

SL. No.9

**NATIONAL COMPANY LAW TRIBUNAL  
HYDERABAD BENCH  
COURT HALL NO: II**

**(Video Conference)**

**CORAM: DR.VENKATA RAMAKRISHNA BADARINATH NANDULA – HON'BLE MEMBER (J)  
CORAM: SHRI SATYA RANJAN PRASAD, HON'BLE MEMBER (T)**

**ATTENDANCE-CUM-ORDER SHEET OF THE HEARING OF NATIONAL COMPANY LAW TRIBUNAL,  
HYDERABAD BENCH, HELD ON 25.05.2023 AT 10:30 AM THROUGH VIDEO CONFERENCE**

TRANSFER PETITION NO.	
COMPANY PETITION/APPLICATION NO.	Company Petition IB/254/2021
NAME OF THE COMPANY	Impact Metals Ltd
NAME OF THE PETITIONER(S)	Kudapa Gangadhara & another
NAME OF THE RESPONDENT(S)	Impact Metals Ltd
UNDER SECTION	7 of IBC

**ORDER**

**Orders in CP 254/7/HDB/2021 pronounced, recorded vide separate sheets. In the result, this Company Petition is admitted. Corporate Debtor is put under CIRP and moratorium imposed.**

*Sdf*

*Sdf*  
MEMBER (T)

*Sdf*

MEMBER (J)

Syamala



**IN THE NATIONAL COMPANY LAW TRIBUNAL  
HYDERABAD BENCH - II**

**CP(IB) No. 254/7/HDB/2021  
[U/s. 7 of IB Code, 2016]**

**In the matter of:**

1. Shri Kudapa Gangadhara Rao,  
S/o. Kudapa Venkateswara Rao,  
Flat No.202, Swapnika Pearl,  
Madhura Nagar,  
Hyderabad.
2. Smt. Madhavi Kudapa,  
W/o. K. Gangadhara Rao,  
Flat No.202, Swapnika Pearl,  
Madhura Nagar,  
Hyderabad.

.... Financial Creditors

Vs

M/s. Impact Metals Ltd.  
Sy.No.296/7/4, IDA,  
Bollaram, Jinnaram Mandal,  
Bollaram,  
Secunderabad – 502 325.

.... Corporate Debtor

**Date of Order: 25.05.2023**

**CORAM:**

Hon'ble Dr. Venkata Ramakrishna Badarinath Nandula, Member (Judicial)  
Hon'ble Sri Satya Ranjan Prasad, Member (Technical)

**Counsels present:**

For the Financial Creditors : Mr. Maharshi Viswaraj, Advocate

For the Corporate Debtor : Mr. N.B. Sudarshan, Advocate



**[PER: BENCH]**

**ORDER**

1. This application is filed by the Petitioners, Shri Kudapa Gangadhara Rao and Smt. Madhavi Kudapa, Financial Creditors (FCs) against the Respondent M/s. Impact Metals Ltd, Corporate Debtor (CD), seeking to initiate the Corporate Insolvency Resolution Process (CIRP) against the Corporate Debtor for the default that has committed in discharging the debt due to the Financial Creditor.
2. Briefly, the facts as mentioned in the application are as follows:
  - i. The Corporate Debtor (CD) M/s. Impact Metals Limited was incorporated under the provisions of the Companies Act, 1956 and is in the business of manufacturing the Aluminium Containers and Cold Forgings.
  - ii. The Director and Shareholder of the CD, Mr. Gorrepati Venkat Rao approached both the Financial Creditors and requested to provide loan to the CD, as the CD is facing financial crisis. Accordingly, the FCs had given loan of Rs.1,63,19,694/- to CD as and when required by CD, commencing from 02.05.2011 to 19.06.2012 and the CD agreed to repay the same along with an interest @24% per annum on demand. In order to secure the amount, CD deposited the Original Registered Sale Deeds of their immovable property and created simple/equitable mortgage in favour of both the Financial Creditors. In proof of creating simple mortgage, the Director of Corporate Debtor executed a Mortgage Deed on 30.05.2012. Thus, the Directors stood as Guarantors for the loan given to the CD **(Annexure-B)**.



