



S.No.2

**IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH – 1
VC AND PHYSICAL (HYBRID) MODE
ATTENDANCE CUM ORDER SHEET OF THE HEARING HELD ON
09-03-2026 AT 12:55 P.M.**

CP(IB) No. 181/95/HDB/2022
u/s. 95 of IBC, 2016

IN THE MATTER OF:

Bank of Maharashtra, S A M Branch - Koti Represented by Mohd. Sahzeeb,
Deputy Zonal Manager **...Petitioner**

AND

Smt. Nukala Savithri & M/s. SVSVS Projects Pvt Ltd **...Respondent**

C O R A M:-

SH. RAJEEV BHARDWAJ, HON'BLE MEMBER (JUDICIAL)
SH. SANJAY PURI, HON'BLE MEMBER (TECHNICAL)

O R D E R

Present: Mr. Varun Ambati, Ld. Counsel for the Creditor.

Ms. S Manjula Devi, Ld. Counsel for the Respondent.

Orders pronounced, recorded vide separate sheets.

In the result, this CP(IB) No. 181/95/HDB/2022 is admitted.

Sd/-
MEMBER (T)

Sd/-
MEMBER (J)



IN THE NATIONAL COMPANY LAW TRIBUNAL

HYDERABAD BENCH – 1

CP (IB) No. 181/95/HDB/2022

*Under Section 95 of the Insolvency and Bankruptcy Code, 2016 read with
Rule 7(2) of Insolvency and Bankruptcy (Application to Adjudicating
Authority for Insolvency Resolution Process for Personal Guarantors to
Corporate Debtor) Rules, 2019.*

In the matter of M/s. SVSVS Projects Private Limited

BETWEEN:

BANK OF MAHARASTRA

4-3-448 TO 460 & 465, 1st Floor,
Vinoothna Pittie's Majesty, Gopalbagh,
Near Bank Street, Koti, Hyderabad – 500001.

...Creditor

AND

1. Smt. Nukala Savithri

W/o. N.N.B.V. Venkateswara Rao
Flat No. 502, Murthy Mansion,
Kalyan Nagar, Phase – 1, Hyderabad – 500038.

...Personal Guarantor

2. M/s. SVSVS Projects Private Limited

Plot No. 31, 2nd Floor, Phase 1,
Kalyan Nagar, Hyderabad – 500038.

...Corporate Debtor

DATE OF ORDER: 09.03.2026



CORAM:-

SHRI. RAJEEV BHARDWAJ, HON'BLE MEMBER (JUDICIAL)

SHRI. SANJAY PURI, HON'BLE MEMBER (TECHNICAL)

Appearance:-

For the Petitioner : Ms. Aishwarya Chevuturi, Advocate.

For the Personal guarantor : Dr. KS Ravichandran, PCS.

Resolution Professional : Mr. Murali Mohan Chevuturi.

1. This petition is filed by Bank Of Maharashtra¹ under Section 95 of Insolvency and Bankruptcy Code², 2016 read with Rule 7(2) of the Insolvency and Bankruptcy (Application to Adjudicating Authority for Insolvency Resolution Process for Personal Guarantors to Corporate Debtor) Rules³, 2019, seeking an order for initiation of the Insolvency Resolution Process ("IR Process") against Smt. Nukala Savithri⁴, Personal Guarantor of SVSVS Projects Private Limited⁵ for non-payment of Rs.48,02,97,568.69/- as on 27.12.2018 including interest is said to be due and payable by personal guarantor to Creditor.

¹ Creditor

² Code

³ Personal Guarantors Insolvency Rules

⁴ Personal Guarantor/Respondent No.1

⁵ Corporate Debtor



Case of the Creditor:

2. The Creditor is a Bank vide sanction letter dated 24.03.2014, working capital facilities were sanctioned in favour of the Corporate Debtor aggregating to Rs. 50.50 Crores, comprising Cash Credit facility of Rs. 2.50 Crores and Bank Guarantee facilities aggregating to Rs. 48 Crores and subsequently revised on 09.04.2016.
3. In consideration of the said facilities, the Respondent No.1 herein executed a Deed of Guarantee dated 25.03.2014 in favour of the Creditor, thereby undertaking to pay on demand, without demur, all amounts payable by the Corporate Debtor. The Creditor contends that the said Guarantee is irrevocable, continuing and co-extensive with that of the principal borrower in terms of Section 128 of the Indian Contract Act, 1872.
4. It is further stated that the Corporate Debtor committed default in repayment of its dues and the loan account was classified as Non-Performing Asset (NPA) on 27.12.2018.
5. Upon default, the Creditor issued Demand Notice in Form B dated 31.07.2021 invoking the Personal Guarantee and calling upon the Respondent No.1 to discharge the outstanding liability. The said notice was sent through speed post and is stated to have been duly served. However, no payment was made pursuant thereto.
6. As per the Creditor, that excluding the total repayments of the Corporate Debtor the total Principal amount of default payable



is Rs. 32,30,71,217.76/- and interest of Rs. 15,72,26,350.93/- calculated up to 17.05.2022

7. Accordingly, the present Application under Section 95 of the Code has been filed seeking initiation of Insolvency Resolution Process against the Personal Guarantor.

Case of the Personal Guarantor/Respondent No.1:

8. That the Corporate Debtor is already undergoing CIRP in CP (IB) No. 19/7/2021, which was admitted by this Tribunal on 26.04.2021 and the proceedings are still pending
9. It is further contended that though a Deed of Guarantee was executed on 25.03.2014 pursuant to the sanction dated 24.03.2014, the facilities were subsequently revised under sanction letter dated 09.04.2016. According to the Respondent, no fresh Deed of Guarantee was executed in respect of the revised terms and limits and therefore the earlier guarantee stood discharged or revoked.
10. The Respondent has also pleaded that the Creditor had issued an OTS sanction letter dated 27.09.2021 requiring payment of Rs. 1,10,00,000/- towards settlement for release of her properties. The said amount was paid and acknowledged, and vide letter dated 06.12.2021, the Creditor released the mortgaged properties. It is the specific case of the Respondent that by virtue of such payment and release, her liability as Personal Guarantor stood discharged by accord and satisfaction.
11. It is further submitted that, as per the Minutes of the 5th CoC Meeting held on 05.05.2022, Mr. V. Ramamohan Rao, the Promoter of the Corporate Debtor and also one of the Personal



Guarantors, submitted a Resolution Plan on 30.04.2022 and paid an Earnest Money Deposit of Rs. 20,00,000/- vide Ref. No. CBINR52022042710008132 dated 27.04.2022. It is stated that the Promoter and the Personal Guarantors together paid a total amount of Rs. 1,55,00,000/-, including the said earnest money deposit.

12. It is further averred that in the 6th CoC Meeting held on 15.07.2022, the Resolution Applicant was advised to submit a revised Resolution Plan and had also proposed a One-Time Settlement (OTS). It is stated that in the 7th CoC Meeting held on 16.08.2022, the Resolution Plan was discussed and the decision was deferred, while time was granted to the Corporate Debtor to pay Rs. 1,50,00,000/- for considering withdrawal of CIRP under Section 12A of the Code.
13. It is also contended that the Deed of Guarantee dated 25.03.2014 and the Balance and Security Confirmation Letter dated 15.03.2017 were not duly stamped as per Article 48 of the Stamp Act as applicable in the State of Andhra Pradesh and hence are inadmissible in evidence under Section 35 of the Stamp Act. Reliance is placed on the judgment of the Hon'ble Supreme Court in N N Global Mercantile Pvt Ltd v Indo Unique Flame Ltd and other judgments.
14. The Respondent has also raised objection regarding inconsistency in the Date of Default as mentioned in the Application, Demand Notice and other documents, and has contended that the NESL Record of Default has neither been annexed nor independently verified by the Resolution Professional.



