

**NATIONAL COMPANY LAW TRIBUNAL
AMARAVATI BENCH
(Video Conference)**

**PRESENT: JUSTICE TELAPROLU RAJANI – MEMBER JUDICIAL
ATTENDANCE-CUM-ORDER SHEET OF THE HEARING HELD ON 05.04.2022 AT 10.30 AM**

TC/CP. Nos.	CA/IA No.	Section/ Rule	Name of Parties
CP (IB) No.55/9/AMR/2020	IA No.177/2020	9 Of IBC	The Cotton Corporation of India Ltd Vs Vantage Spinners Pvt Ltd

Counsel for Petitioner(s):

Ries

Name of the Counsel(s)	Designation	E-mail & Telephone No.	Signature

Counsel for Respondent(s):

Ries

Name of the Counsel(s)	Designation	E-mail & Telephone No.	Signature

ORDER

CP (IB) No.55/9/AMR/2020 is admitted, vide separate orders.

IA No.177/2020:

In view of the findings given in the order of main CP (IB) No.55/9/AMR/2020, this I.A.177/2020 is dismissed.

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**JUSTICE TELAPROLU RAJANI
MEMBER JUDICIAL**

**NATIONAL COMPANY LAW TRIBUNAL
AMARAVATI BENCH AT HYDERABAD**

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CP (IB) No.55/9/AMR/2020

**Petition under Section 9 of the Insolvency and Bankruptcy Code,
2016 Read with Rule 6 of the Insolvency and Bankruptcy
(Application to Adjudicating Authority) Rules, 2016
AND**

In the matter of M/s. VANTAGE SPINNERS PRIVATE LIMITED

Between

M/s. The Cotton Corporation of India Limited,
Kapas Bhavan, Plot No.3A, Sector -10,
CBD-Belapur, Navi Mumbai,
Maharashtra - 400614

... Operational Creditor

AND

M/s. Vantage Spinners Private Limited,
Registered office at Door No.895,
R.S.No.50 and 53/2, Hanuman Junction Road,
Gollapalli, Nuzividu,
Andhra Pradesh - 521111

... Corporate Debtor

Date of pronouncement of orders:05 .04.2022

CORAM:

Justice Telaprolu Rajani, Member Judicial.

Appearance:

For Operational Creditor : Mr.Mahadev Tirunagari, PCS

For Corporate Debtor : Mr.G.Sethu Rama Rao, Advocate

7/11/22

ORDER

1. This Application is filed by M/s. The Cotton Corporation of India Limited (CCI) (“hereinafter referred to as Operational Creditor”) seeking initiation of Corporate Insolvency Resolution Process in respect of M/s. Vantage Spinners Private Limited (“hereinafter referred to as Corporate Debtor”) alleging that the Corporate Debtor committed default in discharging debt due to the Operational Creditor. Hence petition under Section 9 of Insolvency and Bankruptcy Code, 2016 (referred to as “Code”) read with Rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 seeking admission of the Petition, initiation of Corporate Insolvency Resolution Process (CIRP), granting moratorium and appointment of Insolvency Resolution Professional (IRP) as prescribed under the Code and Rules thereon.

2. Briefly the facts as stated in the Petition are as follows:
 - a) The Cotton Corporation of India is a Government of India Company incorporated under the companies Act, 1956 and with an object to carry on the business of purchase, sale, etc., deal in raw cotton imported from outside India and purchase cotton grown in India. The Operational Creditor is to undertake price support operations, whenever the market prices of cotton fell below the minimum support prices

(MSP) announced by the Government of India, without any quantitative limit. Besides MSP operations, to fulfil the raw material requirement of the domestic textile industry particularly for lean season, Operational Creditor undertakes commercial purchase operations.

- b) The Corporate Debtor is in the business of spinning, weaving, finishing and preparation of textile fiber and for their manufacturing activity, the Corporate Debtor regularly buys cotton from the Operational Creditor by way of e-auction and executes the sale contracts. As such the Corporate Debtor executed various sale contracts for purchase of 3951 Bales of cotton from the Operational Creditor.
- c) As per the terms of sale contract, the Corporate Debtor shall pay within 5 days, excluding the date of contract, a minimum of 10% of the value of the contract, plus GST, towards the deposit for sale quantity upto 2999 Bales and 15% of the value of contract plus GST towards the deposit, if sale quantity is more than 3000 bales, failing which the contract would become liable for cancellation at the option of the Operational Creditor and the security deposit of the Corporate Debtor will be forfeited.
- d) The Operational Creditor shall offer the bales simultaneously with sales confirmation/contract to the Corporate Debtor and

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then the Corporate Debtor or its representative shall select the cotton under this contract within a period of 10 days from the date of sale confirmation irrespective of the quantity purchased, failing which forfeiture of the proportionate deposit money shall be made.