- iii. The CD paid a total amount of Rs.77,03,100/- towards interest on different dates and the last payment was made on 17.01.2018 **(Annexure-C & D)**.
- iv. The CD admitted the debt vide an email dated 28.11.2014 **(Annexure-E)** which clearly shows that the CD borrowed money from the Financial Creditors.
- v. The CD issued Cheque bearing No.911004, dated 24.07.2014 for an amount of Rs.8,00,000/- drawn on IndusInd Bank towards part payment of debt, but the same was dishonoured for the reason 'Funds Insufficient' **(Annexure-F)** and one more Cheque for Rs.1,70,00,000/- drawn on IDBI Bank Ltd. issued by the Guarantor Shri Gorrepati Venkat Rao, Director of CD, towards part payment of the debt, was also dishonoured for the reason 'Exceeds Arrangement'. The same was informed to the CD and the CD promised the FCs to pay the same and requested not to initiate any legal action under Negotiable Instrument Act.
- vi. Since, the Guarantor failed to pay the amount covered by the Cheque even after receipt of the Statutory Notice under Negotiable Instrument Act, FC filed a Criminal Case against Shri Gorrepati Venkat Rao, Director of CD in CC No.295 of 2018 before the III Metropolitan Magistrate, Hyderabad and the same is pending.
- vii. The debt is also shown in the Financial Statement of the CD for the year 2012-13 **(Annexure-G)** and the Managing Director of CD Mr. Ramachandram Gorrepati acknowledged the debt owed by the CD vide letter dated 11.04.2017 addressed to FCs **(Annexure-H)**.



viii. There is an unpaid financial debt having sufficient documentary evidence, showing that the debt is due and payable and has not been paid by the CD. Hence, this application, seeking to initiate the Corporate Insolvency Resolution Process (CIRP) against the Corporate Debtor.

3. The gist of the Respondent's brief is –

- i. It is averred that the FC No.1 had approached CD for supply of materials for the purpose of manufacturing goods in the year 2011. Since FC's Company was not a registered company, he could not make any invoice. Hence, FC No.1 started paying the money/depositing the amounts in the accounts of CD. It is wrong and denied that the CD agreed to pay an interest @ 24% per annum.
- ii. An amount of Rs.1,16,00,000/- as shown in the balance sheet is only because of the constant and continuous supply of raw-materials by FC No.1 for which, CD could not make timely payments.
- iii. Denying the contents that the Directors of CD had deposited the original registered Sale Deeds of the immovable properties and created a simple/equitable mortgage in favour of FC No.1. It is further submitted that FC No.1 had approached the Directors of CD to get them the loan from the Banks to facilitate the payment of the dues pertaining to the FC No.1 and accordingly took the original Sale Deeds for the purpose of facilitating the pledging of the same to get a business loan for CD from the Banks. However, FC No.1 deliberately with malicious and fraudulent intention to



arm-twist the Directors of CD to make the payment for and on behalf of CD and did not return the documents despite several requests and reminders from the Directors and they did not even attempt to get CD a loan as promised. No document is available evidencing the facts that the said documents were pledged to FC No.1 by way of mortgage.

- iv. It is denied that the FC No.1 upon the demand by CD, paid different amounts as interest on different dates. It is averred that the amount of Rs.77,03,100/- was paid towards part payment of outstanding and Rs.4.0 lakhs was made towards an advance payment to FC No.1. The list of payments that have been Annexed from Page Nos.46 to 72 is not a complete list and FC No.1 has deliberately omitted some of the receipts from the same.
- v. The CD had never committed to pay interest @ 24% per annum and the outstanding accumulated only because of non-payment of dues on time and was ultimately paid as per the Balance Sheet for the year 2017-18.
- vi. It is admitted that the CD had issued a cheque towards part payment. However, it was an updated cheque and a specific request was made to the FC No.1 that the said cheque was to be deposited when the CD had sufficient balance in the Bank Account. But, the FC No.1 had presented the said cheque by ignoring the CD's request.
- vii. It is denied that Mr. Gorrepati Venkat Rao is the Guarantor of the CD. It is averred that Mr. Gorrepati Venkat Rao, one of the Directors of the CD issued a cheque of Rs.1,70,00,000/- in favour



of FC No.1 towards part payment of debt owed by the CD and the cheque was misused and fabricated by inserting the name and amount and the same are not the handwriting of the said Directors.