15. Rejoinder filed by Creditor on 13.09.2022 by denying all the claims, allegations, averments and contentions raised by the Personal Guarantor in the Counter except those that are matter of record or specifically admitted.
16. It is submitted that the payment of Rs. 1,10,00,000/- was only towards release of securities and not towards discharge of the Personal Guarantee. It is contended that the liability of the Personal Guarantor is independent and co-extensive and survives notwithstanding CIRP proceedings against the Corporate Debtor. Reliance is placed upon the judgment of the Hon'ble Supreme Court in "*Lalit Kumar Jain Vs Union of India*"

Report filed by the Resolution Professional under section 99 of the code, on 16.06.2022:

17. Pursuant to filing of this Petition on 27.05.2022, this Tribunal *vide* order dated 06.06.2022, appointed Shri Murali Mohan Chevuturi, as the Resolution Professional (RP) and directed him to file a report within ten days. In compliance with the said order, the RP submitted his report dated **16.06.2022**.
18. The Resolution Professional recommended the admission of the personal guarantor into Insolvency resolution process under the following grounds:
 - i) That the Application filed by the Creditor is complete in all respects and complies with the requirements of Section 95 of the Code read with Rule 7 of the for Personal Guarantors to Corporate Debtors Rules, 2019.
 - ii) The existence of debt and default is evidenced by the loan documents and statements of account placed on record by



the Creditor, and the amount of default exceeds the threshold prescribed under Section 4(1) of the Code.

- iii) The Personal Guarantor was served with Demand Notice dated 31.07.2021 and failed to discharge the debt within the statutory period of 14 days.
- iv) Despite seeking confirmation regarding any repayment made subsequent to issuance of the Demand Notice, no response or evidence of repayment was furnished.
- v) The outstanding amount due from the Personal Guarantor, as on 17.05.2022, is stated to be Rs. 47,92,97,568.69/- with applicable interest.
- vi) The liability of the Personal Guarantor is joint and several in terms of Section 43 of the Indian Contract Act, 1872.
- vii) The Application has been filed in prescribed Form C, accompanied by the requisite documents and fee as mandated under Rule 7(2) of the Rules

IA (IBC) No. 168 of 2026:

19. The Creditor has filed certain additional documents by way of I.A. No. 168 of 2026, which were not annexed to the Company Petition at the time of filing. The said documents include the Notice dated 08.01.2019 issued under Section 13(2) of the SARFAESI Act to Respondent No. 1, calling upon her, as guarantor of the principal borrower, to repay the entire dues of the principal borrower, along with the postal acknowledgment card and the Reply letter dated 11.02.2019. Copies of the said Notice, acknowledgment card, and



Reply letter have also been placed on record. The same is taken on record vide order dated 29.01.2026.

20. In the light of the aforesaid factual matrix the point arises for our consideration is:

Whether an Insolvency Resolution Process can be ordered against the Personal Guarantor under Section 100 of the Insolvency and Bankruptcy Code, 2016?

21. We have heard the Learned Counsel Ms. Aishwarya Chevuturi, for the Petitioner, Learned PCS Dr. KS Ravichandran, for Respondent/ personal guarantor and Resolution Professional Mr. Murali Mohan Chevuturi, and perused the record.
22. This Company Petition is remanded for fresh consideration by the Hon'ble National Company Law Appellate Tribunal, Chennai Bench in Company Appeal (AT) (Ins) No. 169 of 2023 vide order dated 25.07.2024, the relevant portion is extracted below:

"25. Since, the Impugned Judgment suffers from an apparent procedural flaw, the Judgments are hereby quashed and the matter is respectively remitted back to the learned Adjudicating Authority i.e. National Company Law Tribunal, Hyderabad Bench I, to reconsider the Application under Sec. 95 from the stage of Sec. 99 of I & B Code, 2016, onwards and then come to a conclusion after resorting with the process as laid down in Para 86 of the Judgment of Hon'ble Apex Court, as to whether, under the given set of circumstances and based on the report as submitted by the Resolution Professional, it is satisfied that the conditions justify initiation of the IRP proceedings under Sec. 95 of I & B Code, 2016. It goes without saying that when the learned Adjudicating Authority would deal with the aforesaid aspect about the implications of the report of the Resolution Professional, he would ensure to supply the copy of report to the parties, so that they may be able to place their rival contentions before the learned Adjudicating



Authority to justify their respective stand, as to whether Sec. 95 of I & B Code, 2016, is at all required to be resorted to or not.”