- e) Corporate Debtor shall be entitled to a free delivery period to take delivery of the contracted cotton against full payment of cotton value plus taxes and in the case of failure on the part of the Corporate Debtor, the contract is liable to be cancelled at the option of the Operational Creditor and the Operational Creditor shall be entitled to resell the entire or balance quantity thereof, at any time and in any manner it deems fit, reserving its right to recover any damage /losses sustained by such resale.
- f) As per the terms of contract of sale the Corporate Debtor lifted 2796 bales out of the total contracted bales of 3951 and paid the sale price, but failed to make payment and take the delivery of remaining 1155 bales. The details of un-lifted bales, are as under:

Sl.No.	e-Auction Date	Sale Contract Indent No.	No of Bales
1	15.09.2018	1718102714	100
2	04.09.2018	1718102661	300
3	04.09.2018	1718102658	200
4	15.09.2018	1718102713	200
5	11.09.2018	1718102690	300

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6	04.09.2018	1718102657	55
TOTAL			1155

- g) The Operational Creditor made several requests through emails, to make payment. The Operational Creditor and the Corporate Debtor have exchanged multiple emails of correspondence which discloses that the Corporate Debtor has made repeated delays in lifting of bales and payment of money and thereby continuously requesting for extension of time. In Email dated 06.10.2018, the Corporate Debtor stated that they would not be requesting for further extension of time. However, the Corporate Debtor has dishonoured their own statement and made continuous requests subsequently. Time was extended multiple times, without imposing any penalties.
- h) After rigorous follow up from the Operational Creditor for the payment and for taking the delivery of cotton bales, the Corporate Debtor sent an email dated 12.02.2019, stating that they could not lift the bales due to various reasons and that the spinning industry is undergoing rough phase, due to certain extraneous factors, which are not under their control. It is also mentioned that the delay in receipt of the Government receivables, etc., have crippled their units' growth and there is set back in their cash and fund flow. They also mentioned about the levy carrying rate for candy from

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the date of their transfer in proportion to the date of email. In response to the Corporate Debtor's request, the Operational Creditor has agreed vide email dated 15.02.2019 to accept the carrying charges at the time of lifting and allowing the Corporate Debtor to lift the bales in small quantities of 40 -50 on a daily basis and requested the Corporate Debtor to provide them with the schedule of lifting the un-lifted bales. The Operational Creditor further intimated the Corporate Debtor to pay the initial deposit money immediately.

- i) After repeated dishonouring of assurances made by the Corporate Debtor, the Operational Creditor has informed the Corporate Debtor on 19.03.2019 that the 1155 un-lifted bales were kept in open auction to be held on 28.03.2019. The Corporate Debtor was given an option to find any suitable buyers from their side to minimize the loss incurred by such resale.
- j) The Corporate Debtor through email dated 12.04.2019 intimated the Operational Creditor that the Corporate Debtor will pay Rs.3 Lakhs by 15.04.2019, towards initial deposit and the schedule of cotton bales was also given, which is as under:

No. of Bales	Date of lifting
300	16.04.2019
355	23.04.2019
300	26.04.2019

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200	30.04.2019
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- k) On 24.04.2019, the Operational Creditor intimated the Corporate Debtor that they did not honour any of the assurances and no further extension of time will be awarded.
- l) On 06.05.2019, the Operational Creditor has intimated the Corporate Debtor, that due to the continuous failure and false promises of the Corporate Debtor, as per the terms of sale contract, they initiated the process of resale of cotton bales and resold the same. The details of the bales are furnished which are as under:

S.No.	Old Indent No.	New Indent No.	Resold Bales	Resold Price
1	1718102714	1718103338	100	2131527.30
2	1718102661	171810336	300	6326820.03
3	1718102658	171803335	200	4413377.76
4	1718102713	1718103337	200	4618953.15
5	1718102690	1718103332	300	6532086.75
6	1718102657	1718103339	55	1223762.93
Total			1155	25246527.92

- m) The Operational Creditor is requesting the claim amount of Rs.46,96,324.48 which is the difference of amount between the sale price agreed by the Corporate Debtor as per the sale contract and the amount realised by the Operational Creditor after the resale of the cotton bales to 3rd party and the Corporate Debtor has expressed their unwillingness to pay the same.