- viii. As per the statement of accounts annexed along with the Petition would clearly evidencing the fact that the CD has never paid more than Rs.10,00,000/- on any given date and no personal cheque was ever issued with such a high amount at all.
- ix. It is averred that as to why the CD would issue the cheque in favour of FC 2 when the CD was transiting only with FC 1 and the entire outstanding was cleared prior to the deposit of cheque dated 10.05.2018 which is confirmed in the balance sheet for the year 2017-18.
- x. It is averred that the balance sheet under Annexure-G clearly shows that the unsecured loan from Mr. K. Gangadhar Rao, FC No.1 as on 31.03.2013 is Rs.1,16,88,865/- and not Rs.1,70,00,000/-.
- xi. It is averred that a blank letter head was initially given for the purpose of obtaining a loan from the banks, was fraudulently misused by FC No.1. Further, submitted that FCs had approached the CD for funding the medical seat of their daughter and the CD keeping in view of the longstanding business relations with them, has funded the same. However, despite the receipt of the said amounts, the FCs have not paid back the said amount and fraudulently misused the cheque.



- xii. It is averred that the case is time barred debt, as the Balance Sheets which have been filed in the Petition pertains to the year March, 2013 as per Section 38A of IBC, 2016. Hence, the petition is barred by limitation as prescribed under Article 14 of the Limitation Act, 1963. As held by the Hon'ble Supreme Court in the matter of B.K. Educational Services Pvt. Ltd Vs. Parag Gupta And Associates (Civil Appeal No.23988 of 2017), that if the Petition is filed after 3 years from the last date of cause of action, the Petition filed before the NCLT is liable to be dismissed.
- xiii. The debt is not a Financial Debt and rather it is an Operational Debt. The Applicants are trying to get the Operational Debt as Financial Debt, which has already been paid as mentioned in the Balance Sheet for the year 2017-2018. Hence, with the above contentions, application is liable to be dismissed.
4. The gist of the Petitioner's brief in Rejoinder is -
- i. Mr. Ramachandram Gorrepati, Managing Director of the CD acknowledged the debt owed by CD under a letter dated 11.04.2017 and agreed to repay the same along with an Interest @ 24% per annum and the following documents are proving the same.
1. Audited Balance Sheet of CD for the year ended 2012-13
  2. Email dated 28.11.2014 sent by CD to FC
  3. Letter dated 11.04.2017 issued by CD
  4. Part payments of interest amount and
  5. Cheques issued by CD.



- ii. It is submitted that the CD forged, created and fabricated the Rental Agreement with a view to mislead the Tribunal and the name of FC No.2 has wrongly mentioned. Moreover, the recital of Rental Agreement shows that it was allegedly executed for a period of 5 years for monthly rent of Rs.10,000/- and the same is insufficiently stamped and unregistered. The alleged Rental Agreement is no way concerned with the loan transaction in which the CD borrowed loan from FC and the signatures of Lessee are also not matching.
  - iii. Denying that the FC supplied goods to CD under the name of M/s. Bhajarang Enterprises and Services and FC never supplied any goods to CD. Had FC supplied any goods to CD at any point of time, the CD would have raised Invoices, E-Way Bills etc.
  - iv. It is submitted that the CD is a heavy debt owed company and number of insolvency petitions are pending before this Tribunal and its solvency ratio is much below the potential solvency ratio. Hence, in the interest of suppliers, creditors, stakeholders, vendors etc., praying to initiate CIRP against the CD.
5. Written arguments dated 29.03.2022 filed by CD reiterating the oral submissions made. CD post filing of the counter filed the Balance Sheets, Ledger Accounts, Bank Statements and Vouchers



vide Memo dated 01.12.2022. CD also filed a Memo on 23.01.2023, showing the details of payments made to FC for the period from 2013-2018. A Reply filed by FC in response to the Memo reiterating the contents mentioned in the application and in the rejoinder has been filed by CD.

6. In the light of the contest, as afore stated, the point that emerges for our consideration is –

Whether the debt claimed by the Applicant as due and payable by the Respondent is not a Financial Debt? If so, the Company Petition is not maintainable?

7. We have heard the Learned Counsel for Financial Creditor, Mr.Maharshi Viswaraj and the Learned Counsel for Corporate Debtor, Mr. N.B.Sudarshan, perused the record and the written arguments.

