



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

Item No.1
IA(IBC)/50/2026 and
CP (IB)/44/7/AMR/2025

IN THE MATTER OF:

M/s.Trust Metals & Minerals Enterprises,

... Financial Creditor

Versus

M/s. Siri Smelters & Energy Private Limited

... Corporate Debtor

Under Section: 7, 7 (5) (a), 60(5) of IBC, 2016
Rule : 4 of IB (AA) Rules, 2016

Order delivered on 27.02.2026

CORAM:

SHRI UMESH KUMAR SHUKLA
HON'BLE MEMBER (TECHNICAL)

SHRI KISHORE VEMULAPALLI
HON'BLE MEMBER (JUDICIAL)

PRESENT:

In CP:

For the Financial Creditor : Mr. M.M.Viswaraj, Adv.

For the Corporate Debtor : Mr. Bendi Raviteja, Adv.

In IA:

For the Applicant : Mr. Bendi Raviteja, Adv.

For the Respondent : Mr. M.M.Viswaraj, Adv.

ORDER

Orders pronounced and recorded *vide* separate sheets. The I.A. bearing **IA(IBC)/50/2026** is **dismissed and disposed of**, and the Petition bearing **CP(IB)/44/7/AMR/2025** filed by the Financial Creditor under Section 7 of the IBC, 2016 is **admitted**, and the 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)/50/2026 in CP (IB)/44/7/AMR/2025
AND
CP (IB)/44/7/AMR/2025

**Under Section 7 & 60(5) of the Insolvency and
Bankruptcy Code, 2016 read with Rule 4 of
the Insolvency and Bankruptcy (Application
to Adjudicating Authority) Rules, 2016**

In THE MATTER OF CP (IB)/44/7/AMR/2025:

M/S. TRUST METALS & MINERALS ENTERPRISES,
Partnership Firm,
Represented by its Partner Shri. Guttula Subbarao,
Address: #9-17-34, Flat No.1,
Sri Puja Residency, CBM Compound,
Vishakapatnam-530003.

..... **Financial Creditor**

Versus

M/S. SIRI SMELTERS & ENERGY PRIVATE LIMITED,
CIN No: U27100AP2011PTC072277
Registered Address: Plot No.262/B & 263/A,
APIIC Growth Center,
Bobbili- 535558, Andhra Pradesh

..... **Corporate Debtor**

AND IN THE MATTER OF IA (IBC)/50/2026

M/S. SIRI SMELTERS & ENERGY PRIVATE LIMITED,
CIN No: U27100AP2011PTC072277
Registered Address: Plot No.262/B & 263/A,
APIIC Growth Center,
Bobbili- 535558, Andhra Pradesh

..... **Applicant**

Versus

M/s. TRUST METALS & MINERALS ENTERPRISES,
Partnership Firm,
Represented by its Partner Shri. Guttula Subbarao,
Address: #9-17-34, Flat No.1,
Sri Puja Residency, CBM Compound,
Vishakapatnam-530003.

..... **Respondent**



ORDER DELIVERED ON: 27.02.2026

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

PRESENT:

For Financial Creditor : Mr. M. M. Viswa Raj, Advocate
For Corporate Debtor : Mr. Bendi Raviteja, Advocate

[ORDER]
[PER: BENCH]

CP (IB)/44/7/AMR/2025:

The present Petition bearing CP (IB)/44/7/AMR/2025 (hereinafter referred to as "**CP 44/2025**" or "**Petition**") has been e-filed on 04.12.2025 and physically filed vide Diary No. 2434 dated 04.12.2025, by M/s. Trust Metals & Minerals Enterprises (hereinafter referred to as "**Financial Creditor**") represented by its Partner Shri Guttula Subbarao, 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 M/s. Siri Smelters & Energy Private Limited (hereinafter referred to as the "**Corporate Debtor**") for having defaulted in payment of outstanding dues of Rs.5,88,71,233/- (Rupees Five Crores Eighty Eight Lakhs Seventy One Thousand Two Hundred Thirty Three Rupees Only) as on 30.11.2025 with further interest as per the terms of the agreement till the date of payment.