- n) The Operational Creditor has sent a demand notice dated 11.11.2019 to the Corporate Debtor, but the Corporate Debtor did not reply for the same. Hence this Petition, seeking to initiate CIRP.
3. The Corporate Debtor filed counter, contending that the Corporate Debtor is a Micro, Small Medium Enterprises (MSME) and that the claim under Company Petition is to recover un-crystalized loss and damages which are not adjudicated by competent Court and cannot be termed as operational debt. The Corporate Debtor does not have knowledge of filing of the Company Petition. If the Company Petition is filed after 24.03.2020 it will be hit by the threshold limit of Rs.1 Crore. The Corporate Debtor paid total amounts under invoices number 142 to 179 for lifted bales and the same is undisputed. There is no invoice attached to the demand notice and it is not the case of the Operational Creditor that the Corporate Debtor failed to make payments against the receipt of goods. The material paper at Page No.124 is not an invoice and not a demand for the payment of goods and services supplied to the Corporate Debtor. The Operational Creditor failed to submit any documents in proof of the operational debt and the amount in default and failed to submit the copy of invoices and copies of all documents referred in the application submitted in Form-5 and no Bank Statement is filed, and relevance was placed only on a few emails. The Operational Creditor without referring the dispute to

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Arbitration has filed this Petition, which is not maintainable, since there is an arbitration clause in the Sale Contract at Clause 12 which is as under:

“In case of any dispute or difference arising out of or in relation to the contract, except any dispute regarding the quality of cotton which is specifically excluded under clause 2 of the contract, will be referred to an Arbitrator (other than an employee of the Seller) to be appointed by the Director (Marketing) or the Director (Finance) of the Seller and the decision of the Arbitrator shall be final and binding upon the parties hereto. The Arbitration will be governed by the provisions of the Arbitration and Conciliation Act, 1996 or any statutory amendments or re-enactment thereof.”

The Petition is not maintainable for un-adjudicated losses. Hence the Petition is liable to be dismissed.

4. Heard the arguments of both sides and perused the written submissions. From the written submissions and the pleadings the points that emerge for consideration are as follows:
 - I. Whether the amount claimed by the Operational Creditor from the Corporate Debtor is an uncrystallised amount.
 - II. Whether the claim made in the Petition filed by the Operational Creditor before this Tribunal can be adjudicated by an Arbitrator.
 - III. Whether the Corporate Debtor is due any debt to the Operational Creditor and whether the Corporate Debtor has committed default of the same.
 - IV. To what result.



I. Whether the amount claimed by the Operational Creditor from the Corporate Debtor is an uncrystallised amount:

Entire argument of the Counsel for the Corporate Debtor revolved around the words losses and damages used in the contract. On the basis of the said phrase, the Counsel contends that the damages have to be assessed by a court of law, when alone it would become a crystallised amount, for which alone a claim can lie under Section 9 of IBC, 2016.

The contract is for sale of cotton bales, which is in the form of letter issued to the Corporate Debtor with subject "Sale Contract for Mill Buyers". Under the said contract the buyer, who is the Corporate Debtor herein, has purchased bales of indigenous cotton through e-auction. There are various contracts for supply of different quantities of bales, but the terms and conditions of all the contracts being the same, the terms and conditions referred in the contract dated 15.09.2018 can be looked into, for adjudicating this issue. Under Clause 4 of the contract it is recited that the Buyer shall effect payment and take delivery of bales within the free period applicable from the date of contract/date of confirmation. In case of failure on the part of the buyer to do so, the contract is liable to be cancelled at the option of the

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Seller. In the event of such cancellation, the Seller shall be entitled to resell the entire or balance quantity thereof, at any time and in any manner it deems fit and at the same time, reserving its right to recover any damages/losses sustained by such resale. Under Clause 5 (d) it is recited that in the event of a default, the seller may resell the cotton at any time and in any manner it deems fit and recover the balance losses/damages from the buyer, if any, sustained in such a resale, inclusive of price difference, carrying charges and interest. The provisions under this contract with respect to a breach of the contract shall be invoked and operated automatically without any need for a notice from the Seller to the Buyer.

