



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

**Item No.1**  
**IA (IBC)/296/2025 and**  
**CP (IB)/22/7/AMR/2025**

**IN THE MATTER OF:**

Small Industries Development Bank of India  
... Financial Creditor  
Versus  
M/s Hamsa Dairy Private Limited  
... Corporate Debtor

**Under Section:** 7, 60(5) of IBC, 2016  
**Rule:** 11 of NCLT Rules, 2016

**Order delivered on 07.11.2025**

**CORAM:**

**SHRI UMESH KUMAR SHUKLA**  
**HON'BLE MEMBER (TECHNICAL)**

**SHRI KISHORE VEMULAPALLI**  
**HON'BLE MEMBER (JUDICIAL)**

**PRESENT:**

For the Financial Creditor : Mr. P. Anil Mukherji, Adv.  
For the Corporate Debtor : Mr. Uma Maheswara Rao, Proxy Counsel

**ORDER**

Order pronounced and recorded *vide* separate sheets. The Application bearing **IA (IBC)/296/2025 in CP (IB)/22/7/AMR/2025** filed by Applicant/ Corporate Debtor is **allowed** and disposed of. **CP (IB)/22/7/AMR/2025** filed by the Financial Creditor is **admitted** and IRP is appointed.

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

**Sd/-**  
**(KISHORE VEMULAPALLI)**  
**MEMBER (JUDICIAL)**



**IN THE NATIONAL COMPANY LAW TRIBUNAL  
AMARAVATI BENCH AT MANGALAGIRI**  
(Exercising powers of Adjudicating Authority under  
the Insolvency and Bankruptcy Code, 2016)

**IA (IBC)/296/2025 in CP (IB)/22/7/AMR/2025**  
**And**  
**CP (IB)/22/7/AMR/2025**

**Under Section 7 of the Insolvency and  
Bankruptcy Code, 2016 read with Rule  
4 of the Insolvency and Bankruptcy  
(Application to Adjudicating Authority)  
Rules, 2016**

**In CP (IB)/22/7/AMR/2025 & IA (IBC)/296/2025:**

**SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA**

Specialised Asset Recovery Branch,  
Overseas Towers, 1<sup>st</sup> Floor,  
No.756 L, Anna Salai,  
Chennai-600002  
Represented by its  
Deputy General Manager Sri Parvin Kumar.

.... **Financial Creditor/ Petitioner**

**Versus**

**HAMSA DAIRY PRIVATE LIMITED**

CIN: UI5202AP2016PTC098421  
Having its Registered Office at:  
Survey. No.527, Muthukuru Village,  
Pedda Panjani Mandal,  
Chittoor-517408, Andhra Pradesh.

.... **Corporate Debtor/ Respondent**

**Order delivered on:07.11.2025**

**Coram:**      **HON'BLE SHRI KISHORE VEMULAPALLI, MEMBER (JUDICIAL)**  
**HON'BLE SHRI UMESH KUMAR SHUKLA, MEMBER (TECHNICAL)**

**Present:**

**For Financial Creditor/ Petitioner**      : Mr. P. Anil Mukherji, Adv.  
**For Respondent/ Corporate Debtor**      : Mr. Uma Maheswara Rao, Proxy.



**[ORDER]**  
**[PER: BENCH]**

**CP (IB)/22/7/AMR/2025:**

The present Petition has been filed vide Diary No. 2119 dated 24.01.2025, by **Small Industries Development Bank of India** (hereinafter referred to as “**SIDBI**” or “**Financial Creditor**” or “**Petitioner**”) represented by its Deputy General Manager Shri Pravin Kumar under section 7 of the Insolvency and Bankruptcy Code, 2016, (hereinafter referred to as the “**IBC**” or “**Code**”) read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 (hereinafter referred to as the “**IB Rules**”) seeking initiation of Corporate Insolvency Resolution Process (hereinafter referred to as the ‘**CIRP**’) against **Hamsa Dairy Private Limited** (hereinafter referred to as the “**Corporate Debtor**” or “**Respondent**”) for having defaulted in payment of outstanding dues of Rs.3,11,35,532.80 (Rupees three crore eleven lakhs thirty five thousand five hundred thirty two and eighty paise only) as on 10.01.2023.

2. The Corporate Debtor is a Company incorporated on 03.03.2016 with its registered office at Survey No. 527, Muthukuru Village, Pedda Panjani Mandal, Chittoor-517408, Andhra Pradesh. Hence, the territorial jurisdiction lies with this Adjudicating Authority.

**FACTS OF THE CASE:**

3. The facts of the case, as stated in the Petition filed by the Financial Creditor, are summarized below:

- (i) The Financial Creditor established under SIDBI Act, 1989 bearing PAN No. AABCS3480N has its Registered Office at SIDBI Tower, 15 Ashok Marg,



Lucknow-226001, Uttar Pradesh and Specialised Asset Recovery Branch located at Overseas Towers, 756 L, Anna Salai, Chennai-600002

- (ii) The Corporate Debtor approached Financial Creditor's Nampally Branch Hyderabad on 12.12.2017, applied for sanction of term loan of Rs.430 lakh (Rs.274 lakh & Rs.156 lakh) and soft loan of Rs.20 lakh under SMILE scheme and working capital limit of Rs.50 lakh under SIDBI IDBI working capital arrangement scheme. The Financial Creditor issued Letter of Intent (hereinafter referred to as the "**LoI**") on 06.06.2017 informing that it is agreeable in principle to sanction with the terms and conditions mentioned in Lols, and sanctioned financial assistance in the form of term loan of Rs.430.00 lakhs, soft loan of Rs.20 lakh (repaid and since closed) and working capital limit of Rs.50 lakh (now converted into working capital term loan) for a project to set up business in setting up a mozzarella cheese & other dairy products manufacturing facility and other related activities/ other purposes in the above mentioned manufacturing unit located at Survey No. 527, Muthukuru Village, Pedda Panjani Mandal, Chittoor-517408, Andhra Pradesh and working capital requirement purpose. The Financial Creditor also sanctioned working capital term loan of Rs.66.90 lakh under TWARIT scheme vide its LoI dated 19.06.2020.
- (iii) Subsequently the Corporate Debtor defaulted in paying EMIs and the account of Corporate Debtor was classified as Non-Performing Asset (hereinafter referred to as the "**NPA**") on 10.04.2023.
- (iv) The Financial Creditor sent several requests to repay the loan amounts and regularize the account, but the Corporate Debtor failed in repaying the



amounts due to the Financial Creditor and has not made any payment after the account became NPA.

- (v) The term loans were rescheduled and working capital limit was converted into working capital term loan, which was communicated vide Lol dated 11.01.2021. On default of the loan, the account was classified as NPA on 10.04.2023.
- (vi) After turning the account as NPA, the account was transferred from SIDBI Nampally Branch, Hyderabad office to Specialized Asset Recovery Branch Chennai having office at Overseas, 1<sup>st</sup> Floor, 756L, Annasalai, Chennai.
- (vii) The Financial Creditor issued a Recall Notice dated 27.03.2024 to the Corporate Debtor informing that if the Financial Creditor does not receive the dues amounting to Rs.3,19,71,420.80 (Rupees three crores nineteen lakhs seventy one thousand four hundred twenty and eighty paisa only) as on 27.03.2024 on or before 11.04.2024 together with interest, the Financial Creditor will be constrained to take appropriate legal action both civil and criminal against the Corporate Debtor etc. The said recall notice dated 27.03.2024 was received by the Corporate Debtor on 31.03.2024, who chose to be silent on the same.
- (viii) The Financial Creditor in pursuance of the above recall notice, further issued a recall modification notice, vide Ref. No.2025MAY07/L007321423, dated 07.05.2024, but the Corporate Debtor neither paid substantial/required amount, nor regularized the said accounts.
- (ix) As on 02.07.2024, the Financial Creditor issued a demand notice under IBC for an amount of Rs.2,94,97,211.80 together with interest, further



interest & penal interest at the contractual rates with effect from 10.06.2024 or before 17.07.2024 at the contractual rates and the said notice was received by the Corporate Debtor on 04.07.2024, but remain silent. Hence Financial Creditor filed this Petition for the claim amount of Rs.3,11,35,532.80 /-.

- (x) As per Part IV of Form 1, the amount claimed to be in default and the date of default are Rs.3,11,35,532.80 and 10.02.2023 respectively. The Part IV of Form 1 is reproduced below:

<b>Part IV</b>	
<b>PARTICULARS OF FINANCIAL DEBT</b>	
<b>I.</b>	<p><b>TOTAL AMOUNT OF DEBT GRANTED DATE(S) OF DISBURSEMENT</b></p> <p>Amount Sanctioned: Rs. 400 lakh divided into two parts mentioned below :</p> <p>1. Term Loan vide Account No. A/c. D000YG3 – <b>Rs.2,74,00,000/-</b> Date of Disbursement &amp; Amounts : On 02.02.2018 - Rs 150.00 lakhs, on 16.03.2018 - Rs 38 Lakhs, on 14.06.2018 - Rs 18 lakhs, on 09.11.2018 - Rs 68 lakhs</p> <p>2. Term Loan vide Account No. D00014FV – <b>Rs.1,56,00,000/-</b> Date of disbursement &amp; Amounts : On 03.05.2019 – Rs 41.16 Lakhs, On 31.05.2019 – Rs 24.64 lakhs</p> <p>3. TWARIT Loan vide Account No. D00036CT – <b>Rs.67,00,000/-</b> On 26.06.2020 – Rs. 67,00,000/-</p> <p>4. Working Capital Limit sanctioned on 01.06.2017 and disbursed and later converted into working Capital Term Loan vide Account No. <b>D00036QS – Rs.50,00,000/-</b> Date of conversion &amp; Amounts : On 11.01.2021 – Rs.50,00,000/-</p> <p>Out Standing due as on 10.12.2024 <b>Rs. 3,11,35,532.80 /-</b></p>