2. The Corporate Debtor is a Company with its registered office at Plot No, 262/B & 263/A, APIIC Growth Center, Bobbili- 535558, 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 Corporate Debtor was incorporated on 18.01.2011 under the provisions of the Companies Act, 1956 and is in the business of manufacturing ferro alloys and all other products incidental to and connected with ferro alloys.
- (ii) The Financial Creditor is a partnership firm represented by its partner, Shri Guttula Subbarao, having GSTIN number 37AALFT9344D1ZU and PAN number AALFT9344D.
- (iii) The Managing Director of the Corporate Debtor, Shri Sajja Naga Mohan along with Ms. Sajja Jyothsna Sree approached the Financial Creditor and requested them to provide loan to the Corporate Debtor as the Corporate Debtor was in need of funds for meeting outstanding electricity dues essential for maintaining uninterrupted power supply to the industrial unit, and to meet the immediate working capital requirements for procurement of raw materials, production expenses, and other operational necessities. The Managing Director emphasized that timely infusion of funds was indispensable for maintaining continuity of business operations and preventing any operational downtime, which could otherwise lead to substantial losses and deterioration of the Corporate Debtor's financial position.
- (iv) After detailed discussions and due deliberations, the Financial Creditor agreed to extend the financial assistance to the Corporate Debtor.



Pursuant thereto, the Financial Creditor and the Corporate Debtor duly executed a Loan Agreement dated 03.04.2024, setting out the terms and conditions governing the loan transaction. In accordance with the said Loan Agreement, the Corporate Debtor availed a loan of Rs.4,50,00,000/- (Rupees Four Crores Fifty Lakhs Only) and unequivocally agreed to repay the principal amount together with interest at the rate of 18% (Eighteen Percent) per annum, calculated from the respective dates of disbursement of each tranche, until the full and final payment of the outstanding dues.

- (v) The Financial Creditor disbursed the entire loan amount of Rs.4,50,00,000/- through online bank transfers to the Corporate Debtor's designated bank account. The details of the disbursements made by the Financial Creditor are as follows: -

Disbursement Date	Amount in Rs.
03.04.2024	Rs. 1,00,00,000/- (One Crores Rupees only)
08.04.2024	Rs. 30,00,000/- (Thirty Lakh Rupees only)
03.05.2024	Rs. 70,00,000/- (Seventy Lakh Rupees only)
28.05.2024	Rs. 1,00,00,000/- (One Crores Rupees only)
01.06.2024	Rs. 50,00,000/- (Fifty Lakh Rupees only)
28.06.2024	Rs. 50,00,000/- (Fifty Lakh Rupees only)
03.07.2024	Rs. 50,00,000/- (Fifty Lakh Rupees only)

- (vi) The Loan Agreement expressly provided that the entire outstanding principal along with the accrued interest shall be repaid on or before 31.08.2025. It was further agreed between the parties that the repayment shall be made in such a manner that the entire outstanding principal and accumulated interest are fully discharged on or before the aforesaid due date, without any delay, default, or deferment. The Corporate Debtor undertook to ensure timely repayment as per the contractual schedule,



failing which the Financial Creditor would be entitled to invoke the remedies available under law and under the terms of the Loan Agreement.

(vii) However, despite the clear contractual obligation and the sufficient time granted for repayment, the Corporate Debtor failed to repay the loan amount on or before 31.08.2025 and has not made any payment towards the outstanding principal or the accrued interest till date, thereby committing a continuing default under the Loan Agreement. The Financial Creditor, upon the Corporate Debtor's failure to repay the loan by the stipulated due date, issued a Demand Letter dated 01.09.2025, calling upon the Corporate Debtor to forthwith clear the outstanding principal along with the accrued interest. In response, the Corporate Debtor, vide its reply, assured the Financial Creditor that the dues would be cleared and sought time for repayment. However, despite such assurances, the Corporate Debtor failed to make any payment till date, thereby confirming the continuing nature of the default.