It can be seen from the contract, that the damages that are to be claimed from the Buyer are nothing more and nothing less than the difference of price of the cotton bales, at which they are supplied to the buyer and at which they are resold. The damages stand liquidated and there is no assessment that has to be made and can be made in terms of the said unambiguous clauses in the contract. Even if the issue is brought before any adjudicating authority, the said adjudicating authority cannot go beyond the terms of the contract, which clearly specify that it is only the difference in the above mentioned amounts that are mentioned as losses or

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damages under the contract. There is no dispute that the bales are not lifted by the Corporate Debtor and there is no dispute that the resale of the un-lifted cotton bales is done by the Operational Creditor. The dispute is only with regard to the question of claiming the said amount from the Corporate Debtor which is termed as “damages” under the contract. Merely because the word “damages” is used in the contract instead of the “difference of price” which could have been used, the Corporate Debtor cannot take advantage to say that the damages have to be ascertained by a court of law, in order to be recovered from a party. The amount of damages is a crystallised amount which is only a difference of price of bales not lifted by the Corporate Debtor at the time of contract and the resale of the said bales.

The counsel for the Corporate Debtor relies on a judgment of the *Bombay High Court in CP No.367/2009 between E-City Media Private Limited vs. Sadhrta Retail Limited*, wherein it was held the Petition for winding up cannot be maintained upon a claim for damages. Damages become payable only when they are crystallised upon adjudication. Until and unless an adjudication takes place with a resultant decree for damages, there is no debt due and payable. Damages require adjudication. Until then, the liability of a party in alleged breach of a contract does not



become crystallised. This judgment can be applied only to the facts where the claim amount is not crystallised by virtue of the contract. As already said, by mere using of the word damages, the nature of the amount that becomes due does not change. The next judgement relied upon is ***Greenhills Exports (Private) vs. Coffee Board, Bangalore rendered by the High Court of Karnataka on 16.03.2001***, wherein it was held that “Damages” is money claimed by, or ordered to be paid to, a person as compensation for loss or injury. It merely remains as a claim till adjudication by a Court and becomes a ‘debt’ when a Court awards it. In regard to a claim for damages (whether liquidated or unliquidated), there is no ‘existing obligation’ to pay any amount. No pecuniary liability in regard to a claim for damages, arises till a Court adjudicates upon the claim for damages and holds that the defendant has committed breach and has incurred a liability to compensate the plaintiff for the loss and then assesses the quantum of such liability. An alleged default or breach gives rise only to a right to sue for damages and not to claim any debt. A claim for damages becomes a debt due, not when the loss is quantified by the party complaining of breach, but when a competent Court holds on enquiry, that the person against whom the claim for damages is made, has committed breach and incurred a pecuniary liability towards the party complaining of breach and assesses the quantum of loss and

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awards damages. Damages are payable on account of a fiat of the Court and not on account of quantification by the person alleging breach. However copy of the said judgment is not supplied by the Counsel. The facts of the said case are not evident from the extract of the judgment in the written submissions. Above all, the breach of contract is not disputed by the Corporate Debtor unlike what can be understood from the facts mentioned in the above cited judgment.

The counsel for the Operational Creditor relies on the judgement of NCLAT in M/s.Vikas Agarwal vs. State Bank of India rendered on 08.02.2019. The NCLAT relied on the judgment of the Supreme Court in *Innoventive Industries Ltd. vs. ICICI Bank and Ors. (2018) 1 SCC 407*, wherein the Supreme Court was dealing with an Application under Section 7 of IBC, 2016. It was observed by the Supreme Court, in the said judgment, that the scheme of the Code is to ensure that when a default takes place, in the sense that a debt becomes due and is not paid, the Insolvency Resolution Process begins. Default is defined in Section 3 (12) in very wide terms as meaning non-payment of a debt once it becomes due and payable, which includes non-payment of even part thereof or an instalment amount. For the meaning of “debt”, we have to go to section 3 (11), which in turn tells us that a debt means a liability of obligation in respect of a

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“claim” and for the meaning of “claim”, we have to go back to Section 3 (6) which defines “claim” to mean a right to payment even if it is disputed. The Code gets triggered the moment default is of Rs.1 Lakh or more. It was further observed that it is at the stage of Section 7(5), where the adjudicating authority is to be satisfied that a default has occurred, that the Corporate Debtor is entitled to point out that a default has not occurred in the sense that the “debt”, which may also include a disputed claim, is not due. A debt may not be due if it is not payable in law or in fact. The moment the adjudicating authority is satisfied that a default has occurred, the Application must be admitted unless it is incomplete, in which case it may give notice to the applicant to rectify the defect within 7 days of receipt of a notice from the adjudicating authority. Relying on the said judgment, NCLAT held that it will be evident from the aforesaid finding of the Supreme Court that the definition of claim means a right to payment even if it is disputed. The Corporate Debtor is only entitled to point out that the default has not occurred in the sense that the ‘debt’ which may also include disputed claim is not due. In this case it can be seen that the amount claimed is only towards the loss incurred by the Operational Creditor. Though the contract spells that the right to recover the amount would arise on any loss/damage, stress may not be laid on the word damages, for the reason that no damages