23. Therefore, in compliance with the directions of the Hon’ble NCLAT, this Adjudicating Authority has reconsidered the Application from the stage of Section 99 of the Code and independently examined whether the conditions under Section 95 are satisfied.
24. The considerations in an application under Section 95 of the Code are the existence of debt, default in repayment, valid invocation of the guarantee deed, valid demand notice in Form B served upon the Personal Guarantor etc.

On Existence of Debt and default:

25. The Creditor has placed on record the sanction letters dated 24.03.2014 and 09.04.2016, the Deed of Guarantee dated 25.03.2014, the Composite Deed of Hypothecation and the statement of account reflecting classification of the loan account as NPA on 27.12.2018.
26. The Respondent has not disputed the sanction of facilities to the Corporate Debtor nor the execution of the original Deed of Guarantee dated 25.03.2014. The primary contention is with regard to discharge and enforceability.
27. Moreover, on the basis of the existence of debt arising out of the said credit facilities and the default in repayment thereof, this Tribunal admitted the Corporate Debtor into CIRP in CP (IB) No. 19/7/HDB/2021, filed under Section 7 of the Code by the Creditor herein. No material has been placed on record to show that the said debt and default have been challenged or set aside.



28. Therefore, we are of the considered view that the existence of debt and default arising out of the above credit facilities stands established.

On Execution of Personal Guarantee:

29. The learned counsel for the Personal Guarantor has not disputed the execution of the Deed of Guarantee dated 25.03.2014, but has contended that the said Deed is insufficiently stamped and, therefore, inadmissible in evidence.
30. We usefully refer to the case of Hon'ble Supreme Court in Re: Interplay Between Arbitration Agreements Under Arbitration and Conciliation Act, 1996 And Stamp Act, 1899, In Re it was held that:

“54. Section 35 of the Stamp Act is unambiguous. It stipulates, “No instrument chargeable with duty shall be admitted in evidence...” The term “admitted in evidence” refers to the admissibility of the instrument. Sub-section (2) of Section 42, too, states that an instrument in respect of which stamp duty is paid and which is endorsed as such will be “admissible in evidence”. The effect of not paying duty or paying an inadequate amount renders an instrument inadmissible and not void. Non-stamping or improper stamping does not result in the instrument becoming invalid. The Stamp Act does not render such an instrument void. The non-payment of stamp duty is accurately characterised as a curable defect. The Stamp Act itself provides for the manner in which the defect may be cured and sets out a detailed procedure for it. It bears mentioning that there is no procedure by which a void agreement can be “cured”.”

31. The law laid down in the above judgement in the Hon'ble supreme court in Re: Interplay Between Arbitration Agreements (supra) clarifies that an unstamped or insufficiently stamped instrument is not void. Further, proceedings under Section 95 of code are



summary in nature and are not proceedings for enforcement of the guarantee. Therefore, the objection raised by the Respondent on the issue of stamp duty is misconceived and does not affect the maintainability of the present application.

32. The learned counsel for the Personal Guarantor has raised a further contention that, upon revision of the credit facilities under the sanction letter dated 09.04.2016, no fresh Deed of Guarantee was executed and, therefore, the earlier Deed of Guarantee dated 25.03.2014 stood revoked.
33. On perusal of the record, we found that the Deed of Guarantee dated 25.03.2014, as placed on record, expressly stipulates that it is a continuing, irrevocable and co-extensive guarantee covering all sums due under the facilities granted. No material is placed on record to demonstrate that the revised sanction constituted a novation of the original contract so as to extinguish the earlier guarantee.
34. Further, Clause 7 of the Deed of Guarantee dated. 25.03.2014 clearly records that the Guarantors consent to variation, enlargement or modification of facilities and agree that they shall not be discharged by such acts of the Bank.