		<p>1. Term Loan vide Account No. A/c. D000YG3 Rs. <b>2,43,32,957/-</b></p> <p>2. Term Loan vide Account No. D00014FV – Rs <b>53,27,482 /-</b></p> <p>3. Twarit Loan vide Account No. D00030CT Rs. <b>2,94,489.80 /-</b></p> <p>4. Working Capital Term Loan vide Account No. D00036QS – Rs. <b>2,95,141 /-</b></p> <p>Penal Charges Rs. <b>4,64,626 /-</b></p> <p>Costs and Charges Rs. <b>4,20,837 /-</b></p> <p>Total Claim Rs. <b>3,11,35,532.80 /-</b></p> <p>(Rupees Three Crore Eleven Lakhs Thirty Five Thousand Five Hundred and Thirty Two and Eighty Paise as on 10.12.2024 together with interest, further interest, penal interest and Cost and charges at the contractual rates with effect from with effect from 10.12.2024 from Hamsa Diary Private Limited)</p>												
2.	<p><b>AMOUNT CLAIMED TO BE IN DEFAULT AND THE DATE ON WHICH DEFAULT OCCURRED (ATTACH THE WORKING COMPUTATION OF AMOUNT AND THE DAYS OF DEFAULT IN TABULAR FORM)</b></p>	<p>Principal Due: Rs <b>3,11,35,532.80 /-</b> as on 10.12.2024</p> <table border="1"> <thead> <tr> <th>Loan Sanctioned</th> <th>Principal Outstanding</th> <th>Interest in Default</th> <th>Further interest and penal interest</th> </tr> </thead> <tbody> <tr> <td><b>1. Term Loan I D0000YG3</b></td> <td>2,04,45,000</td> <td>35,37,788</td> <td>3,50,169</td> </tr> <tr> <td><b>2. Term Loan II Rs D00014FV</b></td> <td>44,40,186</td> <td>8,03,525</td> <td>83,771</td> </tr> </tbody> </table>	Loan Sanctioned	Principal Outstanding	Interest in Default	Further interest and penal interest	<b>1. Term Loan I D0000YG3</b>	2,04,45,000	35,37,788	3,50,169	<b>2. Term Loan II Rs D00014FV</b>	44,40,186	8,03,525	83,771
Loan Sanctioned	Principal Outstanding	Interest in Default	Further interest and penal interest											
<b>1. Term Loan I D0000YG3</b>	2,04,45,000	35,37,788	3,50,169											
<b>2. Term Loan II Rs D00014FV</b>	44,40,186	8,03,525	83,771											



3. Twarit D00030C T	58,791.80	1,94,828	40,870
4. Term Loan III Rs D00036QS	0.00	2,34,324	60,817
<b>Total</b>	<b>3,02,50,069.80 /-</b>		
Penal Charges after 10.04.2024 plus GST	4,64,626 /-		
Cost and Charges	4,20,837 /-		
<b>Grand Total</b>	<b>3,11,35,532.80 /-</b>		
Total dues as on – <b>3,11,35,532.80 /-</b>			
Rupees Three Crore Eleven Lakhs Thirty Five Thousand Five Hundred and Thirty Two and Paise Eighty only along with further interest, Penal Interest, Penal Charges at contractual rates w.e.f. till payment or realization together with all costs and charges.			
Date of NPA: 10.04.2023.			
Date of Default: 10.02.2023			



- (xi) The Financial Creditor have also enclosed the following documents with the Petition:
- (a) Certificate of incorporation, Memorandum of Association and Articles of Association as Exhibit "A", "B" & "C" respectively at page nos.36A-57 of the Petition;
  - (b) Affidavit and Form 2 (Written Communication) by Resolution Professional as Exhibit "D" at page nos.58-67D of the Petition;
  - (c) Statement of Account/ Ledger in the books of the Financial Creditor as Exhibit "E" at page nos.68-78 of the Petition;
  - (d) Lol dated 06.06.2017 for Term Loan I as Exhibit "F1" at page nos.79-87 of the Petition;
  - (e) Modified Lols dated 21.08.2017, 05.12.2017 & 19.06.2020 as Exhibit "F2", "F3" & "F4" respectively at page nos.88-99 of the Petition;
  - (f) Lol for restructuring of Term Loan and conversation of working capital limit into Working Capital Term Loan dated 11.01.2021 as Exhibit "F5" at page nos.100-109 of the Petition;
  - (g) Copy of Hypothecation of Agreement of Working Capital Limit dated 11.12.2017 as Exhibit "G1" at page nos.110-125 of the Petition;
  - (h) Copy of the Agreement for Term Loan cum Hypothecation dated 19.06.2020 as Exhibit "G2" at page nos.126-151 of the Petition;
  - (i) Copy of Memorandum of Deposit of Title Deed No.133/2018 dated 10.01.2018 as Exhibit "H" at page nos.152-169 of the Petition;
  - (j) Record of Default as Exhibit "I" at page nos.170-237 of the Petition;
  - (k) Copy of the Loan Agreement 11.12.2017 as Exhibit "J1" at page nos.238-246 of the Petition;



- (l) Copy of the Lol dated 06.06.2017 as Exhibit “J2” at page nos.247-251 of the Petition;
- (m) Copy of the Deed of Guarantee of Kata Dharama Tej and K. Naga Lakshmi Nagini (@ Lakshme Kottu) dated 11.12.2017 as Exhibit “K1” at page nos.252-262 of the Petition;
- (n) Copy of the Deed of Guarantee of Sri Jagdeesh Srinivas dated 05.01.2018 as Exhibit “K2” at page nos.263-270 of the Petition;
- (o) Copy of the Deed of Corporate Guarantee of KVRR Foods Private Limited dated 05.01.2018 as Exhibit “K3” at page nos.271-276 of the Petition;
- (p) Board Resolutions of Corporate Debtor dated 05.12.2027 & 19.06.2020 as Exhibit “L1” & “L2” respectively at page nos.277-281 of the Petition;
- (q) General Conditions dated 11.12.2017 and 19.06.2020 as Exhibit “M1” & “M 2” respectively at page nos.282-305 of the Petition;
- (r) Declaration and Undertaking by Hamsa Dairy Private Limited dated 11.12.2017 as Exhibit “N1” at page nos.306-309 of the Petition;
- (s) Undertaking for over run dated 11.12.2017 as Exhibit “N2” at page nos.310-313 of the Petition;
- (t) Declaration and Undertakings by the Corporate Debtor dated 05.01.2018 & 19.06.2020 Exhibit “N3” & “N4” respectively at page nos.314-346 of the Petition;
- (u) Loan Recall Notice dated 27.03.2024 along with postal receipt and Acknowledgement as Exhibit “O” at page nos.347-357 of the Petition;
- (v) Modified Recall Notice dated 07.05.2024 along with postal receipt and acknowledgement as Exhibit “P” at page nos.358-367 of the Petition;



(w) Demand Notice dated 02.07.2024 along with postal receipt and Acknowledgement as Exhibit "Q" at page nos.368-373 of the Petition.

4. During the course of hearing held on 02.07.2025, the Counsel for the Financial Creditor submitted that there has been clerical typographical error in mentioning the date of default, and sought a week time to get instruction from the Financial Creditor and file a Memo.

5. Subsequently, the Financial Creditor vide diary No. 1269 dated 03.07.2025, filed a Memo dated 03.07.2025, seeking rectification of the date of default mentioned in the Part-IV of the Petition along with the neat copy of the Form 1 with the corrected date of default i.e. 10.01.2023 in Part-IV and to take on record the Memo. The above Memo was taken on record vide Order dated 11.07.2025 of this Adjudicating and the Registry was directed to issue notice to the Corporate Debtor and upon receipt of notice, two weeks' time was granted to the Corporate Debtor to file their Counter.

**COUNTER BY THE CORPORATE DEBTOR:**

6. The Corporate Debtor vide Diary No. 1756 dated 29.08.2025, filed Counter denying the submissions made in the Petition and prayed to dismiss the Petition in view of the following:

- (i) The Financial Creditor has suppressed the material fact of having filed O.A. No. 375/2024 before the Hon'ble Debt Recovery Tribunal, Hyderabad (hereinafter referred to as the "DRT"). It is not permissible for the Financial Creditor to pursue parallel proceedings under different enactments and having chosen to proceed under the RDDBFI Act, the present Petition under the IBC is bad in law and *mala fide*.



- (ii) The Financial Creditor merely stated that the relationship between the parties is that of banker and borrower, but failed to disclose that the business establishment of the Corporate Debtor was pursuant to the policy of the Government of Andhra Pradesh (hereinafter referred to as the “**GoAP**”) for industrial and infrastructure development in the State.
- (iii) Based on the GoAP’s incentive schemes for the dairy sector, the Corporate Debtor approached the Andhra Pradesh Food Processing Society (hereinafter referred to as the “**APFPS**”) for approvals and support.
- (iv) Since the project was supported by the GoAP through subsidies and interest subvention, initiation of proceedings under the IBC by the Financial Creditor is contrary to the objectives of the State’s industrial policies.
- (v) The Corporate Debtor approached the Financial Creditor for financial assistance in 2017. The Financial Creditor sanctioned a Term Loan of Rs.430 lakhs and a Soft Loan of Rs.20 lakhs under the SIDBI Make in India Soft Loan Fund scheme.
- (vi) After sanction, the Corporate Debtor sought investment subsidy and interest subvention from the GoAP, and the MoU dated 16.10.2017 was executed. The Financial Creditor itself, by letter dated 18.08.2017, informed the GoAP about the sanction of Rs.450 lakhs and requested the release of subsidy to the Corporate Debtor.
- (vii) The Financial Creditor was fully aware that the GoAP sanctioned an investment subsidy of Rs.212.22 lakhs (25% of eligible project cost) and interest subvention @ 7% to an extent of Rs.2 crores, totalling to Rs.4.12 crores to the Corporate Debtor vide order dated 21.05.2018.



- (viii) The Financial Creditor also wrote to the GoAP on 20.06.2018, confirming that Rs.226 lakhs had been released out of Rs.450 lakhs sanctioned, and requested subsidy release and consequently, the GoAP vide proceeding dated 22.08.2018, released Rs.1,06,11,000/-, which was transferred to the Financial Creditor.
- (ix) Again, by letter dated 26.08.2019, the Financial Creditor sought the second instalment of subsidy and the GoAP subsequently, released Rs.89.79 lakhs (capital subsidy) and Rs.62.55 lakhs (interest subvention) for the period 01.04.2019 to 31.03.2022, as evident from the email dated 11.02.2025.
- (x) However, the Financial Creditor's statement of accounts failed to reflect these amounts received from the GoAP, thereby suppressing material information.
- (xi) An analysis of various loan accounts (Term Loan, Soft Loan, TWARIT Loan, and Working Capital Term Loan) shows that the outstanding balances are less than the sanctioned and disbursed amounts and the Financial Creditor has included unwarranted charges, like overdue and FIPI interest, inflating the liability as shown below:

Type of Account	Term Loan	Term Loan	TWARIT Loan	Working Capital Term Loan	Total
Account No.	D0000YG3	D00014F	D00030CT	D00036QS	
Sanctioned (Rs.)	2,74,00,000	1,56,00,000	67,00,000	50,00,000	<b>5,47,00,000</b>
Disbursed (Rs.)	2,74,00,000	65,79,686	66,16,000	50,00,000	<b>4,55,95,686</b>
Outstanding (Rs.)	2,04,45,000	44,40,186	58,791	-	<b>2,49,43,977</b>
Overdue Interest (Rs.)	35,37,780	8,03,525	1,94,828	2,34,324	<b>47,70,457</b>
FIPI Interest (Rs.)	3,50,169	83,771	40,870	60,817	<b>5,35,627</b>
Total Outstanding (Rs)	2,43,32,949	53,27,482	2,94,489	2,95,141	<b>3,02,50,061</b>

- (xii) The amounts received by the Financial Creditor from the GoAP (Rs.89.79 lakhs and Rs.62.55 lakhs) on 23.01.2025 are not accounted for before filing



the Petition on 18.06.2025. If these credits are considered, the account cannot be treated as an NPA, and there is no default under the IBC.