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are infact claimed by the Operational Creditor. It is only the loss that is being claimed. Hence the judgment relied upon by the Corporate Debtor cannot be applied to the facts of this case, moreso when it is not rendered on the provision of IBC. A combined reading of IBC and Contract Act need to be made IBC is a complete Code in itself. Hence, prevalence of the provision thereunder would be there. A judgment of the NCLT in *Neeraj Jain vs. Cloud Walker Streaming Technologies Private Limited* was relied upon but it is not indicated as to which NCLT has passed the said judgment. The judgment is to the effect that the Operational Creditor has to submit relevant documents under which the debt has become due. The supply agreement which is filed by the Operational Creditor was held as not sufficient, so also the projections email which were held as not constituting proof of debt. It was pointed out that Bank Statement was not filed. It was observed that the Operational Creditor therein has filed only a few emails to allege that he has suffered losses.

In this case, it can be seen from the letter issued by the Corporate Debtor to the Operational Creditor on 12.02.2019 that the Operational Creditor has participated in the tenders and the rate for candy was Rs.48,700/-, 48,600/-, & 48,200/- and on the date of the letter it was Rs.44,300/- to 45,000/-. It was mentioned in the said letter that they could not lift the

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bales due to various reasons though they were awarded tenders. It is also mentioned that spinning industry was undergoing a rough phase due to certain extraneous factors which are not under their control and they have Government receivables to the tune of Rs.37 Crores. The delay in receipt of the said amounts have crippled their unit's growth and there is set back in their cash and fund flow. By virtue of the said letter they sought for awarding of the cotton bales at the prevailing price and not to levy carrying charges and not to charge interest.

There is another letter dated 06.10.2018 by the Corporate Debtor stating that they have issued Bank Guarantee through Union Bank of India and due to Quarter ending month their debts realisation is very much slow and also there are heavy market fluctuations due to which they are facing mismatch of funds. They informed the Operational Creditor that they would arrange funds for Bank Guarantee on or before 10.10.2018, without asking for any further extension of time. By virtue of the letter dated 12.04.2019, the bales lifting schedule was given and an assurance that the post-dated cheque for the carrying charges and interest for the scheduled lifting bales would also be made. Through an email dated 24.04.2019, the Operational Creditor informed the Corporate Debtor that the Corporate Debtor has not paid any

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amount and has not lifted any bales, hence the bales may be resold without any further waiting at the risk and cost of buyer as per the terms of the contract. It is also mentioned that the Director Smt.N.Meenalatha of the Corporate Debtor and the Managing Director Mr.P.M.M.Krishna were not responding to their calls, though the representative of the Operational Creditor called them several times. A letter dated 06.05.2019 by the Operational Creditor to the Corporate Debtor, called upon the Corporate Debtor to lift the remaining 855 un-lifted bales before they are resold as they are being kept for resale on daily basis at the risk of the Corporate Debtor and cost. The Corporate Debtor was also called upon to find any suitable buyer for those bales so that loss on resale on their account may be minimised. A letter dated 19.03.2019 also calls upon the Corporate Debtor to find suitable buyers from their side for sale of the non-lifted bales. The invoices pertaining to the lifted bales by the Corporate Debtor are filed. As regards, the interest, there is a clear recital in the contract under Clauses 8 and 9 for 15% in case the payment under L/C or Bank Guarantee is not received on due date from the Bank and the rate of interest on deliveries is mentioned as 13%. It is clear from the correspondence that there was delay in giving Bank Guarantee and that the claim amount pertains only to the difference between the price of the bales, at which the Corporate Debtor has auctioned for

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and the price of the resale of the bales. When the contract is admitted and non-lifting of bails is also admission, asking for invoices for a transaction which is not disputed and proved otherwise, would be a dogmatic approach. Hence it can be concluded that the amount of claim is a crystallised amount and does not fall within the category of damages.

II. Whether the claim made in the Petition filed by the Operational Creditor before this Tribunal can be adjudicated by an Arbitrator.