"7. The Guarantors hereby consent to the Bank making any variance, change or modification that the Bank may think fit in the terms of the Bank's contract with the Borrowers; to the Bank determining, enlarging or varying any credit facility to the Borrowers; to the Bank making any composition with or promising to give time or instalments to the Borrowers, or not to sue the Borrowers or to the Bank's parting with any security which it may be holding for the guaranteed credit facilities. The Guarantors also agree that they shall not be discharged from their liability to the Bank, by the Bank releasing the Borrowers or by any act or omission of the Bank as indicated above, the legal consequences whereof may be to discharge the Guarantors or by any act of the Bank which would, but for this provision, be inconsistent with the Guarantors' rights as sureties or by the Bank's omission to do any act which, but for this present provision, the Bank's



duty to the Guarantors would have required the Bank to do. The Guarantors do hereby waive all the rights available to the sureties under Sections 133, 134, 135, 139 and 141 of the Contract Act. The Guarantors also agree that they will not be entitled to the benefit of subrogation to the securities until all moneys due to the Bank secured by such securities are fully repaid and also if the same securities are held by the Bank for any other indebtedness of the Borrowers.”

35. Therefore, we are of the considered view that the Deed of Guarantee dated 25.03.2014 continues to subsist and bind the Personal Guarantor.

36. The learned counsel for the Personal Guarantor also contended that pursuant to letter dated 27.09.2021, a sum of Rs.1,10,00,000/- was paid towards settlement for release of mortgaged properties and, upon acknowledgment and release dated 06.12.2021, the liability of the Personal Guarantor stood discharged by accord and satisfaction.

37. We have perused the said letter release of the securities. The documents indicate that the payment was accepted solely for the purpose of release of specified secured properties. Clause (b) of the terms and conditions expressly stipulates that all other remaining securities, including the Bank's claim against the borrower and the Personal Guarantee, shall continue as per existing terms. The same is extracted below:

“

.....

b) All other remaining securities in the account including our Bank's claim against borrower and personal guarantees shall continue as per existing terms.”

38. Therefore, we find no merit in the contention that the liability of the Personal Guarantor stood discharged by payment of Rs.1,10,00,000/-.



Invocation of Guarantee:

39. On perusal of the record, we observe that the Petitioner, vide I.A. No. 169 of 2026, has annexed a copy of the Notice dated 08.01.2019 issued under Section 13(2) of the SARFAESI Act to the Personal Guarantor, calling upon personal guarantor to repay the outstanding dues of the principal borrower.
40. The said notice specifically refers to the credit facilities availed and the outstanding amount payable and categorically states that the Bank thereby calls upon the personal guarantor to repay the amount in full.
41. The notice is addressed, inter alia, to Mrs. N. Savithri as guarantor, and the acknowledgment cards placed on record establish service of the said notice upon the Personal Guarantor.
42. In a case where a Notice under Section 13(2) makes a demand in terms of the Guarantee Agreement between the parties, such notice has to be treated as invocation of the Bank Guarantee.
43. Therefore, we are of the considered view that the Notice dated 08.01.2019 issued under Section 13(2) of the SARFAESI Act constitutes a valid invocation of the Personal Guarantee and evidences demand upon the Personal Guarantor to discharge the liability.

On Service of Demand Notice in Form B:

44. We find from the record that the Creditor issued Form B Demand Notice dated 31.07.2021 to the Personal Guarantor by post under Consignment No. EN429237636 addressed to Sanjeev Reddy



Nagar – 500038, stating that the total outstanding debt was Rs. 44,29,08,085/- and that the date of default was 17.03.2019.

45. The material on record clearly establishes that the notice was dispatched to the admitted address. The envelope is properly stamped and addressed. Therefore, there is a presumption under section 27 of the general clause Act 1897 that there is proper service, notwithstanding that the envelope was returned as unserved.
46. Further, as per clause 2 of the deed of guarantee dated had explicitly stated that any notice sent to the Guarantor's address shall be deemed duly served, even if returned unserved due to refusal or otherwise. Once dispatch to the correct address is established, service is complete in law. The relevant portion is extracted below:

"2.....Any such demand notice sent by the Bank by hand delivery or by post to the Guarantors at their address mentioned above or such address as may be known to the Bank shall be deemed to be duly served on the Guarantors at the time when the notice would, in the ordinary course of post, be delivered at such address, notwithstanding that the notice may not in fact have been received by the Guarantors or that the address to which it is dispatched may have ceased to be the Guarantors' address. It is agreed that the Bank may, in its sole discretion, invoke this Guarantee as regards the amounts due from the Borrowers under some of the credit facilities without prejudice to its right to invoke this Guarantee thereafter in respect of the other credit facilities."