8. Point.

Whether the debt claimed by the Applicant as due and payable by the Respondent is not a Financial Debt? If so, the Company Petition is not maintainable?

i). According to the Ld. Counsel for the Applicant, one Mr. Gorrepati Venkat Rao, the Director and Shareholder of the Corporate Debtor requested the Applicant for financial assistance, contending that the Corporate Debtor was facing financial crisis and pursuant thereto, the Applicant had lent an amount of Rs.1,63,19,694/- on



different dates in between 02.05.2011 and 19.06.2012 which sum the corporate debtor agreed to repay with interest @ 24% per annum on demand. It is further contended that as on 30.06.2012, the loan amount due has been calculated at Rs.1,70,00,000/-. It is further submitted that the Directors of the Corporate Debtor have deposited Original Registered Sale Deed of their immovable property and created an equitable mortgage in favour of the Applicant, besides, the Directors also stood as guarantors for the due payment of the loan given to the Corporate Debtor. In support of this plea, the Applicant had filed Registered Title Deed of the property belonging to the Corporate Debtor.

ii). Ld. Counsel also contended that the Corporate Debtor paid amounts to the tune of Rs.77,03,100/- in parts towards interest and on 17.01.2018 a sum of Rs.4,00,000/- has been paid. A statement evidencing part payments made has been filed by the Financial Creditor. It is further contended that under the email dated 28.11.2014, the Corporate Debtor had categorically admitted availing of loan as aforementioned from the applicant and its default. The said *email* is as follows:

*“Thanks for your mail. As per our understanding and our personal discussion on various occasions we have agreed to settle the dues by paying part payments of the promissory notes given by me to you. Accordingly, we have paid you money on many occasions and the payments are acknowledged by yourself. However, we are making all efforts to repay the entire dues to you as early as possible. Please do not precipitate the matters by depositing the cheques which are given as guarantee for the loans advanced to us by you on various occasions. We will call you in couple of weeks to settle the dues as we are expecting some bank to release funds for the revival of our unit. The money you have advanced on various occasions were utilised for the running of the unit and since 2011 the*



*company could not revive due to various factors known to you also. We hope you will keep in mind the good relations we have before taking further steps in regards”.*

iii). It is further contended that in *partial* discharge of the outstanding amount, the Corporate Debtor had issued cheque bearing No. 911004, dated 24.07.2014 for a sum of Rs.8,00,000/- and another cheque for Rs.1,70,000/- and both these cheques were dishonoured when presented *returned* with an endorsement “*Funds insufficient*” and “*Exceeds arrangement*” respectively. Therefore, the Applicant had initiated action against the Corporate Debtor under Negotiable Instrument Act, 1881.

iv). According to the Ld. Counsel, the Corporate Debtor had acknowledged the Financial Debt in its Balance Sheet for the year ending 31.03.2013 and similarly under letter dated 11.04.2017 addressed to the Financial Creditor which is as below:

*“I, G. Ramachandram, managing director, do hereby acknowledge on behalf of our Company we have borrowed a total sum of Rs.1,70,00,000/- (Rupees One Crore Seventy Lakhs only) to meet the financial needs of the Company and agreed to repay the same along with the interest @ 24% Per annum. Both directors of this company stood as guarantors for the sum borrowed by the Company. To that effect registered sale deeds along with pattadar passbooks relating to property owned by us were hand over to both of you by creating equitable mortgage. We regret for the delay in payment of borrowed sum. We are making all our efforts to mobilise funds for repayment of your due amount. We are paying Rs.75,000/- today and remaining balance amount will be paid at the earliest. I hope you understand”.*

V). Therefore, the Ld. Counsel submits that the theory put forth by the Corporate Debtor that the lent will *not fall within the definition*



of a financial debt, but is an operational debt, arose out of a Rental Agreement, is absolutely false and baseless.

9. i). *Per contra*, the Learned Counsel for the Corporate Debtor, while vehemently denying that the debt claimed by the Applicant is a financial debt awarding to the Learned Counsel, the subject debt is only an operational debt, based on the Rental Agreement dated 04.05.2011 entered between the Corporate Debtor and the 2<sup>nd</sup> Petitioner. Learned Counsel contends that the said Rental Agreement clearly establishes that the premises mentioned therein was supposed to be used for trading of aluminium ingots, aluminium rods and aluminium sheets in the name and style of M/s.Bhजारंग Enterprises and Services. As such, “the debt emanated against the provision of goods and therefore comes under the ambit of Operational Debt”, hence not a financial debt.
- ii). Referring to the plea of the Petitioners that they have given loan as and when required by the Corporate Debtor to the tune of Rs.1,63,19,694/- in between 02.05.2011 and 19.06.2012, Learned Counsel contended that “an amount of Rs.1,16,00,000/- only was shown in the Balance Sheet by the Corporate Debtor, because of “constant and continuous supply of raw-material by the 1<sup>st</sup> Petitioner for which, the Corporate Debtor could not make timely payments. Nevertheless, the Corporate Debtor has been making periodical payments to liquidate the said outstanding”.



