585, Ph : 0891-2756097,
E-mail : info@sundarsteel.com Web : www.sundarsteel.com

True Copy

Kalyans

ABR...

PAN : ADPPM7281F

GSTIN : 37ADPPM7281F1Z2



179

SUNDAR STEEL INDUSTRIES

Dealers in : VIZAG STEEL, SAIL FERROUS & NON-FERROUS SCRAP, CEMENT

09-Jan-2020	GST/2431	TMT BARS 10MM	20.070	46/10-01-2020	9,53,834.00
09-Jan-2020	GST/2436	MS PALTE & CHANNEL (7.180 + 2.890)	10.070	47/10-01-2020	5,31,040.00
11-Jan-2020	GST/2455	TMT BARS 8MM	17.780	48/12-01-2020	8,89,047.00
25-Jan-2020	GST/2579	MS CHANNEL	24.430	49/26-01-2020	1,72,000.00
		TOTAL	295.710		3,42,26,957.00

We have been supplying steel to the project cited above, initially against letters of credit. However at the request of the party the above material was supplied against delivery basis and against form purchase orders no SGIPL/C/HO/KTPO/2018-19/005, SGIPL/C/HO/KTPO/2019-20/006 & SGIPL/C/HO/KTPO/2019-20/007 issued by the Party (SGIPL). The above supplies have been completed as per the GRNs mentioned above and completed the supply in the month of December & January 2020. Even though the supplies have been against delivery basis and the subject material has been consumed in the project completely and also booked in their RA bills RA 6/7 on your end in the months of January and February 2020, whereas we are yet to receive the payment from SGIPL. Despite our repeated reminders followed by personal visits we are not receiving any response from the Party and nor are they confirming any firm date of effecting payment for the supplies made.

Considering the above we will be constrained to take appropriate legal recourse for recovery of our dues, which action will affect the project progress. As a matter of courtesy and keeping in mind that the project is of National importance we are taking the liberty of informing you before we take action.

Thanking you

For Sundar Steel Industries

Madhukar N. N. N.
Authorised Signatory

Office & Godown : Plot No. B-6, B-Block, I.D.A., Autonagar, VISAKHAPATNAM-530 012.
Cell : +91 9849118585, Ph : 0891-2756097,
E-mail : info@sundarsteel.com Web : www.sundarsteel.com

e-mail dated 17.09.2020 from NBCC to CD.
[page 180]

M Gmail

Annexure - 0, P
Info hq <info@sundarsteel.com>

Sri Gopikrishna Infrastructure Pvt Ltd- Grievance Letter

3 messages

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17 September 2020 at 14:41

Madhur Mittal <madhur@sundarsteel.com>
To: nbccktpo@gmail.com, pr.venu@nbccindia.com, rbg.south@nbccindia.com, Accounts SSI <accounts@sundarsteel.com>.
Info hq <info@sundarsteel.com>, marketing ssi <marketing@sundarsteel.com>

Kind Attention: Mr P.R. Venu Ji

Dear Sir,

We request you to kindly find our attached letter with our grievances with SGIPL and request you to kindly help us to recover our dues with them.
Kindly do the needful sir.

Thank You,
Madhur Mittal
Director
Sundar Steel Industries
Sundar Steel Udyog Private Limited
Sundar Steel Industries Private Limited
Plot No: B-6, B-Block,
Autonagar, Visakhapatnam-530012
Andhra Pradesh
Mobile No: +91-9849913296



NBCC LETTER.pdf
409K

18 September 2020 at 09:1

KTPO Bangalore <nbccktpo@gmail.com>
To: SGIPL <info@sgipl-ktpo.com>, CVSS Prasad <cvss@sgipl.com>, Bhaskar munirahnam <bhaskarmunirahnam@gmail.com>, K Sudharshan Reddy <ksreddy@sgipl.com>
Cc: "rbg.south" <rbg.south@nbccindia.com>, Accounts SSI <accounts@sundarsteel.com>, Info hq <info@sundarsteel.com>, marketing ssi <marketing@sundarsteel.com>, madhur@sundarsteel.com

To,
Vice President,
M/s Sri. Gopikrishna Infrastructure Pvt. Ltd.
KTPO Project, Bangalore.

Dear Sir,
Please see the trailing mail received from M/s Sundar steel Industries. Please investigate the issue and resolve the matter if any, immediately. Please update the status of the issue by return mail. Undersigned is not aware about any such issue in this project till now.

Regards,

VENU P R

e-mail dated 25.09.2020 from CD to NBCC.
[page 181]



Dy. General Manager
KTPO, Whitefield
Bengaluru site.