- (xiii) The Corporate Debtor also made payments totalling Rs.44,66,089/- (from 07.02.2023 to 09.01.2024) and Rs.38,00,000/- (from 16.04.2024 to 14.06.2024), which were not credited to the loan accounts, while the Statement of accounts of IDBI Bank Limited, Bangalore establishes these payments.
- (xiv) Considering the above payments and subsidies, the total outstanding liability falls below the threshold limit of Rs.1 crore under Section 4 of the IBC, making the Petition not maintainable.
- (xv) The Financial Creditor filed O.A. No. 375/2024 before the DRT, for recovery of Rs.2,99,97,381.80 as on 10.09.202 and the Corporate Debtor filed I.A. No. 1873/2025 seeking directions to adjust the subsidy amounts of Rs.1,54,34,000/- received from the GoAP towards the loan account and to regularize it.
- (xvi) The delay in release of subsidy by the Government cannot justify action under the IBC and thus, the Financial Creditor's action is mechanical, *mala fide*, and contrary to the spirit and objectives of the Code.
- (xvii) The Hon'ble Supreme Court has held that admission under Section 7 of the IBC is not mandatory but discretionary. In the present case, the Financial Creditor received more than Rs.1.5 crores from the GoAP in Jan–Feb 2025 and the Corporate Debtor's unit is running with employment to around 50 employees, & serving the industrial objectives of the GoAP, hence, initiation of CIRP is unwarranted.



7. During the hearing held on 08.09.2025, the Counsel for the Corporate Debtor stated that after adjustment of the subsidy and some subsequent payments made by the Corporate Debtor, the outstanding amount would fall below the threshold limit of Rupees One Crore and sought time to establish the same by filing relevant documents.

**IA (IBC)/296/2025:**

8. Subsequently, the Corporate Debtor vide Diary No.1841 dated 15.09.2025, filed Interlocutory Application, bearing No. IA(IBC)/296/2025, seeking to take on record the Statements of accounts of IDBI Bank Limited, Bangalore. It is stated in the IA that the Corporate Debtor in the Counter filed in the Petition have stated that Rs.44,66,089/- paid from 07.02.2023 to 09.01.2024 and a sum of Rs.38 lakhs paid from 16.04.2024 to 14.06.2024 by the Corporate Debtor were not given credit to the loan account, but the Corporate Debtor inadvertently failed to file the statement of accounts, which establishes the payments and the same is filed through this IA.

9. The Financial Creditor filed the Counter Affidavit dated 17.09.2025 in the IA stating that:

- (i) It is alleged by the Corporate Debtor that the Financial Creditor suppressed the fact of filing OA before the DRT, but it is well-settled law that the pendency of an OA before the DRT does not bar the filing of a Section 7 Petition under the IBC for initiation of CIRP, as they are distinct remedies available under different enactments.
- (ii) The first subsidy amount was released by the GoAP as per proceedings dated 21.05.2018, and at the request of the Corporate Debtor, the said amount was released by the Financial Creditor for utilization towards



project related expenses in order to facilitate the commencement of commercial operation. However, for the second subsidy amount, the Financial Creditor vide letter 26.08.2019 gave confirmation to release the second subsidy amount in the Financial Creditor's account, which was at the time, when the Loan account of the Corporate Debtor was in standard category and when the subsidy amount was credited on 23.01.2025, the account of the Corporate Debtor was already in NPA category on account of default committed by the Corporate Debtor due to non-payment dues. Since there are provisions in the subsidy guidelines regarding recall of subsidy released in case of non-performance of certain criteria and that since the account has become NPA, on receipt of subsidy amount, the Corporate Debtor issued various letter/emails to APFPS for confirmation, whether the subsidy can be adjusted towards loan, which was already an NPA account, for which no reply/confirmation till date was received by APFPS. Simultaneously, the Financial Creditor also communicated with the Corporate Debtor, requesting latest financial documents to verify the operational status of the company and to avoid potential recall of the subsidy by the GoAP. To date, no response has been received from either the GoAP or the Corporate Debtor. The copies of relevant email correspondences dated 28.01.2025, 29.01.2025, 04.02.2025, 11.02.2025, 19.02.2025 and 01.03.2025 have been annexed as Annexure A to Annexure F and reminders emails to APFPS from 14.03.2025 to 26.05.2025 have been annexed as Annexure G and have been summarized in the Counter to the IA as below:

Date	Details	Remarks
28.01.2025	Mail sent to CD to arrange to submit the audited financial statement of the company for last three years showing that the unit is operational and arrange a visit for SIDBI official to the factory unit.	No reply received
29.01.2025	Letter sent to CD requesting to confirm whether the amount of Rs.1,48,34,000/- received is towards subsidy received in respect of CD in order to adjust the subsidy received against the dues.	No reply received from CD for this letter.
04.02.2025	Letter sent to APFPS requesting to confirm whether the amount of Rs.1,48,34,000/- credited is towards subsidy released to CD as per proceedings dated 21/05/2018 to enable us to adjust the same against the dues.	Reply vide email dated 11.02.2025 received from Andhra Pradesh Food Processing Society [APFPS] that the incentives of Rs. 1,48,34,000/- have been sanctioned and released by AP Food Processing Society to CD to account number 10996685010, IFSC-SBIN0004380 of SIDBI. However, there was no confirmation as to whether subsidy can be adjusted to loan account.
19.02.2025	Reminder letter sent to CD for request to adjust the subsidy and to submit necessary documents viz. last 3 years Balance Sheets, projections etc.	No reply received.
04.03.2025	Letter sent to APFPS informing that the loan accounts of CD are NPA and whether the subsidy received can be adjusted against the dues of CD and to confirm whether SIDBI needs to scrutinize anything further before adjusting the subsidy to the dues of CD as all the Loan Accounts of CD are NPA in the books of SIDBI/FC.	No reply received from APFPS.
14.03.2025 18.03.2025 26.03.2025 27.03.2025 01.04.2025 16.04.2025 29.04.2025 26.05.2025	Reminder mails sent to APFPS requesting confirmation as to whether SIDBI/FC can appropriate the subsidy against the overdues of CD which is an NPA Account.	No reply received.



- (iii) The total outstanding dues as mentioned in Part IV of the Form is Rs.3,11,35,532.80/-. Even assuming not admitting, for argument's sake, that the entire second subsidy amount of Rs.1,48,34,000/- were adjusted against the dues, the residual outstanding amount would still amount to Rs.1,63,01,532.80, which far exceeds the Rs.1 crore threshold prescribed 7 of the IBC. Moreover, the payments made by the Corporate Debtor during the periods mentioned above have already been duly adjusted against the outstanding loan accounts and the entries can be seen in the statement of accounts annexed in the main Petition as Annexure E. Despite such adjustments, the account remains substantially in default and has not been regularized. The outstanding amount claimed in Section 7 Petition represents the balance after deducting all payments received from the Corporate Debtor. A certified copy of the Statement of Account, clearly indicating the adjustment of all payments made by the Corporate Debtor has annexed as Annexure-H to the Counter to the IA.
- (iv) The Corporate Debtor has sought adjournment under the pretext of filing the account statements, which the Financial Creditor has never denied, are nothing but delaying tactics to obstruct the insolvency resolution process and requires no interference from this Adjudicating Authority and the Petition, which is otherwise complete and maintainable, is liable to be admitted. The Financial Creditor has sufficiently established, through records and documentary evidence that the default has occurred and hence the essential requirement under the IBC for admission of CIRP is fully satisfied.



- (v) This Counter filed in the IA by the Financial Creditor may also be treated as a rejoinder to the Counter filed by the Corporate Debtor in the Main Petition.

10. We note that the additional documents placed by the Corporate Debtor in the IA (IBC)/296/2025 have been filed with the permission of this Adjudicating Authority and are also the necessary documents, for which no objection has been raised by the Financial Creditor, therefore, we are of the considered view that these documents needs to be taken on record for the proper adjudication of the present matter.

11. In view of the above, **IA (IBC)/296/2025 is hereby allowed and disposed of.**

12. During the course of hearing held on 22.09.2025, the Financial Creditor submitted that although the second instalment of subsidy amount of Rs.1.52 Crore was received during 23.01.2025, but the same was not credited to the loan account, as the same had been classified as a NPA on 10.04.2023, prior to the receipt of the amount. However, the Counsel for the Financial Creditor was unable to specifically identify the disbursement of the first instalment of the subsidy amounting to Rs.1.06 Crore received into the Corporate Debtor's account and therefore, sought time to verify the same and to identify, where that subsidy amount had been reflected. The liberty was granted to the Counsels for both parties to substantiate their contention regarding the first instalment of the subsidy received from APFPS and how the subsidy received was treated in the Corporate Debtor's account.

13. Subsequently, the Counsel for the Financial Creditor vide Diary No. 2029 dated 10.10.2025, filed Memo dated 09.10.2025 stating as below:



- (i) The subsidy sanctioned to the Corporate Debtor is as per AP Food Processing Policy 2015-2020 and as per the policy, the subsidy is granted for “Subsidy to an extent of 25% of the project cost for setting up new food processing units limited to Rs, 5 crores”.
- (ii) The subsidy is released in two tranches. The first tranche of such subsidy of Rs.106.11 lakh was received by the Financial Creditor on 01.10.2018 in its account.
- (iii) Since the Financial Creditor is not a commercial bank, it does not open a current account for each borrower like commercial banks and received subsidies from State and Central Governments in its own account and are then used for the purposes as mandated.
- (iv) In the instant case, during the receipt of first instalment of subsidy, the project was under implementation and the primary objective of the subsidy was for setting up of new food processing units, therefore, the disbursed amount of Rs.106.11 lakh was utilised towards implementation of the project.
- (v) Basing the request letters dated 12.10.2018 and 24.10.2018 placed by the Corporate Debtor, the said amounts were transferred to its vendors .
- (vi) After transferring the above amounts to the vendors, the Financial Creditor, based on the request of the Corporate Debtor, transferred the remaining subsidy amount of Rs.58,43,371/- to the account of the Corporate Debtor holding with IDBI Bank No lean account on 30.10.2018. The bank statement and request letters of the Corporate Debtor has also been enclosed with the above Memo.