iii). As regards the deposit of Registered Sale Deed and creation of simple mortgage is concerned, Learned Counsel contended that the Financial Creditor had approached the Directors of the Corporate Debtor to get them loan from bank to facilitate the payment of dues pertaining to the Financial Creditor and accordingly, took the original sale deeds for the purpose of facilitating the pledge of the shares to get the business loan for the Corporate Debtor. However, deliberately and with malicious and fraudulent intent, to arm-twist the directors of the Corporate Debtor to make the payment for and on behalf of the Corporate Debtor did not return the documents. The corporate debtor also denied the letter dated 11.04.2017 addressed to the Applicant by the Managing Director of the Corporate Debtor, by contending that a blank letterhead which was initially given for the purposes of obtaining a loan from the banks was fraudulently mis utilised by the Financial Creditor No.1.

10. We have given our anxious thought to the submissions of the Id. Counsels for both sides and also perused the record placed before us, and we find from the contest put forth by the respondent, that the respondent is only disputing the 'nature of debt' but not existence of a 'debt' itself in favour of the petitioner. Therefore, it is essential to find from the records as to the nature of the debt that is existing between the parties herein.

11. We find that the contention of the Applicant that in between 02.05.2011 and 19.06.2012, the Applicant lent in all a sum of Rs.1,63,19,694/- towards loan repayable with interest @ 24% p.a.,



has the basis, in the form of the Balance Sheet of the Corporate Debtor for the Financial Year ending 31.03.2013, as an amount of Rs.1,16,88,865/- has been shown therein, as unsecured loan of Mr. K. Gangadhar Rao, the 1<sup>st</sup> Applicant herein. That apart, the Corporate Debtor in para 12 of its counter had stated as below:

*“The contents of Para No.3 under reply are wrong and denied that the Financial Creditor No.1 had given a loan of Rs.1,63,19,694/- (Rupees One Crore Sixty Three Lakhs Nineteen Thousand Six Hundred and Ninety Four only) as and when required by the Corporate Debtor on different dates commencing from 02.05.2011 and 19.06.2012. Rather the amount is only Rs.1,16,00,000/- only as shown in the Balance Sheet submitted by the Corporate Debtor, that is because of the constant and continuous supply of raw-materials by the Financial Creditor No.1 of which the Corporate Debtor could not make the timely payments. Nevertheless, the Corporate Debtor has been making periodical payments to liquidate the said outstanding”.*

12. Moreover, in the counter filed by the respondent the respondent has not pleaded existence of any supply contract between the Petitioner and the Respondent, the dates of the alleged supply of raw material, dates of invoices and the acknowledgement of raw-material allegedly supplied, besides failed to file any bank statement or vouchers for the part payments said to have been made by the respondent to the Petitioner. Therefore, in the absence of any pleading in this regard leave alone proof, we are unable to accept the plea of the Respondent that the amount shown in the Balance Sheet of the Corporate Debtor, was towards “constant and continuous supply of raw-materials by the Financial Creditor No.1 which sum the Corporate Debtor could not make the timely payments”. The belated attempt on the part of the respondent to prove the theory of ‘discharge’ also remained futile as the respondent failed in explaining the nexus between the volumes of



documents which it had filed post filing the counter and the plea of discharge.

13. A perusal of the letter dated 11.04.2017 addressed to the Applicant by the Managing Director of the Corporate Debtor categorically discloses that, a sum of Rs.1,70,00,000/- has been borrowed by the respondent, in order to meet the financial needs of the Corporate Debtor, and the said sum is repayable with interest @ 24% p.a., besides both the directors accepting to become the guarantors for the sum borrowed, deposit the registered sale deed along with the patta passbooks relating to the property owned by the company, the delay in payment of the amount and payment of Rs.75,000/- on 11.04.2017 and undertaking to pay the remaining balance.
14. The corporate debtor has not denied the signature of the above letter. Mere plea that a blank letter head given for the purpose of obtaining loan from bank was misused by the Applicant, cannot be accepted in the absence of any acceptable basis for the said plea. A mere reference to a Rental Agreement dated 04.05.2011, a photo copy of which has been filed, cannot form basis for the theory put forth by the Corporate Debtor that, the subject debt is only an operational debt, especially in the wake of the record that we have referred to *supra*. That apart neither in the counter affidavit filed by the respondent to the Company Petition or from the purported Rental Agreement nexus as to existence of “an operational debt” between the parties herein has been pleaded or can even be traced.