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[Cuttied text hidden]

CVSS Prasad <cvss@sgipl.com> 25 September 2020 at 12:43
To: KTPO Bangalore <nbccktpo@gmail.com>, SGIPL <info@sgipl-ktpo.com>, Bhaskar munirathnam
<bhaskarmunirathnam@gmail.com>, K Sudharshan Reddy <ksreddy@sgipl.com>
Cc: "rbg.south" <rbg.south@nbccindia.com>, Accounts SSI <accounts@sundarsteel.com>, Info hq <info@sundarsteel.com>, marketing ssi <marketing@sundarsteel.com>, madhur@sundarsteel.com

Dear Sir,

There is an issue with regard to the quantity supplied vs billed, reconciliation is going on awaiting for some proof of supplies, We are addressing this issue, will take time to resolve this issue

Regards

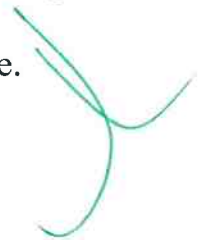
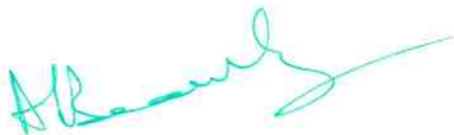
CVSS

[Quoted text hidden]

17. Thus, while the focus in the emails, *Supra*, of the corporate debtor is on non-delivery/receipt of the material under some invoices despite receiving payment, the operational creditor in its response emails, above, focussed on projecting that the said plea cannot be pressed into by the corporate debtor, as the *sub-contractor* SIPL, gave a certificate that material under the disputed invoices has been received, besides by contending that the invoices and also the way bills confirm the delivery of the material under the so-called disputed invoices.

18. Here it is pertinent to note that a perusal of the letter dated 29/12/2020, M/s. NBCC, a Government of India, enterprise, which is the principal contractor, certified that a total quantity of 878.860 MT of steel only has been received, at the project sites.

19. Therefore, on careful examination of the aforementioned emails, letters, etc. and on a holistic consideration of the submissions of both sides we find enough force in the submission of the Ld. Sr. Counsel for the corporate debtor, Shri.S. Ravi, as regards the existence of a 'preexisting dispute' as to the 'very existence' or 'the amount of debt' is plausible.



20. Point is answered accordingly.

POINT No.2 Whether there is existence of a dispute between the parties or the record of the pendency of a suit or arbitration proceeding filed before the receipt of demand notice of the unpaid operational debt in relation to such dispute?

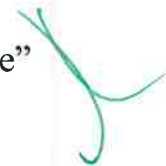
21. Having said so, we now proceed to find whether or not the dispute .as above, is patently a feeble legal argument or an assertion of fact unsupported by evidence or a spurious, hypothetical or illusory plea, on the touch stone of the ruling, in re, Mobilox, supra. wherein it has been held that,

“All that the adjudicating authority is to see at this stage is whether there is a plausible contention which requires further investigation and that the “dispute” is not a patently feeble legal argument or an assertion of fact unsupported by evidence. It is important to separate the grain from the chaff and to reject a spurious defence which is mere bluster. However, in doing so, the Court does not need to be satisfied that the defence is likely to succeed. The Court does not at this stage examine the merits of the dispute except to the extent indicated above. So long as a dispute truly exists in fact and is not spurious, hypothetical or illusory, the adjudicating authority has to reject the application”

22. The corporate debtor in para 4 of its counter has stated that, “As there is an obligation under B 2 B contract to provide funds for execution of the work whatever was invented by SAIPL we have simply acted upon based on trust, and never verified it about the actual delivery of the goods



under the purchase orders till it reached a flashpoint at Bangalore site in the end of January 2020. It is therefore, stated that as the employer had taken a serious view on the progress in execution of the work, SGIPL management inspected the site and found that there is a huge variation in the representation made by SAIPL management in terms of progress of the work in attaining the milestones and also value of the work executed and consumption of the steel which was procured by SAIPL through you. After reconciling the work certified by the employer which includes the steel consumed, vast difference in the quantity of steel supplied as per the invoices cum delivery challan and the steel consumed in the project was found. The shortfall was arrived at 337.41 MT which is valued at Rs.1,67,08,293/-. When SGIPL had contacted Mr. Madhur Mittal of Sunder Steel, he represented that even though invoices were raised for delivery at Bangalore site, the goods were delivered at Vijayawada site under the invoice nos. 2402, dated 07.01.20, 2404 dated 07.01.20, 2416 dated 08.01.20 2420 dated 08.01.20, 2432 dated 09.01.20, 2433 dated 09.01.20. Believing the said representation of Mr. Madhur Mittal, we arrived at the net short fall as 280.65 MT valued at Rs.1,40,12,597/- and it was placed on record by us vide email dt.25.05.2020 that there is a shortfall in the material delivered at Bangalore site”