- (vii) Even if the subsidy amount (kept pending for appropriation on account of non-receipt of requisite clarification from APFPS, since the account is NPA category), the amount in default would be still above the threshold amount for initiating the CIRP.

14. During the course of hearing dated 13.10.2025, both the counsels were heard at length for nearly 1:30 Hours. The Counsel for the Financial Creditor submitted that sum of Rs.1,06,11,000/- was received by the Financial Creditor, but pursuant to the request letters dated 12.10.2018 and 24.10.2018 issued by the Corporate Debtor, the said amount was disbursed to various suppliers. The Counsel for the Corporate Debtor agreed to the above submissions of the Counsel of the Financial Creditor, but raised the issue that Rs.44.66 Lakhs paid during the period between 07.02.2023 and 09.01.2024 and Rs.38 Lakhs paid during the period between 16.04.2024 and 14.06.2024 by the Corporate Debtor have not been accounted for by the Financial Creditor while working out the outstanding amount from the Corporate Debtor. The Counsel for the Financial Creditor submitted that these payments made by the Corporate Debtor has been duly reflected in the four account statements enclosed with the Petition at Page Nos.68 to 78 and also undertook to submit date wise details of the same in a tabular form.

15. Subsequently, the Financial Creditor vide dairy No. 2047 dated 14.10.2025, filed Memo dated 14.10.2025 enclosing therewith the statements of calculation of the four loan accounts of the Corporate Debtor.

16. The Corporate Debtor also filed Memo dated 13.10.2025 stating that the Hon'ble DRT vide its Order dated 16.09.2025, has dismissed the claim of the Financial



Creditor, hence there is no claim exists against the Corporate Debtor. The copy of the DRT order has also been enclosed with the Memo.

17. During the course of hearing dated 15.10.2025, the Counsel for the Financial Creditor submitted that the compliance memo, providing the requisite payment details as directed, has been duly filed after serving a copy on the other side. The proxy counsel for the Corporate Debtor also confirmed receipt of the said memo.

### **ANALYSIS AND FINDINGS:**

18. We have heard the submissions of Counsels for the Financial Creditor and Corporate Debtor and other records carefully.

19. The first issue that arises before this Adjudicating Authority is ***“Whether the present Petition is filed within the period of limitation”***.

- (i) As per Part IV of Form-1 of the Petition, the date of default is stated as 10.01.2023.
- (ii) The present Petition has been e-filed on 20.01.2025 and physically filed on 24.01.2025 vide Diary No. 2119.
- (iii) Therefore, we are of the considered view that the Petition was filed within the period of limitation.

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



- (i) As per Part IV of Form 1 filed vide Memo dated 03.07.2025 by the Financial Creditor, the amount claimed to be in default is Rs.3,11,35,532.80 and 10.01.2023 respectively.
- (ii) The above amount claimed to be in default has been worked out based on the outstanding amount of four loan accounts of the Corporate Debtor as below:

Type of Account	Term Loan-I	Term Loan-II	TWARIT Loan	Term Loan-III	Total
Account No.	D0000YG3	D00014F	D00030CT	D00036QS	
Sanctioned (Rs.)	2,74,00,000	1,56,00,000	67,00,000	50,00,000	5,47,00,000
Disbursed (Rs.)**	2,74,00,000	65,80,000	67,00,000	50,00,000	4,56,80,000
Outstanding (Rs.)	2,04,45,000	44,40,186	58,792	-	2,49,43,978
Overdue Interest (Rs.)	35,37,788	8,03,525	1,94,828	2,34,324	47,70,465
FIPI Interest (Rs.)	3,50,169	83,771	40,870	60,817	5,35,627
<b>Total Outstanding (Rs.)</b>	<b>2,43,32,957</b>	<b>53,27,482</b>	<b>2,94,490</b>	<b>2,95,141</b>	<b>3,02,50,070</b>
Penal Charges after 10.04.2024 plus GST (Rs.)					4,64,626
Cost and Charges (Rs.)					4,20,837
<b>Grand Total (Rs.)</b>					<b>3,11,35,533</b>
Disbursed (Rs. lakh)**	02.02.2018- 50.00, 16.03.2018- 38.00, 14.06.2018- 18.00, 09.11.2028- 68.00	03.05.2018- 41.16, 31.05.2019- 24.64	26.06.2020- 67.00	Sanctioned on 01.06.2017 & converted to working capital term loan on 11.01.2021	

- (iii) The Financial Creditor, through various documents enclosed with the Petition has established the disbursement of loan and also the default in repayment of the loan, when it became due, by the Corporate Debtor.
- (iv) The Corporator Debtor in its Counter had also not disputed the disbursement of loan by the Financial Creditor and also the default in repayment of the loan, when it became due, by the Corporate Debtor.
- (v) However, the Corporate Debtor, vide Memo dated 13.10.2025, stated that since the Hon'ble DRT vide its Order dated 16.09.2025, has dismissed the claim of the Financial Creditor, there is no claim exists against the Corporate Debtor. The extract of the DRT order is reproduced below:



**DEBTS RECOVERY TRIBUNAL (DRT)-I, HYDERABAD**

**Daily Order**

**Case No. OA/375/2024**

**Date : 16/09/2025**

Between

Small Industries Development  
Bank of India.

....Applicant/s

And

Hamsa Diary Pvt Ltd.

....Respondent/s

**DOCKET ORDER DT.16.09.2025.**

Applicant called absent. No representation from Applicant side. Applicant not filed counters in pending IA and not coming to advance the arguments. Hence OA is dismissed for default.

Sd/-  
G. Gopichand  
(Hon'ble Presiding Officer)

DEBTS RECOVERY TRIBUNAL  
HYDERABAD.

(i) Application No: CA No:-438/25  
(ii) Applicant: Abhay Singh  
(iii) Applied on: 17.09.25  
(iv) No of Pages: 1  
(v) Copy fee charged O/E: Rs.100/-  
(vi) Date of ready: 17.09.25  
(vii) Date of delivery: 18/9/25

17 SEP 2025



DEBTS RECOVERY TRIBUNAL  
HYDERABAD

Certified Copy  
Reg. Asst. Register  
DRT-I, HYDERABAD

- (vi) The Corporate Debtor has contended that the disbursed amounts and the outstanding balances are less than the sanctioned amounts.
- (vii) On perusal of the Lols and Loan Agreements for the Term loans and Twarit Loan, we note that although the contention of the Corporate Debtor that the disbursed amount is less than the sanctioned amount, which has also been admitted by the Corporate Debtor, but the instalments of the loan are linked to the first disbursement, which has also not been denied by the Corporate Debtor. In respect of the Working Capital Term Loan, the dates

of instalments are already mentioned in the Lol. The relevant extracts of the Lols/ Loan Agreements are reproduced below:

### Term Loan

 भारतीय सघु उद्योग विकास बैंक SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA	
<u>LETTER OF INTENT FOR RUPEE TERM LOAN UNDER SMILE</u>	
Ref.SIDBI/DCS/2018JUN06/No. L50346327/HDPL	Date:06/06/2017
<b>LETTER OF INTENT (IN DUPLICATE)</b>	
To Hamsa Dairy Private Limited Survey No 527 Muthukuru Village Pedda Panjani Mandal Chittoor Andhra Pradesh-517 408	
Dear Sir/Madam	
Subject: Your application dated March 27, 2017 for sanction of term loan/financial assistance	
With reference to the above subject, we inform you that SIDBI is agreeable in principle to sanction to the Borrower the following term loan/financial assistance subject to the terms and conditions stipulated hereunder and also in the standard formats of Loan Agreement and General Conditions, copies whereof are enclosed herewith (which are subject to modifications as may be considered necessary):	
1. <u>QUANTUM OF LOAN/FINANCIAL ASSISTANCE AND SCHEME:</u> Financial Assistance in the form of (a) <u>TERM LOAN</u> of ₹ 430 lakhs(rupees four hundred and thirty lakhs only ) (in words) (hereinafter referred to as 'the term loan') and (b) <u>SOFT LOAN</u> of ₹ 20 lakhs (rupees twenty lakhs only) (in words) (hereinafter referred to as 'the soft loan') under SIDBI Make in India Soft Loan Fund for Micro Small & Medium Enterprises (SMILE) Scheme (the Scheme). (hereinafter referred to as "the loan"),	
xxxxxxxxxxxxxxxxxxxx	
6. <u>REPAYMENT:</u> (a) The Loan shall be repaid by the Borrower to SIDBI in the following manner and he repayment schedule annexed hereto:	
(a) <u>Term Loan:</u> in 72 monthly installments comprising 71 installments of Rs 5,98,000 lakh and 72 <sup>nd</sup> installment of Rs 5,42,000 after a moratorium of 12 months from the date of first disbursement of the term loan and;	
(b) <u>The soft loan:</u> in 36 monthly installments comprising of 35 installments of Rs 56,000 and 36 <sup>th</sup> installment of Rs 40,000 after a moratorium of 12 months from the date of first disbursement of the soft loan;	

(c) The dates of such installments shall be 10<sup>th</sup> of each month. Due dates of the installments will be advised to the Borrower at the time of first disbursement of the loan. On SIDBI advising the due dates of installments the repayment schedule annexed hereto shall stand modified accordingly and the letter of SIDBI advising the due dates of installments shall form part and parcel of this letter of intent.

## Twarit Loan



### LETTER OF INTENT FOR WORKING CAPITAL TERM LOAN UNDER TWARIT

Ref. SIDBI/ LS03201960 / HDPL

Date: 19/06/2020

To:  
The Director,  
Hamsa Dairy Private Limited  
SURVEY NO. 527, MUTHUKURU VILLAGE,  
PEDDAPANJANI MANDAL, MUTHUKURU  
Chittoor, Andhra Pradesh 517408  
(hereinafter referred to as the Borrower)

IN DUPLICATE

Dear Sir,

#### SANCTION FOR FINANCIAL ASSISTANCE

**Subject:** Your acceptance to the Offer Letter dated 02/06/2020 for sanction of Working Capital Term Loan under Emergency Credit Line Guarantee Scheme (ECLGS) – TWARIT.

With reference to the above subject, we inform you that SIDBI is agreeable in principle to sanction to the Borrower the following working capital term loan subject to the terms and conditions stipulated hereunder and also in the standard formats of Agreement for Term Loan - Cum - Hypothecation, copy whereof is enclosed herewith (which are subject to modifications as may be considered necessary) :

1. QUANTUM OF LOAN/FINANCIAL ASSISTANCE AND SCHEME: Rs 66.90 lakh (Rs. Sixty-six lakh ninety thousand only) ("The Loan") under Timely working Capital Assistance to revitalise Industries in times of corona crisis (TWARIT) under ECLGS Scheme (the Scheme).