Hence the theory of existence of operational debt based on the Rental Agreement also remain unestablished.

15. That apart, any rental agreement only speaks of the relationship of Landlord and tenant of the property rented and the terms of rent etc, and can never form nor claimed as the basis/document for establishing the business transactions if any, carried out from the said premises by either the Tenant or the Landlord. Admittedly, barring the so-called rental agreement no other document is forthcoming from the Corporate Debtor herein to support the theory of “supply of goods” by the corporate debtor to the Company Petitioner. Moreover, the definition of “Operational Debt” contained in Section 5(21) of IBC, which is as below.

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

makes it abundantly clear that the same has nothing to do with the ‘rental agreement’ or the ‘premises’ from where the business is carried out. Needless to say that existence of an Operational Debt, be established by a document relating to the subject business transaction, such as work order, contract, agreement and Invoice etc, and a Lease Deed or rental deed even it is valid cannot form the basis to establish whether the debt that is claimed is an Operational Debt or not.



16. Therefore, in the light of our discussion as above, we are fully convinced that the subject debt is a financial debt falling within the definition of *financial debt* in terms of *sub section 8 of Section 5* of the IB Code, hence, we reject the submission of the corporate debtor that the same is an operational debt.
17. As already stated, the statement made by the Corporate Debtor in para 12 of the counter, supra, besides, the letter dated 11.04.2017 acknowledging the debt and the part payments that were made clearly discloses that the Corporate Debtor had not discharged the financial debt exceeding over Rs.1,00,00,000/- due to the Petitioner/ Financial Creditor. Thus, both existence of financial debt as well as its default stands established. The Petition is in order. Therefore, it is a fit case to be admitted into CIRP. Accordingly, this petition is liable to be admitted and this petition is admitted.
18. Hence, the Adjudicating Authority admits this Petition under Section 9 of IBC, 2016, declaring moratorium for the purposes referred to in Section 14 of the Code, with the following directions: -
  - i. The Bench hereby prohibits the institution of suits or continuation of pending suits or proceedings against the Corporate Debtor including execution of any judgment, decree or order in any court of law, Tribunal, arbitration panel or other authority; transferring, encumbering, alienating or disposing of by the Corporate Debtor any of its assets or any



legal right or beneficial interest therein; any action to foreclose, recover or enforce any security interest created by the Corporate Debtor in respect of its property including any action under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (54 of 2002); the recovery of any property by an owner or lessor where such property is occupied by or in possession of the Corporate Debtor;

- ii. Notwithstanding anything contained in any other law for the time being in force, a license, permit, registration, quota, concession, clearances 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, concessions, clearances or a similar grant or right during the moratorium period.
- iii. That the supply of essential goods or services to the Corporate Debtor, if continuing, shall not be terminated or suspended or interrupted during moratorium period.
- iv. That the provisions of sub-section (1) of Section 14 shall not apply to such transactions as may be notified by the Central



Government in consultation with any financial sector regulator.

- v. That the order of moratorium shall have effect from the date of this Order till the completion of the Corporate Insolvency Resolution Process or until this Bench approves the Resolution Plan under Sub-Section (1) of Section 31 or passes an order for liquidation of Corporate Debtor under Section 33, whichever is earlier.
- vi. The Operational Creditor proposed the name of Mr. Malireddy Ramana Reddy as Interim Resolution Professional and he has given his consent in Form-2. As per the Insolvency and Bankruptcy Board of India (IBBI) website, Mr.Malireddy Ramana Reddy's Authorisation for Assignment is valid upto 23.02.2024. Accordingly, this Tribunal appoints Mr. Malireddy Ramana Reddy as Interim Resolution Professional, having Registration No. IBBI/IPA-003/ICAI-N-00308/2020-2021/13452.
- vii. That the Public announcement of Corporate Insolvency Resolution Process shall be made immediately as specified under section 13 of the code.
- viii. Registry to send a copy of this order to the Registrar of Companies, Hyderabad for appropriately changing the status



of Corporate Debtor herein on the MCA-21 site of Ministry of Corporate Affairs.

**Sd/-**  
**SATYA RANJAN PRASAD**  
**MEMBER (TECHNICAL)**

**Sd/-**  
**DR.N.V.RAMA KRISHNA BADARINATH**  
**MEMBER (JUDICIAL)**

**VL/Syamala**