(viii) The outstanding dues of the Corporate Debtor comprise the principal amount of Rs.4,50,00,000/- (Rupees Four Crores Fifty Lakhs Only) together with interest calculated at the agreed rate of 18% per annum up to 30.11.2025 amounting to Rs.1,24,84,110/- (Rupees One Crore Twenty-Four Lakhs Eighty-Four Thousand One Hundred Ten Only). In addition, the Corporate Debtor is also liable to pay penal interest at the rate of 2% per annum, over and above the agreed rate of 18% per annum, which amounts to Rs.13,87,123/- (Rupees Thirteen Lakhs Eighty-Seven Thousand One Hundred Twenty-Three Only) and continues to accrue until actual payment is made. Accordingly, the total default amount as on



30.11.2025 comes to Rs.5,88,71,233/- (Rupees Five Crores Eighty-Eight Lakhs Seventy One Thousand Two Hundred Thirty Three Only), comprising the principal amount, accrued interest at 18% per annum, and penal interest at 2% per annum.

- (ix) The Financial Creditor several times made demands with the Corporate Debtor for repayment of due amount, but the Corporate Debtor failed in doing so. The Corporate Debtor requested some time for clearing the due amount. The Financial Creditor conceded to the requests made by the Corporate Debtor and waited for payment. Even after lapse of lot of time, the Corporate Debtor failed to clear the due amount.
- (x) The Financial Creditor extended financial assistance to the Corporate Debtor, which enabled the latter to run its business operations. The Corporate Debtor has duly received and utilised the entire loan amount. However, despite such assistance, the Corporate Debtor failed to honour its financial obligations and has consistently defaulted in repayment of the dues owed to the Financial Creditor.
- (xi) As security for the due repayment of the loan amount along with interest and all other monies payable under the Loan Agreement, the Directors of the Corporate Debtor voluntarily agreed to execute personal guarantees in favour of the Financial Creditor. By executing such guarantees, the Directors undertook to be jointly and severally liable for the repayment of the entire loan amount, including accrued interest, penal charges, costs, and any other sums due under the Loan Agreement, in the event of default by the Corporate Debtor.



- (xii) The Financial Creditor sufficiently established that there is a lawful financial debt between the Financial Creditor and Corporate Debtor. The present Petition filed by the Financial Creditor lucidly outlines the nature and description of the unpaid financial debt in accordance with the provisions of the Code and thus satisfies all the conditions for admission. There is an unpaid "Financial Debt" exceeding Rs.1 Crore, there is sufficient documentary evidence furnished by the Financial Creditor showing that the debt is due & payable and not been paid.
- (xiii) The Petition is complete and to best of Financial Creditor's knowledge, Shri Krishna Komaravolu, (IBBI/IPA-002/IP-N00562/2017-2018/11699) is fully qualified and permitted to act as an Insolvency Professional in accordance with the Code and the applicable rules/ regulations.
- (xiv) The Insolvency professional has given consent to act as Interim Resolution Professional (hereinafter referred to as the "**IRP**"), vide his communication dated 02.12.2025 and has also certified that he is eligible to be appointed as the IRP.
- (xv) The Petition has been filed within the prescribed limitation period under the Code and is made in good faith.
- (xvi) The Petition is stated to comply with all the requirements under Section 7 of the Code based on the facts, documents, and information provided.
- (xvii) As per Part IV of Form 1, the amount claimed to be in default and the date of default are Rs. 5,88,71,233/- and 30.11.2025 respectively. The relevant extract of the Part IV of Form 1 is reproduced below:



2.	AMOUNT CLAIMED TO BE IN DEFAULT AND THE DATE ON WHICH THE DEFAULT OCCURRED (ATTACH THE WORKINGS FOR COMPUTATION OF AMOUNT AND DAYS OF DEFAULT IN TABULAR FORM)	<p>Principal Amount:- ₹4,50,00,000/- (Rupees Four Crores Fifty Lakhs Only).</p> <p>Interest:- 18% per annum ₹1,24,84,110/- (Rupees One Crore Twenty-Four Lakhs Eighty-Four Thousand One Hundred Ten Only).</p> <p>Penal Interest:- 2% per annum ₹13,87,123/- (Rupees Thirteen Lakhs Eighty Seven Thousand One Hundred Twenty Three Only).</p> <p>Total Default Amount:- ₹5,88,71,233/- (Rupees Five Crores Eighty Eight Lakhs Seventy One Thousand Two Hundred Thirty Three Only) as on 30.11.2025 with further interest as per the terms of the agreement till the date of repayment.</p> <p>Date of Default:- 31.08.2025. The date of default under the Loan Agreement is 31st August 2025, being the due date by which the Corporate Debtor failed to repay the outstanding loan amount together with accrued interest.</p>