XXXXXXXXXXXXXXXXXX

6. REPAYMENT: The Loan shall be repaid by the Borrower to SIDBI in 36 monthly installments after a moratorium of 12 months from the date of first disbursement of the loan as per the repayment schedule annexed hereto. The date(s) of such installments shall be 10<sup>th</sup> day of every month each year. Due dates of the installments will be advised to the Borrower by SIDBI at the time of first disbursement of the loan. On SIDBI advising the due dates of installments the repayment schedule annexed hereto shall stand modified accordingly and the letter of SIDBI advising the due dates of installments shall form part and parcel of this letter of intent.

**Working Capital Term Loan****sidbi**

Ref.No. L503224112/ Reschedulement

11/01/2021

**Modification of Letter of Intent**  
**(In duplicate)**

To  
The Director,  
Hansa Dairy Private Limited,  
Survey No 527, Muthukuru Village, Pedda Panjani Mandal,  
Muthukuru, Andhra Pradesh – 517 408,  
(The Borrower)

Dear Sir,

**Financial Assistance sanctioned by SIDBI - Reschedulement**  
**Modification of Letter of Intent****Restructuring of Assistance - Grant of relief/concessions**

Please refer to your letter dated 30/12/2020 and the subsequent correspondence/discussions you / officials of your company had with us. On the unit's request for grant of certain relief/concessions in respect of term loan(s)/limits aggregating Rs.500.00 lakh sanctioned by SIDBI. We have carefully considered the unit/company's request and have to state that we are agreeable in-principle to grant the following relief and concessions to the unit/company :

- a) Re-schedulement of installments in respect of
  - (i) loan of Rs 274.00.00 lakh (Prin. O/s of Rs. 215.25 lakh) to become payable in 72 monthly installments from 10/01/2022 to 10/12/2027 and the modified rate of interest being 10.20%
  - (ii) And in respect of loan of Rs. 156.00 lakh ( Prin. O/s of Rs. 50.70 lakh) to become payable in 48 monthly installments from 10/01/2022 to 10/12/2025 and the modified rate of interest being 10.20%
  - (iii) Conversion of WC loan of Rs 50.00 lakh into WCTL with rate of interest of 10.35%
- b) The aforesaid relief/concession package will be effective from January 11,2021.

(viii) After ascertaining that the instalments of the loans are linked to the first of disbursement of the loans, and thus the contention of the Corporate Debtor is not tenable, we proceed to examine, whether the outstanding default



amount is above the threshold limit of rupees one crore as required under Section 4 of the IBC for admission of the Petition for initiation of CIRP against the Corporate Debtor.

- (ix) The Corporate Debtor has also contended that certain payments made by the Corporate Debtor and the subsidy amount disbursed by the APFPS have not been considered and if the same are considered, the default amount would be below the threshold limit of rupees one crore. The amounts disputed by the Corporate Debtor are as under:
- a) Rs.44.66 Lakhs paid during the period between 07.02.2023 and 09.01.2024 and Rs.38 Lakhs paid during the period between 16.04.2024 and 14.06.2024 by the Corporate Debtor have not been accounted for by the Financial Creditor.
  - b) The first instalment of government subsidy amounting to Rs.1.06 crore received by the Financial Creditor has not been accounted for by the Financial Creditor.
  - c) The second instalment of government subsidy amounting to Rs.1.52 crore credited, after the loan account was classified as NPA on 10.04.2023, has not been accounted for by the Financial Creditor.
- (x) The Financial Creditor vide Memo dated 14.10.2025, have submitted the statements of calculation depicting Rs.44.66 Lakhs paid during the period between 07.02.2023 and 09.01.2024 and Rs.38 Lakhs paid during the period between 16.04.2024 and 14.06.2024 by the Corporate Debtor reflecting in the statements of the four loan accounts of the Corporate Debtor, the relevant extracts of which are reproduced below:.



**Amount credited during the period 07/02/2023 to 14/06/2024**

Account No	D0000YG3					TOTAL
PAID DT	PDUE	IDUE	PIDUE	FIDUE	FIONPIDUE	TOTAL
07-02-2023 00:00:00	40,000.00	1,83,945.00	1,031.00	4,317.00	-	2,29,293.00
09-03-2023 00:00:00	40,000.00	1,77,751.00	1,084.00	4,540.00	-	2,23,375.00
29-04-2023 00:00:00	40,000.00	7,13,565.80	4,365.00	18,292.00	-	7,76,222.80
30-06-2023 00:00:00	80,000.00	-	-	-	-	80,000.00
10-07-2023 00:00:00	40,000.00	-	-	-	-	40,000.00
03-10-2023 00:00:00	40,000.00	-	-	-	-	40,000.00
01-01-2024 00:00:00	40,000.00	-	-	-	-	40,000.00
09-01-2024 00:00:00	40,000.00	-	-	-	-	40,000.00
16-04-2024 00:00:00	40,000.00	-	-	-	-	40,000.00
18-04-2024 00:00:00	40,000.00	-	-	-	-	40,000.00
19-04-2024 00:00:00	40,000.00	-	-	-	-	40,000.00
20-04-2024 00:00:00	40,000.00	-	-	-	-	40,000.00
03-06-2024 00:00:00	40,000.00	-	-	-	-	40,000.00
04-06-2024 00:00:00	40,000.00	-	-	-	-	40,000.00
14-06-2024 00:00:00	80,000.00	-	-	-	-	80,000.00
<b>TOTAL</b>	<b>6,80,000.00</b>	<b>10,75,261.80</b>	<b>6,480.00</b>	<b>27,149.00</b>	<b>-</b>	<b>17,88,890.80</b>

**Amount credited during the period 07/02/2023 to 14/06/2024**

Account No	D00014FV					TOTAL
PAID DT	PDUE	IDUE	PIDUE	FIDUE	FIONPIDUE	TOTAL
07-02-2023 00:00:00	10,000.00	43,292.00	249.00	1,031.00	-	54,572.00
09-03-2023 00:00:00	10,000.00	41,829.00	260.00	1,080.00	-	53,169.00
29-04-2023 00:00:00	10,000.00	1,67,874.00	1,036.00	4,307.00	-	1,83,217.00
30-06-2023 00:00:00	20,000.00	-	-	-	-	20,000.00
10-07-2023 00:00:00	40,000.00	-	-	-	-	40,000.00
03-10-2023 00:00:00	40,000.00	-	-	-	-	40,000.00
01-01-2024 00:00:00	40,000.00	-	-	-	-	40,000.00
09-01-2024 00:00:00	40,000.00	-	-	-	-	40,000.00
10-04-2024 00:00:00	40,000.00	-	-	-	-	40,000.00
18-04-2024 00:00:00	40,000.00	-	-	-	-	40,000.00
19-04-2024 00:00:00	40,000.00	-	-	-	-	40,000.00
20-04-2024 00:00:00	40,000.00	-	-	-	-	40,000.00
03-06-2024 00:00:00	40,000.00	-	-	-	-	40,000.00
04-06-2024 00:00:00	40,000.00	-	-	-	-	40,000.00
14-06-2024 00:00:00	80,000.00	-	-	-	-	80,000.00
<b>TOTAL</b>	<b>5,30,000.00</b>	<b>2,52,995.00</b>	<b>1,545.00</b>	<b>6,418.00</b>	<b>-</b>	<b>7,90,958.00</b>



**Amount credited during the period 07/02/2023 to 14/06/2024**

Account No	D00030CT					
PAID_DT	PDUE	IDUE	PIDUE	FIDUE	FIONPIDUE	TOTAL
07-02-2023 00:00:00	1,90,000.00	27,333.00	1,014.00	579.00	-	2,18,926.00
09-03-2023 00:00:00	1,90,000.00	25,451.00	1,057.00	580.00	-	2,17,088.00
29-04-2023 00:00:00	1,90,000.00	89,726.00	4,194.00	2,056.00	-	2,85,976.00
30-06-2023 00:00:00	3,80,000.00	-	-	-	-	3,80,000.00
10-07-2023 00:00:00	1,90,000.00	-	-	-	-	1,90,000.00
03-10-2023 00:00:00	3,17,175.20	-	-	-	-	3,17,175.20
01-01-2024 00:00:00	62,824.80	-	-	-	-	62,824.80
09-01-2024 00:00:00	1,90,000.00	-	-	-	-	1,90,000.00
16-04-2024 00:00:00	2,82,184.20	-	-	-	-	2,82,184.20
18-04-2024 00:00:00	1,45,001.00	-	-	-	-	1,45,001.00
19-04-2024 00:00:00	1,45,002.00	-	-	-	-	1,45,002.00
20-04-2024 00:00:00	1,87,812.80	-	-	-	-	1,87,812.80
03-06-2024 00:00:00	3,27,195.20	-	-	-	-	3,27,195.20
04-06-2024 00:00:00	1,90,000.00	-	-	-	-	1,90,000.00
14-06-2024 00:00:00	3,40,013.00	-	-	-	-	3,40,013.00
<b>TOTAL</b>	<b>3,27,208.20</b>	<b>1,42,510.00</b>	<b>6,265.00</b>	<b>3,215.00</b>	<b>-</b>	<b>34,79,198.20</b>

**Amount credited during the period 07/02/2023 to 14/06/2024**

Account No.	D00036QS					
PAID_DT	PDUE	IDUE	PIDUE	FIDUE	FIONPIDUE	TOTAL
07-02-2023 00:00:00	2,00,000.00	35,354.00	1,102.00	945.00	-	2,37,401.00
09-03-2023 00:00:00	2,00,000.00	32,893.00	1,148.00	948.00	-	2,34,989.00
29-04-2023 00:00:00	96,056.20	1,15,601.00	4,537.00	3,350.00	-	2,19,544.20
30-06-2023 00:00:00	3,20,001.00	-	-	-	-	3,20,001.00
10-07-2023 00:00:00	3,31,116.00	-	-	-	-	3,31,116.00
03-10-2023 00:00:00	4,02,826.80	-	-	-	-	4,02,826.80
01-01-2024 00:00:00	57,180.20	-	-	-	-	57,180.20
09-01-2024 00:00:00	3,30,003.00	-	-	-	-	3,30,003.00
16-04-2024 00:00:00	4,37,816.80	-	-	-	-	4,37,816.80
18-04-2024 00:00:00	2,75,000.00	-	-	-	-	2,75,000.00
19-04-2024 00:00:00	2,75,000.00	-	-	-	-	2,75,000.00
20-04-2024 00:00:00	2,32,190.20	-	-	-	-	2,32,190.20
03-06-2024 00:00:00	92,804.80	-	-	-	-	92,804.80
04-06-2024 00:00:00	2,30,005.00	-	-	-	-	2,30,005.00
<b>TOTAL</b>	<b>34,80,000.00</b>	<b>1,83,848.00</b>	<b>6,787.00</b>	<b>5,243.00</b>	<b>-</b>	<b>36,75,878.00</b>