23. (i). *Per contra*, the operational creditor in its rejoinder to the counter has stated that,

“the allegations narrated in Para 4 of the Counter Affidavit filed by the Corporate Debtor is hereby denied. It is submitted that for the works done by the operational creditor has raised invoices on various dates and same were received by the Corporate Debtor, however there is no payment made by the Corporate Debtor in spite of several request and demands made by the Operational Creditor. The Corporate Debtor has also sent communication after receipt of the invoices to the Operational Creditor, asking the Operational Creditor to submit material testing certificates for the materials supplied to the project site on various dates and the Operational Creditor also supplied material testing certificate as per the request of the Corporate Debtor vid email dated 11-05-2020. However, the Corporate Debtor has not made payment in spite of the receipt of the material testing certificate. As such, the Operational Creditor sent notice under Form-3 dated 17-09-2020. Now, by way of the counter affidavit, the Corporate Debtor without any basis or documentary proof is denying the liability for payments under the pending invoices. The other allegations are denied.”

(ii) The corporate debtor has further contended in its Counter stating that,

“You have not given any convincing record on this aspect except stating that you have acknowledgments having received the goods under those invoices. It is pertinent to place on record that we have issued a show cause notice dated 11.08.2020 to SAIPL why the agreement should not be terminated in respect of Construction of national Institute of Disaster Management (NIDM) southern campus at Kondapavuluru village Gangavaram Mandal, Krishna District for the commissions and omissions on their part which includes they received Rs.28.57 crores as against the bill certified by the employer only to the extent of Rs.21 crores. SAIPL gave a reply dated 14th Aug 2020. With false and untenable allegations to escape from its

fraudulent acts with a mal fide intention to gain illegally for which you actively assisted them. After these developments to prevent further loss to us, as there is misuse of funds by SAIPL by committing criminal breach of trust, we have taken over the site vide MOM dated 9 Sep 2020 and then found that there is a shortfall at Vijayawada project site also. As aforementioned as both the sites were managed by SAIPL during the period the steel was supplied and dummy invoices were raised, you have created the record with active connivance of SAIPL management having delivered the goods on paper despite not having delivered the goods physically.”

(iii) “On verification of the records at Bangalore and Vijayawada sites, we arrive that the total shortfall in supply of material under the purchase orders issued by us is at 528.11 MT and valued at Rs. 2,63,05,630/- (Rupees two crore sixty-three lakh five thousand six hundred and thirty). We have made total payments of Rs.10,87,45,157/- against the total value of the invoices raised for both the sites together valued at Rs.12,65,82,313/-. Therefore, it manifests that you deliberately created/ falsified the documents having supplied the material under dummy invoices, a list of which is attached to these objections and you have received an excess amount of Rs.84,68,474/-, if the dummy invoice(s) value is deducted from the actual invoices value which comes to Rs.10,02,76,683/-. Hence no amount is due and payable by us much less the amount demanded vide Demand Notice dated 17.09.2020 by our company.”

24. Having carefully examined the above contentions, the counter contentions, the allegations and the counter allegations, besides in the light of our findings, *supra*, on the *emails* exchanged between the parties, we are fully satisfied that a dispute, as afore mentioned, truly exists in fact, and the same is not spurious, hypothetical or illusory and is supported, *prima facie*, by evidence *supra*, as such the dispute needs to be




investigated, for the purpose arriving at the truth or otherwise of the same, which investigation this Tribunal is not entitled to carryout in an application under section 9 of the I&B Code, filed before us.


25. Point is answered accordingly.

26. Therefore, in view of our findings as above, this Company Petition for initiation of Corporate Insolvency Resolution Process against the respondent/corporate debtor herein, is bound to be rejected. We therefore, accordingly reject this application.

22. Before we part with this matter, we wish to state that though we have framed two points for consideration, in view of our finding on point No 1 itself the company petition is liable be dismissed as held by Hon'ble Supreme Court of India, *in re, Mobilox, supra*, besides the fact that whatever may be the finding on point No 2, the same will not impact our finding on point No 1, we have not entered into any discussion on point No. 2.

23. **In the result the company petition is dismissed.** IAs pending, if any, stands disposed of.


VEERA BRAHMA RAU AREKAPUDI
MEMBER (TECHNICAL)


DR. N.V. RAMAKRISHNA BADARINATH
MEMBER (JUDICIAL)

karim