(xviii) The Financial Creditor has also enclosed the following documents with the Petition:

- (a) Copy of Master Data of the Corporate Debtor as Annexure-A at pages 34-35 of the Petition.
- (b) Copy of GST registration and Pan Card of the Financial Creditor as Annexure-B at pages 36-39 of the Petition.
- (c) Copy of Loan Agreement dated 03.04.2024 and Board Resolution dated 02.04.2024 as Annexure-C at pages 40-49 of the Petition.
- (d) Copy of bank statement of the Financial Creditor and acknowledgment receipt of the loan amount dated 03.07.2024 issued by the Corporate Debtor as Annexure-D at pages 50-59 of the Petition.



- (e) Copy of demand letter dated 01.09.2025 and reply of the Corporate Debtor as Annexure-E at pages 60-64 of the Petition.
- (f) Copy of interest calculation sheet and penal interest calculation sheet as Annexure-F at pages 65-66 of the Petition.
- (g) Copy of e-mails exchanged between the Financial Creditor and Corporate Debtor as Annexure-G at pages 67-69 of the Petition.
- (h) Copy of personal guarantee deed dated 03.04.2024 and promissory notes issued by the Corporate Debtor as Annexure-H at pages 70-78 of the Petition.
- (i) Copy of Income Tax Returns of the Financial Creditor for the financial year 2024-25 along with Balance Sheet and Notes as Annexure-I at pages 79-90 of the Petition.
- (j) Record of financial information filed with the NeSL (Form-C) as Annexure-J at pages 91-92 of the Petition.
- (k) Copy of written communication by the proposed IRP as Annexure-M at pages 95-98 of the Petition.

4. This Adjudicating Authority vide its Order dated 15.12.2025 directed the Registry to issue notice to the Corporate Debtor through speed post and upon receipt of notice, the Corporate Debtor was granted two weeks' time to file the Counter after duly serving the copy on the Financial Creditor.

COUNTER BY THE CORPORATE DEBTOR:

5. The Corporate Debtor vide Diary No. 220 dated 03.02.2026, filed the Counter denying the submissions made in the Petition and prayed to dismiss the Petition in view of the following:



- (i) The Petition is barred by limitation under Article 137 of the Limitation Act, 1963, and therefore is liable to be dismissed at the threshold itself.
- (ii) The Financial Creditor failed to establish any legally enforceable debt that is due and payable. The alleged claim is disputed, not supported by proper evidence, and therefore no “default” as defined under Section 3(12) of the Code has occurred. In the absence of both debt and default, the Petition is not maintainable.
- (iii) The alleged claim has not crystallized and is contingent, disputed, and subject to reconciliation. Since there is no ascertained debt within the meaning of Section 3(11) of the Code, there can be no default, and the Petition deserves to be dismissed.
- (iv) The Petition is a clear misuse of the Code, as this Adjudicating Authority is not a recovery forum for uncrystallised or disputed claims, and invocation of CIRP in such circumstances is legally impermissible.
- (v) The Corporate Debtor is engaged in the business of manufacturing ferro alloys. Due to disconnection of electricity by the electrical department, the manufacturing unit remained closed for more than one year, resulting in severe operational and financial distress. The Government of Andhra Pradesh, taking into consideration the genuine difficulties faced by the ferro alloys industry, recently reduced the applicable electricity tariffs, thereby providing substantial relief to such industries. In view of the said policy decision, the Corporate Debtor has a realistic and viable opportunity to revive its operations upon restoration of power supply. Hence, in the interest of justice and with a view to enabling revival of the Corporate



Debtor, the Petition be kept in abeyance for six months, during which time the Corporate Debtor undertakes to revive its manufacturing operations.

- (vi) The Hon'ble NCLAT in several instances held that the financial stress arising due to factors beyond the control of the Corporate Debtor cannot automatically be construed as default warranting insolvency. In view of the law laid down by the Hon'ble Supreme Court in ***Vidarbha Industries Power Ltd. v. Axis Bank Ltd***, this Adjudicating Authority is vested with discretionary power under Section 7(5)(a) the Code to defer admission of a Petition, even where debt and default are alleged, The Hon'ble Supreme Court has categorically held that the Adjudicating Authority is not bound to mechanically admit a Petition upon mere proof of debt and default and may, having regard to the overall facts and circumstances, keep the Petition in abeyance, where admission would defeat the object of revival.
- (vii) Admitting the Petition at this stage would seriously harm a viable industrial unit and go against the objective of the Code, which emphasizes revival rather than liquidation.