**Amount credited during the period 07/02/2023 to 14/06/2024**

Account No.	D0000YG5					
PAID_DT	PDUE	IDUE	PIDUE	FIDUE	FIONPIDUE	TOTAL
07-02-2023 00:00:00	-	-	3.00	21.00	-	24.00
09-03-2023 00:00:00	-	-	1.00	9.00	-	10.00
<b>TOTAL</b>	-	-	<b>4.00</b>	<b>30.00</b>	-	<b>34.00</b>

**GRAND TOTAL**

Account No.	Amt paid from 07.02.2023 to 09.01.2024	Amt paid from 16.04.2024 to 14.06.2024	TOTAL
D0000YG3	14,68,890.80	3,20,000.00	17,88,890.80
D00014FV	4,70,958.00	3,20,000.00	7,90,958.00
D00030CT	18,61,990.00	16,17,208.20	34,79,198.20
D00036QS	21,33,061.20	15,42,816.80	36,75,878.00
D0000YG5	34.00	-	34.00
	<b>59,34,934.00</b>	<b>38,00,025.00</b>	<b>97,34,959.00</b>

- (xi) The above facts were also explained by the Counsel of the Financial Creditor during the course of hearing dated 15.10.2025 and the Counsel of the Corporate Debtor has not contended the same.
- (xii) It is noted that the manufacturing unit of the Corporate Debtor was established under the Scheme of Establishment of new food processing unit of GoAP. The relevant clauses of the Scheme relating to grant of Subsidy are reproduced below:

**Scheme of Establishment of New Food Processing Units**

**1. Objectives:**

The main objective of the scheme is to increase the level of processing, reduction of wastage, value addition, enhance the income of farmers as well as increase exports thereby resulting in overall development of food processing sector. The scheme envisages extending the financial assistance for establishment of new food processing units in the state.

**2. Eligible Sectors:**

Food processing sectors like fruits & vegetables, milk / meat / poultry, cereal / other consumer food products, rice products / flour and such other agri - horti sectors including food flavours, colours, oleoresins, spices, coconut, mushrooms, wines and hops will be covered under the scheme.

**3. Pattern of assistance:**

**Investment subsidy:** 25% of the cost of Plant & Machinery and technical civil works, subject to a maximum of Rs.5.00 crores.

**Interest Subvention:** The interest subvention is extended for a period of 5 years from the date of commercial production of the project. Every year the interest subsidy @ 7 per cent will be paid to the Bank/FI directly against the term loan sanctioned by it, subject to a maximum of Rs. 2 crore per project or actual interest accrued on term loan, whichever is less.

4. Eligible / Ineligible components:

4.1 Ineligible items of non-technical civil works:-

- i. Compound wall
- ii. Approach Road
- iii. Administrative Office Building
- iv. Toilets
- v. Labour Rest Room and quarters for workers
- vi. Sanitation Room
- vii. Security/Guard Room or enclosure
- viii. Consultancy Fee

In short, all expenditure on account of civil works that are not related to the production or processing is excluded.

4.2 Ineligible items of Plant and machinery:

- i. Fuel, consumables, spares and stores
- ii. Electrical fixtures not mounted on the machine
- iii. Computers and allied office furniture
- iv. Transport vehicles
- v. Erection, installation and Commissioning charges
- vi. Second hand/old machines / refurbished machinery
- vii. All types of service charges, carriage and freight charges
- viii. Expenditure on painting of machinery
- ix. Closed Circuit TV Camera and related equipment
- x. Consultancy Fee
- xi. Stationery Items

5. Eligibility Conditions:

The eligibility conditions of applicants are as under:

- The project proposals are required to be duly appraised by the bank/ financial institution and avail term loan. The term loan will not be less than 10% of the project cost.
- Units which are already under commercial production and those which may start, commercial production within 2 months from the last date of application submission are not eligible.
- Those units which obtain term loan on subsidized interest rates from NABARD are eligible for investment subsidy only.

6. Invitation & Sanction of Proposals:

In response to the notice inviting proposals by APFPS, application along with the required documents are to be submitted by the applicants. *The proposal will be evaluated by the empanelled consultants / PMA appointed by APFPS as per criteria given at serial no:10. The evaluation reports will be placed before the State Level Empowered Committee (SLEC) for consideration of "Approval" to the projects.*

7. Release of Financial assistance sanctioned:

7.1. Investment subsidy :

The grant-in-aid will be released in two instalments:

A. Release of 1<sup>st</sup> Instalment:

The first instalment of grant would be released after the firm has utilized 50% of the term loan as well as 50% of promoter's contribution and on production of the following documents by the firm:

- i. **Duly notarised surety Bond:** To be executed by the beneficiary company on Non-judicial stamp paper of not less than Rs.100/- (**Appendix-A**)
- ii. **Duly notarized Affidavit:** To be executed by the beneficiary company on Non-judicial stamp paper of not less than Rs.100/- (**Appendix-B**)
- iii. **C.A Certificate:** Actual expenditure incurred on the project showing the means of finances and 50% utilisation of promoters contribution and 50% of Term Loan (**Appendix-C**)
- iv. **Bank Certificate:** certifying that they have released 50% of term loan and have no objection on release of 1st instalment of grant being provided by State (**Appendix-D**)
- v. Invoices/receipts from the suppliers/vendors.
- vi. Bank statement highlighting the payment made to suppliers
- vii. Certificate of the Chartered Engineer (Civil) for technical civil works indicating item wise progress, cost, quantity, manufacturer/supplier and comment on quality.
- viii. Certificate of the Chartered Engineer (Mech.) for Plant & Machinery indicating item wise progress, cost, quantity, manufacturer/supplier and comment on quality.
- ix. Compliance of conditions imposed in the approval letter of the grant-in-aid, if any.
- x. *Site inspection of Consultant / PMA to ascertain the physical progress and assess the eligible project cost to arrive and release of Grant-in-aid.*
- xi. *Submission of Statutory clearances / approvals*
  - a. *Consent for Establishment from Pollution control board*
  - b. *Approval of Building plan*
  - c. *NQE from Gram panchayat*

**B Release of 2<sup>nd</sup> Instalment:**

The 2<sup>nd</sup> instalment of the grant would be released only after confirming the commencement of commercial production and submission of documents specified below by the firm, utilization of first instalment of the grant, 100% of Term loan as well as 100% of Promoter's contribution.

- i. **Utilisation Certificate:** As per GFR 19A, Duly certified by the C.A. and countersigned by the Bank and promoter of the beneficiary company (**Appendix-E**).
- ii. **Chartered Accountant Certificate:** Actual expenditure incurred on the project showing the means of finances and 100% utilisation of promoters contribution, 100% of Term Loan and 1st instalment of released grant (**Appendix-C**).
- iii. **Bank Certificate:** Certifying that they have released 100% of term loan and 1st instalment of grant released by the State. They have no objection in releasing 2nd instalment of grant being released by State (**Appendix-F**).
- iv. Bank statement highlighting the payment made to suppliers
- v. Certificate of the Chartered Engineer (Civil) for technical civil works indicating item wise progress, cost, quantity, manufacturer/ supplier and comment on quality.
- vi. Certificate of the Chartered Engineer (Mech.) for Plant & Machinery indicating item wise progress, cost, quantity, manufacturer/ supplier and comment on quality.
- vii. Compliance of conditions imposed at the time of release of 2<sup>nd</sup> Instalment of grant, if any.
- viii. *Site inspection of Consultant / PMA to ascertain the physical progress (start of commercial operations) and assess the eligible project cost to arrive and release of Grant-in-aid.*
- ix. Before release of second instalment of grant-in-aid, eligible grant-in-aid for the project will be re-calculated based on the proposed/appraised /actual cost, whichever is less, for the already approved items and released accordingly.
- x. *Submission of Statutory clearances / approvals*
  - a. *Consent for Operations from Pollution control board*
  - b. *Approval from Fire & Safety Department*
  - c. *License from FSSAI*
  - d. *Electricity load release certificate*

**7.2. Release of Interest subvention:**

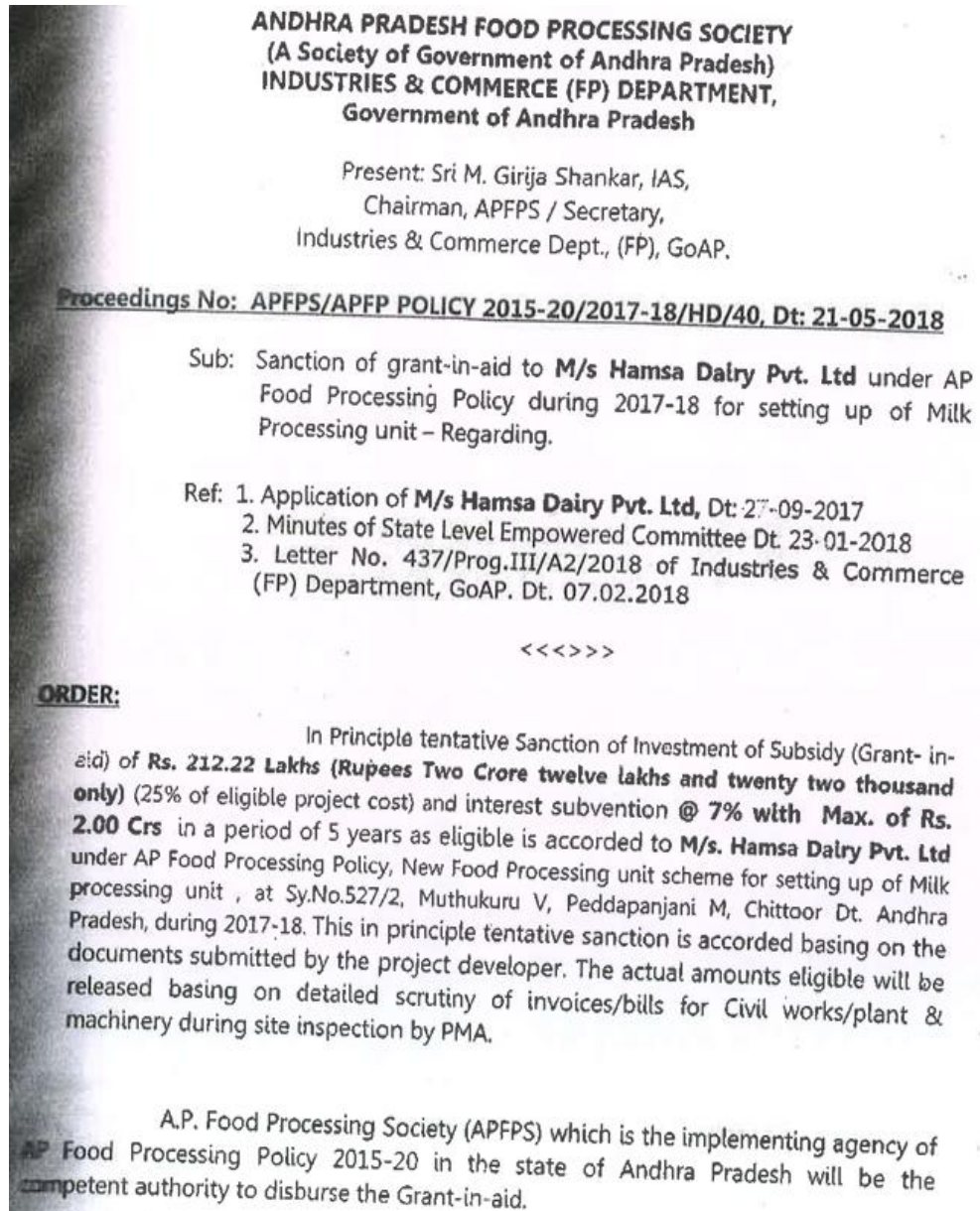
- i. **Maximum rate of interest:** A maximum of first 7% interest on term loan availed for AP Food Processing Policy projects will be reimbursed on the interest rate charged by the bank / FIs. No reimbursements will be allowed for unsecured loans and other loans. Any subsequent additions to term loans either after sanction of project or after commissioning will be considered eligible for Interest subvention. However, any transfer of term loan to lower interest loans by same bank or take over of loan by another Bank/FI at same or lower interest rates will be considered as eligible.
- ii. **Penal interest:** No penal interest charged by Bank/FI is considered as eligible for subsidy as this interest component has been charged by bank due to fault of beneficiary.
- iii. Since Interest Subvention is provided to ensure support post commissioning and also to incentivize and ensure continuous commercial operation by the Unit for five years, annual ceiling limit for 5 year period is considered essential and Annual limit on the reimbursement of interest subsidy is given below:

Year	% of limit
1	40% of the interest subvention as per sanction order or 7% rate of interest actually charged by bank/FI, whichever is lower
2	30% of the interest subvention as per sanction order or 7% rate of interest actually charged by bank/FI, whichever is lower
3	15% of the interest subvention as per sanction order or 7% rate of interest actually charged by bank/FI, whichever is lower
4	10% of the interest subvention as per sanction order or 7% rate of interest actually charged by bank/FI, whichever is lower
5	5% of the interest subvention as per sanction order or 7% rate of interest actually charged by bank/FI, whichever is lower

- iv. If in any year, the total interest charged is less than the ceiling amount prescribed for that year, the balance Interest subvention amount will be carried over to the next year upto 5th Year. Any balance Interest amount at the end of 5th year will be appropriated and will not be carried forward.
- v. In case of Foreign currency loans (Term loans/transferred loans), the relevant amounts are converted to Indian Rupees using the Closing conversion rate prevailing on the last day of the Month for interest calculation purposes.
- vi. Since the eligibility of reimbursement of Interest Subvention is from the date of Commissioning, the unit has to submit all necessary documents for claiming interest subvention amount within 3 months from the end of every six Months/12 Months (in case of smaller units/loans) from the date of Commercial operation.



- (xiii) We note that the Corporate Debtor was sanctioned the investment subsidy of Rs.212.22 lakhs (25% of eligible project cost) and interest subvention @ 7% to an extent of Rs.2 crores, totalling to Rs.4.12 crores to the Corporate Debtor vide order dated 21.05.2018 of GoAP. The relevant extract of the above Order are reproduced below:



- (xiv) We also note from the facts mentioned in the Petition and Counter that the investment subsidy of Rs.195.90 lakh (first instalment of Rs.106.11 lakh and second instalment of Rs.89.79 lakh) and interest subvention of Rs.62.55 lakh for the period 01.04.2019 to 31.03.2022 have been

disbursed. The relevant extracts of the communications releasing the subsidy are reproduced below:

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**ANDHRA PRADESH FOOD PROCESSING SOCIETY**  
(A Society of Government of Andhra Pradesh)  
**INDUSTRIES & COMMERCE (Programme III) DEPARTMENT,**  
Government of Andhra Pradesh

Present: Sri M. Girija Shankar, IAS,  
Chairman, APFPS / Secretary,  
Industries & Commerce Dept (FP), GoAP

**Proceedings No: APFPS/APFP POLICY/2015-20/2017-18/HD/40,Releases-I**  
**Dt: 22.08.2018**

Sub: Sanction of grant-in-aid to M/s Hamsa Dairy Pvt Ltd. under AP Food Processing Policy during 2017-18 for Setting up of Milk processing Unit:- Regarding.

Ref: 1 Sanction order of M/s Hamsa Dairy Pvt Ltd, Dt21.05.2018 ✓  
2 Orders of the Chairman, APFPS, Dated:22.08.2018

<<<>>

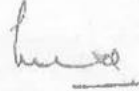
**ORDER:**

Sanction is hereby accorded for release of an amount of **Rs 1,06,11,000 (Rupees One crore Six lakhs and Eleven Thousand only)** as 1st Instalment, of Grant-in-aid under AP Food Processing Policy 2015-20, New Food Processing Unit Scheme to M/s Hamsa Dairy Pvt Ltd (PAN No. AADCH8392J).

XXXXXXXXXXXXXX

In view of the above it is hereby ordered to transfer **Rs 1,06,11,000 (Rupees One crore Six lakhs and Eleven Thousand only)** to **A/c No. 10996685010, IFSC Code, SBIN0004380, State Bank of India (SIDBI Finance, Hyderabad)** towards 1st instalment of grant in aid to **M/s Hamsa Dairy Pvt Ltd (PAN No. AADCH8392J)**

(This has got the approval of the Secretary/ Chairman, APFPS)

  
For Chairman  
A.P. Food Processing Society

To  
M/s Hamsa Dairy Pvt Ltd  
Sy.No.527/2, Muthukuru V,  
Peddapanjani M,  
Chittoor Dt.

Copy to:  
SIDBI Bank,  
Hyderabad CLPC



**Fw: Sanction of grant-in-aid to M/s. Hamsa Dairy Pvt. Ltd. under AP Food Processing Policy for setting up of Milk Processing Unit.**

4 messages

**Andhra Pradesh Food Processing Society** <apfps@yahoo.com>  
 Reply-To: Andhra Pradesh Food Processing Society <apfps@yahoo.com>  
 To: Hamsa Dairy Pvt Ltd <hamsadairy16@gmail.com>

Tue, Feb 11, 2025 at 5:52 PM

Andhra Pradesh Food Processing Society, Vijayawada  
 Office Address:  
 D. No. 48 - 11/1-5/8  
 Gadde Sambasiva Rao Street  
 Sri Rama Chandra Nagar  
 Vijayawada - 520008  
 Phone No.: 0866-2972223,0866-2972224

----- Forwarded message -----

**From:** Andhra Pradesh Food Processing Society <apfps@yahoo.com>  
**To:** V. Ravi <vravi@sidbi.in>  
**Cc:** SARB\_Chennai <sarb\_chennai@sidbi.in>; Pravin Kumar <pravinkr@sidbi.in>; Anukarshan C <anukarshanc@sidbi.in>; Anjana K <csa\_sarbcn\_2@sidbi.in>  
**Sent:** Tuesday 11 February, 2025 at 05:20:27 pm IST  
**Subject:** Re: Sanction of grant-in-aid to M/s. Hamsa Dairy Pvt. Ltd. under AP Food Processing Policy for setting up of Milk Processing Unit.

Dear Sir,

It is to inform that, M/s Hamsa Dairy Pvt Ltd has been released following incentives on 23.01.2025 sanctioned by AP Food Processing Society under AP Food Processing Policy 2015-20 sanctioned vide sanction order issued to them on 21.05.2018.

1. 89.79 Lakhs (2nd installment of capital subsidy)
2. 62.55 Lakhs Interest Subvention (For the period 01.04.2019 to 31.03.2022)

The above incentives have sanctioned and released by AP Food Processing Society to M/s Hamsa Dairy Pvt Ltd to account number 10996685010, IFSC-SBIN0004380.

Regards,  
 O/o Chief Executive Officer  
 Andhra Pradesh Food Processing Society, Vijayawada  
 Office Address:  
 D. No. 48 - 11/1-5/8  
 Gadde Sambasiva Rao Street  
 Sri Rama Chandra Nagar  
 Vijayawada - 520008  
 Phone No.: 0866-2972223,0866-2972224

- (xv) From the terms & conditions of the GoAP Scheme, it appears that the subsidy under the interest subvention scheme is applicable for five years from the date of commercial operation of the unit. However, it is not clear



from the pleadings, whether further amount is still receivable under the scheme.

- (xvi) The Financial Creditor vide Memo dated 09.10.2025 have clarified that The first tranche of such subsidy of Rs.106.11 lakh was received by the Financial Creditor on 01.10.2018 in its account. Basing the request letters dated 12.10.2018 and 24.10.2018 placed by the Corporate Debtor, the certain amounts were transferred to its vendors and after transferring the amounts to the vendors, the Financial Creditor based on the request of the Corporate Debtor transferred the remaining subsidy amount of Rs.58,43,371/- to the account of the Corporate Debtor holding with IDBI Bank No lean account on 30.10.2018. The details of transactions reflecting in the bank statements of Corporate Debtor's loan account are reproduced below:

Date of Transaction	Name of the Party	Credit	Debit
01-10-2018	Andhra Pradesh Food Processing Society	1,06,11,000.00	
19-10-2018	RH Technologies		10,00,000.00
19-10-2018	Airectech Cooling Process Pvt Ltd		1,56,000.00
19-10-2018	Electrica Power Solutions		3,50,000.00
25-10-2018	SP Engineering		25,03,960.00
25-10-2018	SMART Pumps		6,27,530.00
25-10-2018	Zeuzer		1,25,139.00
30-10-2018	Hamsa Dairy Private Limited (For utilizing in the project; Corresponding statement attached)		58,48,371.00
		1,06,11,000.00	1,06,11,000

- (xvii) The Counsel for the Corporate Debtor, during the course of hearing dated 15.10.2025, agreed to the above submissions of the Counsel of the Financial Creditor.