47. Therefore, we hold that the Demand Notice dated 31.07.2021 was deemed to be served to the personal guarantor.



On Limitation:

48. The credit facilities were sanctioned to the Corporate Debtor vide sanction letter dated 24.03.2014 and subsequently revised on 09.04.2016. The Personal Guarantor herein, along with other guarantors, acknowledged the outstanding liability by executing the Balance and Security Confirmation Letter dated 15.10.2017, thereby admitting the subsisting debt. Such acknowledgment, being in writing and signed prior to expiry of limitation, extends the period of limitation in terms of Section 18 of the Limitation Act, 1963.
49. Thereafter, within three years the Creditor issued Notice dated 08.01.2019 under Section 13(2) of the SARFAESI Act to the Personal Guarantor, calling upon personal guarantor to repay the entire outstanding dues. As already observed, the said notice constitutes invocation of the Personal Guarantee and evidences demand upon the Guarantor.
50. The limitation period commences from the date of invocation of the Guarantee, i.e., 08.01.2019. The prescribed period of limitation is three years, which would ordinarily expire on 07.01.2022. However, upon exclusion of the period from 15.03.2020 to 28.02.2022 in terms of the Suo motu orders passed by the Hon'ble Supreme Court in ***In Re: Cognizance for Extension of Limitation, Suo Motu Writ Petition (Civil) No. 3 of 2020***, the present petition filed on 27.05.2022 is well within the period of limitation.



Effect of Pending CIRP / Liquidation of Corporate Debtor:

51. As regards the contention relating to simultaneous proceedings against the Corporate Debtor and the double enrichment of the Creditor, the learned counsel for the Personal Guarantor submitted that the Corporate Debtor is already undergoing CIRP in CP (IB) No. 19/7/HDB/2021, which was admitted by this Tribunal on 26.04.2021, and that the said proceedings are pending.
52. It is also submitted that during the CIRP of the Corporate Debtor, as recorded in the Minutes of the 5th CoC Meeting held on 05.05.2022, that the Promoter and the Personal Guarantors together paid an amount of Rs. 1,55,00,000/- and subsequently an OTS proposal was discussed in the 6th and 7th CoC Meetings for possible withdrawal of CIRP under Section 12A of the Code.
53. However, the Personal Guarantor has not placed any material on record to demonstrate that the liability arising under the Deed of Guarantee stands fully discharged or satisfied. No documentary evidence has been produced to show full repayment or satisfaction of the admitted claim of Rs. 4047.86 Lakhs by the liquidator in the liquidation proceedings.
54. In the Hon'ble Supreme Court in the case of **ICICI BANK LIMITED Vs ERA INFRASTRUCTURE (INDIA) LIMITED, 2026 INSC 201**, has rejected the apprehension of double enrichment in permitting simultaneous proceedings against principal borrower and guarantor, holding that safeguards exist within the Code to prevent recovery beyond the due amount. The same is extracted below:



“96. If a creditor is permitted to initiate CIRP against multiple debtors, an apprehension is raised that it might lead to recovery of dues more than what it is entitled and, thereby, doubly enriching itself. It is contended that the Code, as it stands today, does not envisage a mechanism for prohibition of such double enrichment. There lies no onus upon the creditor to disclose recovery of the debt or a part thereof due to the debtor, from any other sources. Thus, the argument flows, that permitting simultaneous proceedings against the corporate debtor and the guarantor(s) would lead to a situation where the creditor may realize more than what is due.

100. To reiterate, the contention that simultaneous proceedings must be necessarily barred apprehending double enrichment is far-fetched and stands rejected, particularly in view of the safeguards mentioned hereinabove.”

55. Therefore, pendency of CIRP or liquidation proceedings against the Corporate Debtor does not operate as a bar to initiation of proceedings under Section 95 against the Personal Guarantor.
56. The learned counsel for the Personal Guarantor has further contended that the NESL record of default has not been annexed to the Application. However, non-filing of the NESL record does not affect the maintainability of the present Petition when sufficient documentary material, including loan documents and statements of account, has been placed on record to establish the existence of debt and default.
57. Further, the Report submitted by the Resolution Professional under Section 99 of the Code recommends the admission of the petition, based on the material furnished by the Creditor.
58. As a result, the Personal Insolvency Resolution Process is hereby initiated against the Personal Guarantor.