IA (IBC)/50/2026:

6. The Corporate Debtor vide Dairy No. 218 dated 03.02.2026, filed this interlocutory application bearing no. IA (IBC)/50/2026 in CP 44/2025 (hereinafter referred to as the "**IA 50/2026**" or "**IA**"), reiterating the contents of his Counter dated 03.02.2026, praying to keep the CP 44/2025 in abeyance for a period of six months, in exercise of powers under Section 7(5)(a) read with Section 60(5) of the Code, as contemplated by the Hon'ble Supreme Court in *Vidarbha Industries Power Ltd. v. Axis Bank Ltd.*



7. The present IA deserves to be dismissed, as the contents and grounds urged therein are identical and same to those already raised in the Counter filed by the Corporate Debtor. Since the issues sought to be canvassed in this IA are intrinsically connected with and form part of the Counter in the CP 44/2025, no separate consideration is warranted.

8. Accordingly, **IA (IBC)/50/2026** is hereby dismissed and disposed of.

MEMO BY THE FINANCIAL CREDITOR:

9. The Financial Creditor vide Dairy No. 270 dated 12.02.2026 filed a Memo enclosing the Balance Sheet of the Corporate Debtor for the financial year 2024-25.

ANALYSIS AND FINDINGS:

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

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

- (i) As per clause 4 of the Loan Agreement dated 03.04.2024, the Corporate Debtor undertook to repay the outstanding amount of Rs.4,50,00,000/- together with interest @ 18% per annum to the Financial Creditor on or before 31.08.2025. As per Part IV of the Petition, the date of default is mentioned as 31.08.2025, as the Corporate Debtor failed to repay the outstanding amount to the Financial Creditor on 31.08.2025. The relevant extracts of the clause 4 of the Loan Agreement dated 03.04.2024 are reproduced below:



- (ii) On perusal of the records, the instant Petition was e-filed on 04.12.2025 and physically filed on 04.12.2025 vide Dairy No. 2434.
- (iii) Therefore, we are of the considered view that the present Petition has been filed well within the limitation period of three years.

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

- (i) Under section 7 of the IBC, a Financial Creditor can initiate the CIRP by proving the existence of financial debt and default in its repayment, when it became due and payable.
- (ii) As per the Loan Agreement entered into between the Financial Creditor and Corporate Debtor on 03.04.2024, the Financial Creditor agreed to extend interest bearing loan facility of Rs.4,50,00,000/- (Rs.1,00,00,000/- to be disbursed on the date of execution of the Loan Agreement and balance Rs.3,50,00,000/- in one or more tranches within a period of three months from the date of the Loan Agreement) subject to certain terms and conditions and covenants as mutually agreed between the parties. The interest on the loan amount was payable @ 18% per annum from the respective dates of disbursements, until full and final repayment of the entire outstanding loan. In case of delay or default in payment of interest or principle additional penal interest was also payable. The entire loan amount was repayable on or before 31.08.2025. The relevant extracts of the aforesaid Loan Agreement are reproduced below:



LOAN AGREEMENT

This Loan Agreement ("Agreement") is entered into on this 03rd day of April 2024 at Hyderabad.

BY AND BETWEEN: -

M/s. Trust Metals & Minerals Enterprises, a Registered Partnership Firm, Having office at #9-17-34, Flat No.1, Sri Puja Residency, CBM Compound, Visakhapatnam-530003. PAN No:- AALFT9344D, GST No:- 37AALFT9344D1ZU(Represented by its **Partner Guttula Subbarao**). (Hereinafter referred to as the "LENDER" or "CREDITOR" which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors, legal representatives and permitted assignees) of the **FIRST PARTY**.