- (xviii) However, we also observe that the on receipt of the first instalment of the subsidy, the same was not credited to the Corporate Debtor loan accounts and was kept by the Financial Creditor, which would also have the financial impact on the Corporate Debtor.
- (xix) During the hearing held on 22.09.2025, the Financial Creditor has already admitted that although the second instalment of subsidy amount of Rs.152.34 lakh was received on 23.01.2025, but the same was not credited to the loan account, as the same had been classified as a NPA on 10.04.2023, prior to the receipt of the amount.
- (xx) The Corporate Debtor has also contended that the Financial Creditor has included unwarranted charges, like overdue and FIPI interest to inflate the liabilities. We observe that the outstanding amount excluding overdue Interest, FIPI Interest, penal Charges after 10.04.2024 plus GST and cost and charges is Rs.249.44 lakh and after reducing the second instalment of subsidy amounting to Rs.152.34 lakh, the outstanding amount works out to Rs.97.10 lakh, which is below the threshold amount of Rs. one crore. From the details of working at para 20(ii), we observe that the Financial Creditor has included overdue and FIPI interest amounting to Rs.2.95 lakh on Term Loan-III, even though the same has been fully repaid.
- (xxi) However, we observe that the Petitioner has claimed Rs.311.35 lakh in Part IV of Form 1 and after reducing the second instalment of subsidy amounting to Rs.152.34 lakh, the default amount still works out to Rs.159.01 lakh, which is above the threshold amount of Rs. one crore. Therefore, the instant Petition satisfies the threshold limit as prescribed under Section 4 of the IBC, as the overdue Interest, FIPI Interest, penal



Charges etc. are purely contractual obligations between the Financial Creditor and the Corporate Debtor.

21. However, before admission, this Adjudicating Authority has to satisfy that the Application is complete and there are no disciplinary proceedings pending against the proposed Interim Resolution Professional (hereinafter referred to as the “**IRP**”). Further, Rule 4 of the IB Rules prescribes the procedural requirements, including the format and supporting documents required for filing such a Petition.

22. We have gone through the contents of the Application filed by the Financial Creditor and found that the same is complete. As per Part III of Form 1 of the Application, the Financial Creditor has proposed the name of **Smt. Ramanathan Bhuvaneshwari**, bearing IBBI/IPA-002/IP-N00306/2017-18/10864, as the IRP in the matter and also filed his written consent in Form 2 dated 17.10.2024, wherein, the proposed IRP has affirmed that she is eligible to be appointed as an IRP in respect of the Corporate Debtor herein and certified that there are no disciplinary proceedings pending against her with the Board or ICSI Institute of Insolvency Professionals.

23. As a sequel to the discussion above, the present Petition bearing **CP (IB)/22/7/AMR/2025** filed by the Financial Creditor under section 7 of the Code for initiating CIRP against the Corporate Debtor, **Hamsa Dairy Private Limited** (CIN: UI5202AP2016PTC098421), is hereby admitted and accordingly, the Moratorium is declared in terms of Section 14 of the Code:

- (i) Moratorium under section 14 (1) for prohibiting all of the following, namely:
  - (a) The institution of suits or continuation of pending suits or proceedings against the Corporate Debtor including execution of any judgement,



decree or order in any court of law, tribunal, arbitration panel or other authority;

- (b) Transferring, encumbering, alienating or disposing of by the Corporate Debtor any of its assets or any legal right or beneficial interest therein;
  - (c) Any action to foreclose, recover or enforce any security interest created by the Corporate Debtor in respect of its property including any action under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;
  - (d) The recovery of any property by an owner or lessor, where such property is occupied by or in the possession of the Corporate Debtor.
- (ii) It is hereby clarified that notwithstanding anything contained in any other law for the time being in force, a licence, permit, registration, quota, concession, clearance or a similar grant or right given by the Central Government, State Government, local authority, sectoral regulator or any other authority constituted under any other law for the time being in force, shall not be suspended or terminated on the grounds of insolvency, subject to the condition that there is no default in payment of current dues arising for the use or continuation of the license, permit, registration, quota, concession, clearances or a similar grant or right during the moratorium period;
- (iii) The provisions of sub-section of section 14(1) shall not apply to such transactions, agreements or other arrangement, as may be notified by the Central Government in consultation with any financial sector regulator or



any other authority; and also to a surety in a contract of guarantee to a corporate debtor.

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

24. The credentials of the proposed IRP was verified on the IBBI website, which shows that the proposed IRP holds the valid Authorisation for Assignment up to 31.12.2025. The relevant extract of the IBBI website is given below:

Name of the IP	Ms. Ramanathan Bhuvaneshwari
Registration no	IBBI/IPA-002/IP-N00306/2017-18/10864
Date of Registration	10-Aug-17
Member of IPA	ICSI Institute of Insolvency Professionals
Member of IPE	
Email id	bhoona[dot]bhuvan[at]gmail[dot]com
Address	C-006, Pioneer Paradise,24th Main,7th Phase, J.P. Nagar ,Bengaluru,Karnataka ,560078
Have Valid AFA	Yes
AFA Certificate No.	AA2/10864/02/311225/203568
AFA Valid Upto	31-Dec-25
Total CPE Earned	115
Total Assignments	35

25. Accordingly, we hereby appoint Ms. Ramanathan Bhuvaneshwari bearing Registration No. IBBI/IPA-002/IP-N00306/2017-18/10864, e-mail ID:



bhoona.bhuvan@gmail.com having registered address at C-006, Pioneer Paradise, 24th Main, 7th Phase, J.P. Nagar, Bengaluru, Karnataka, 560078 as IRP in the instant matter, with the following directions: -

- (i) The term of appointment of Ms. Ramanathan Bhuvaneshwari shall be in accordance with the provisions of Section 16(5) of the Code, subject to her written consent to be filed within 7 days of this order;
- (ii) In terms of Section 17 of the Code, from the date of this appointment, the powers of the Board of Directors shall stand suspended and the management of the affairs shall vest with the IRP and the officers and the managers of the Corporate Debtor shall report to the IRP, who shall be enjoined to exercise all the powers, as are vested with the IRP and strictly perform all the duties as are enjoined on the IRP under Section 18 and other relevant provisions of the Code, including taking control and custody of the assets, over which the Corporate Debtor has ownership rights recorded in the balance sheet of the Corporate Debtor, etc. as provided in Section 18(1)(f) of the Code. The IRP is directed to prepare a complete list of the inventory of assets of the Corporate Debtor;
- (iii) The IRP shall strictly act in accordance with the Code, all the rules framed thereunder by the Board or the Central Government and in accordance with the Code of Conduct governing her profession and as an Insolvency Professional with high standards of ethics and moral;
- (iv) The IRP shall cause a public announcement within three days as contemplated under Regulation 6 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 of the initiation of the CIRP in terms of Section 13(1)(b)



read with Section 15 of the Code calling for the submission of claims against Corporate Debtor;

- (v) The IRP/RP shall prepare the Audited Financial Statements as on date of the CIRP and shall submit before the CoC for consideration.
- (vi) The IRP/RP shall also ensure that all the assets appearing in the Financial Statements on the CIRP date have been considered in the valuation report. The IRP/RP shall send individual communication through post or electronic means along with a copy of public announcement to all the creditors as per last available books of accounts / financial statements on the CIRP date of Corporate Debtor as prescribed under Regulation 6A of IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.
- (vii) The Corporate Debtor, its Directors, personnel and the persons associated with the management shall extend all cooperation to the IRP in managing the affairs of the Corporate Debtor as a going concern and extend all cooperation in accessing books and records as well as assets of the Corporate Debtor;
- (viii) The Suspended Board of Directors is directed to give complete access to the Books of Accounts of the Corporate Debtor maintained under Section 128 of the Companies Act. In case, the books are maintained in the electronic mode, the Suspended Board of Directors are to share with the Resolution Professional all the information regarding Maintaining the Backup and regarding Service Provider kept under Rule 3(5) and Rule 3(6) of the Companies Accounts Rules, 2014 respectively as effective from 11.08.2022, especially the name of the service provider, the internet



protocol of the Service Provider and its location, and also address of the location of the Books of Accounts maintained in the cloud. In case accounting software for maintaining the books of accounts is used by the Corporate Debtor, then IRP/ RP is to check that the audit trail in the same is not disabled as required under the notification dated 24.03.2021 of the Ministry of Corporate Affairs. A reference is made to the provisions of Section 128(5) of the Companies Act 2013, whereby every company should maintain its books of accounts for not less than eight financial years immediately preceding a financial year. Minutes and statutory records are the principal documents of the company that should be maintained and preserved since inception.

- (ix) In view of the above mandatory provisions, the suspended directors of the board will ensure that the books of accounts for the eight previous financial years preceding the date of this order be made available to the IRP/ RP within 15 days of the initiation of the CIRP order. The statutory auditor is also directed to share the records maintained by him in the course of the audit of the accounts of the Corporate Debtor for the period of three years prior to the date of initiation of this CIRP order within the same period of 15 days.
- (x) In case of any non-cooperation by the Suspended Board of Directors or the statutory auditors, the IRP/RP may take the help of the police authorities to enforce this order. The concerned police authorities are directed to extend help to the IRP/ RP in implementing this order for retrieval of relevant information from the systems of the Corporate Debtor, the IRP/ RP may take the assistance of Digital Forensic Experts



empanelled with this Bench for this purpose. The Suspended Board of Directors is also directed to hand over all user IDs and passwords relating to the Corporate Debtor, particularly for government portals, for various compliances. The IRP is also directed to make a specific mention of non-compliance, if any, in this regard in her status report filed before this Adjudicating Authority immediately after a month of the initiation of the CIRP.

- (xi) The IRP/RP is directed to approach the Government Departments, Banks, Corporate Bodies and other entities with request for information/ documents available with those authorities/ institutions/ others pertaining to the Corporate Debtor, which would be relevant in the CIRP. The Government Departments, Banks, Corporate Bodies and other entities are directed to render the necessary information and cooperation to the IRP/RP to enable him to conduct the CIRP as per law.
- (xii) The IRP shall, after collation of all the claims received against the Corporate Debtor and the determination of the operational position of the Corporate Debtor constitute a Committee of Creditors and shall file a report, certifying constitution of the Committee to this Adjudicating Authority on or before the expiry of thirty days from the date of her appointment, and shall convene first meeting of the Committee within seven days of filing the report of constitution of the Committee;
- (xiii) The IRP shall also serve a copy of this order to all relevant statutory departments such as Income Tax, GST (Centre and State), Provident Fund authorities, trade unions, and employee associations to inform them about the commencement of CIRP.



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

26. The Financial Creditor is directed to deposit Rs.4,00,000/- (Rupees Four Lakhs Only) with the IRP to meet out the expense to perform the functions assigned to her in accordance with Regulation 6 of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016. The amount, however, will be subject to adjustment by the Committee of Creditors as to be duly accounted for by IRP and shall be paid back to the Financial Creditor.

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

**Accordingly, CP (IB)/22/7/AMR/2025 stands admitted.**

Sd/-  
**(Umesh Kumar Shukla)**  
**Member (Technical)**

Sd/-  
**(Kishore Vemulapalli)**  
**Member (Judicial)**

Anusha