ORDER

- I. The Company Petition vide **CP (IB) No. 181/95/HDB/2022** filed under the provisions of Section 95 of IBC is hereby admitted under the provisions of Section 100 of the Code, 2016, and the Insolvency Resolution Process is initiated against **Smt. Nukala Savithri**, the Personal Guarantor, and a moratorium is declared in relation to all debts, which begins from the date of admission of the instant petition and shall cease to have effect at the end of the period of 180 days, as provided under Section 101 of the Code, 2016. During the moratorium period-
- i. Any pending legal action or proceeding in respect of any debt shall be deemed to have been stayed;
 - ii. The Creditors shall not initiate any legal action or legal proceedings in respect of any debt; and
 - iii. The debtor shall not transfer, alienate, encumber, or dispose of any of his assets or his legal rights or beneficial interest therein;
 - iv. The provisions of this Section shall not apply to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.
- II. The Resolution Professional, viz. Mr. Murali Mohan Chevuturi, having Registration no. IBBI/IPA-003/00307/2020-2021/13464 Address: 1-2-59719, Flat No. 201, Dream Home Vasista Aapts, Plot 9, Baraf Bagh Colony, Lower Tankbund, Hyderabad, Telangana-500029, E-mail ID: mohan.chevuturi@gmail.com, Mobile No. 8978844588 as per the IBBI Website, his AFA is valid up to 30.06.2026. He is directed to cause a public notice to be published on behalf of the Adjudicating Authority within 7 days of passing this Order on the website of the NCLT Hyderabad



Bench, inviting claims from all Creditors, within 21 days of such an issue.

- III. The notice shall contain the necessary information as provided under Section 102(2) of the Code. The publication of the notice shall be made in newspapers, one in English and the other in the vernacular (Telugu), which have wide circulation in the State where the Personal Guarantor and Corporate Debtor reside.
- IV. The Resolution Professional shall furnish two spare copies of the notice to the Registry. One shall be placed on our website by the Registry, and the other shall be affixed in the premises of this Adjudicating Authority.
- V. The Resolution Professional, in exercise of the powers conferred under Section 104, shall prepare a list of creditors within 30 days from the date of the notice.
- VI. The Personal Guarantor, in consultation with the Resolution Professional, shall prepare a repayment plan containing a proposal to the creditors for restructuring his debts or affairs as provided under Section 105. This plan shall include provisions for the payment of fees to the Resolution Professional.
- VII. The Resolution Professional shall submit the repayment plan along with his report on the plan to this Adjudicating Authority within a period of 21 days from the last date of submission of claims as provided under Section 106.
- VIII. In case the Resolution Professional recommends that a meeting of the creditors is not required to be summoned, he shall record the reasons thereof. If the Resolution Professional is of the opinion that the meeting of creditors should be summoned, he shall specify the details as provided under Section 106(3).



- IX. The date of the meeting shall not be less than fourteen days or more than 28 days from the date of submission of the Report under Sub-section (1) of Section 106 of the Code, for which at least 14 days' notice to the creditors (as per the list prepared) shall be issued by all modes. Such notice must contain the details as provided under the provisions of Section 107 of the Code.
- X. The meeting of the creditors shall be conducted in accordance with Sections 109, 110, and 111 of IBC. The Resolution Professional shall prepare a report of the meeting of the creditors on the repayment plan with all details as provided under Section 112 and submit the same to the Authority, copies of which shall be provided to the guarantor and the creditors.
- XI. It is further clarified that the Resolution Professional shall perform his functions and duties in strict compliance with the Code of Conduct prescribed under Section 208 of the Code.
- XII. The Petitioner is directed to communicate this order to the Resolution Professional appointed in the instant Company Petition immediately.

This CP(IB) No.181/95/HDB/2022 filed under Section 95 of Code is **admitted**, and the Insolvency Resolution Process is initiated against the Personal Guarantor.

Sd/-

SANJAY PURI
MEMBER (TECHNICAL)

Sd/-

RAJEEV BHARDWAJ
MEMBER (JUDICIAL)