The Counsel for the Corporate Debtor takes an objection for maintainability of this Petition on the ground that the contract recites that in case of any dispute pertaining to the contract, the parties have to go before an arbitrator. A look at clause 12 of contract dated 15.09.2018 would show that in case of any dispute or difference arising out of or in relation to the contract, except any dispute regarding the quality of cotton which is specifically excluded under clause 2 of the contract, it will be referred to an Arbitrator.

The Counsel for the Operational Creditor contends that there is no dispute with regard to the contract and the dispute is only that the claim amount, which is termed as damages, cannot be claimed unless it is adjudicated by a Court of law. Under point No. I it is concluded that the amount of claim made herein is not damages in the true

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sense. The CIRP can be initiated only under IBC by an NCLT. An Arbitrator does not have jurisdiction to order for CIRP. When once the claim is found to be due from the Corporate Debtor and when it is shown that the Corporate Debtor has defaulted the discharge of the said debt, the right to move the NCLT under IBC for initiation of CIRP lies with the Creditors. Hence in view of the above the dispute before this Tribunal is held to be not an arbitrable dispute. This point is answered accordingly.

III. Whether the Corporate Debtor is due any debt to the Operational Creditor and whether the Corporate Debtor has committed default of the same.

The contention of Counsel for the Corporate Debtor is that the claim of the Operational Creditor is not relating to the goods/ services including employment or the debt in respect of repayment of the dues, but it is related to non-payment alleged loss adjudicated by the Operational Creditor on account of breach of contract. As such there is no operational debt in existence and hence the petitioner is not an Operational Creditor as defined under IBC.

In answer to the said contention, the Counsel for the Operational Creditor relies on Section 3 (6) of IBC which defines claim as under:

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“Section 3 (6): Defines ‘Claim means:’

(a): a right to payment, whether or not such right is reduced to judgment, fixed, disputed, undisputed, legal, equitable, secured or unsecured;

(b): right to remedy for breach of contract under any law for the time being in force, if such breach gives rise to a right to payment, whether or not such right is reduced to judgment, fixed, matured, unmatured, disputed, undisputed, secured or unsecured.”

The Operational Debt is defined under Section 5 (21) as under:

“Section 5 (21): *"operational debt" means a claim in respect of the provision of goods or services including employment or a debt in respect of the repayment of dues arising under any law for the time being in force and payable to the Central Government, any State Government or any local authority.”*

Section 3 (6) (b) gives a right to the creditor to make a claim in respect of right to remedy for breach of contract if such breach gives rise to the right to payment. In this case, as already observed under Point No.I, the amount that became due for payment is a crystallised amount. Hence, the case of the Operational Creditor herein falls clearly under Section 3 (6) (b) of IBC and qualifies for an operational debt. Hence in the light of the above, it can be concluded that the Corporate Debtor has fallen due an amount which qualifies for a debt and failed to discharge the said debt.

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IV. To what result.

In view of the findings under the point No. I to III the Petition is admitted. The Corporate Insolvency Resolution Process of the Corporate Debtor shall commence from this date and shall be completed within 180 days hence.

- i. Mr.Srinivas Gudla Rao, (Registration No. IBBI/IPA-001/IP-P-02093/2020-2021/13333), having office at 6-20-20/3, Flat No.201, Aqua Towers, East Point Colony, Back Gate Chaitanya College, Visakhapatnam, Andhra Pradesh-530017;e-mail: gudlasrinivasrao@gmail.com; Mobile: 8885524036, is appointed as the Interim Resolution Professional. No disciplinary proceeding is pending against him as per the IBBI website. He is directed to file his written consent in Form No. 2 forthwith.
- ii. He is directed to take charge of the Corporate Debtor's management forthwith and take necessary steps in furtherance of the CIRP in terms of Sections 13(2), 15, 17, 18 and 20 of Code and Rules made thereunder.
- iii. Moratorium in respect of the Corporate Debtor is hereby declared in terms of Section 14 of the Code.

Handwritten signature in green ink.

- iv. The Directors, Promoters or any other person(s) associated with the management of Corporate Debtor shall extend all assistance and cooperation to the IRP as stipulated under section 19 of the Code for effectively discharging his functions under the Code.
- v. The Registry shall communicate the order to the Operational Creditor and the Corporate Debtor forthwith.
- vi. The Operational Creditor and the Registry shall send the copy of this order to IRP for necessary compliance.

T. Naidu

**JUSTICE TELAPROLU RAJANI
MEMBER JUDICIAL**

Swamy Naidu