AND

M/s. SIRI SMELTERS & ENERGY PRIVATE LIMITED bearing CIN No:- U27100AP2011PTC072277 , PAN Number:- AAPCS2941A, GSTIN No:- 37AAPCS2941A1ZE, a Company incorporated under the Companies Act, 1956, having its registered office at Plot No.262/B & 263 /A, APIIC Growth Center, Bobbili, Andhra Pradesh, India, 535558 represented by its Managing Director **Shri. SAJJA NAGA MOHAN DIN No:- 03369643** (Hereinafter referred to as the "PRINCIPAL BORROWER" or "BORROWER" which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors, legal representatives and permitted assignees) of the **SECOND PARTY**;

XXXXXXXXXXXXXXXXXX

NOW, THEREFORE, in consideration of the foregoing representations, assurances, and mutual covenants, and in order to formally record their understanding, the Parties hereto have mutually agreed to enter into this Agreement to set out the terms, conditions, rights, duties, and obligations of each Party in relation to the said loan transaction, as detailed hereunder:-

1. Loan Amount and Purpose :-

1.1. The Lender agrees to grant to the Borrower an interest-bearing loan facility of ₹4,50,00,000/- (Rupees Four Crores Fifty Lakhs Only).

1.2. The Borrower represents that the said loan amount shall be utilized solely for the purpose of clearing electricity dues, procurement of raw materials, and meeting working capital requirements necessary for the smooth functioning of its business operations.

1.3. The Borrower shall not divert or utilize the loan amount for any purpose other than those expressly stated herein, without the prior written consent of the Lender.

2. Disbursement of Loan:-

2.1. On the date of execution of this Agreement, the Lender shall disburse a sum of ₹1,00,00,000/- (Rupees One Crore Only) to the Borrower as the first tranche of the loan.

2.2. The balance amount of ₹3,50,00,000/- (Rupees Three Crores Fifty Lakhs Only) shall be disbursed by the Lender in one or more tranches, from time to time, within a period of three (3) months from the date of this Agreement, based on the Borrower's fund requirements.

2.3. The Borrower shall furnish a written requisition specifying the amount required, the purpose for which it is to be utilized, and confirmation of compliance with all conditions.

2.4. The date of each disbursement shall be deemed to be the effective date for computation of interest at the rate of 18% (Eighteen Percent) per annum on the respective disbursed amounts.

3. Interest:-

3.1. The Borrower agrees to pay interest on the loan amount at the rate of 18% (Eighteen Percent) per annum, from the respective dates of disbursement of each tranche of the loan until full and final repayment of the entire outstanding amount.

3.2. In the event of any delay or default in payment of interest or principal, the Borrower shall be liable to pay an additional penal interest at the rate of 2% (Two Percent) per annum over and above the normal rate of interest, calculated for the period of default, without prejudice to the Lender's right to recall the entire loan.

3.3. The computation of interest and penal charges by the Lender shall be final and binding on the Borrower.

4. Repayment:-

4.1. The Borrower hereby undertakes and agrees to repay the entire loan amount of ₹4,50,00,000/- (Rupees Four Crores Fifty Lakhs Only) together with interest thereon at the rate of 18% (Eighteen Percent) per annum, calculated from the respective dates of disbursement, on or before **31st August 2025**.





4.2. The repayment shall be made in such manner that the entire outstanding principal and accrued interest are fully discharged on or before the said due date, without any delay or default.

4.3. The Borrower may, prepay the loan amount in full or in part before the due date, provided that all accrued interest up to the date of such prepayment is duly paid.

4.4. In the event of failure to repay the loan or any part thereof by the stipulated date, the Borrower shall be deemed to be in default, and the entire outstanding amount shall become immediately due and payable, together with penal interest at 2% (Two Percent) per annum over and above the agreed rate of 18% per annum, until actual payment is made.

- (iii) In terms of the aforesaid Loan Agreement, the Financial Creditor disbursed Rs.1,00,00,000/-, Rs.30,00,000/-, Rs.50,00,000/-, Rs.20,00,000/-, Rs.1,00,00,000/-, Rs.50,00,000/-, Rs.50,00,000/-, and Rs.50,00,000/- on 03.04.2024, 08.04.2024, 03.05.2024, 03.05.2024, 28.05.2024, 01.06.2024, 28.06.2024 and 03.07.2024 respectively from its bank accounts with ICICI Bank and enclosed with the Petition the statement of the aforesaid bank account. The relevant extracts of the above bank account are reproduced below:

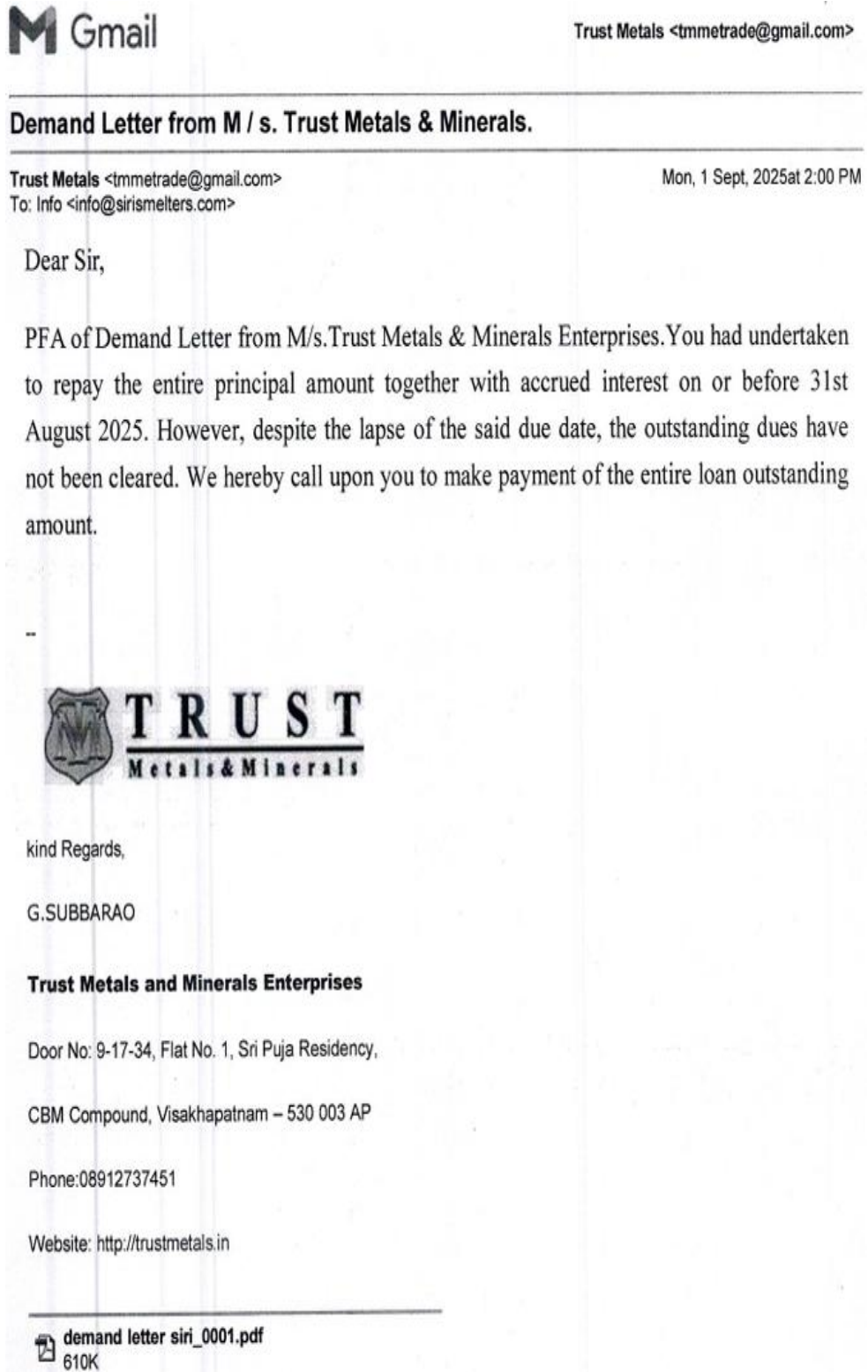
			
Detailed Statement			
Name:	TRUST METALS & MINERALS ENTERPRISES	A/C Branch:	CHINA GANTYADA
Address:	FLAT,NO-1, 9-17-34 CBM,COMPOUND,CBM COMPOUND,VISAKHAPATNAM,530003 ,VISHAKHAPATNAM,530003,ANDHRAPRADESH,INDIA	Branch Address:	ICICI BANK LTD., SURVEY NO. 156/1B, CHINA GANTYADA, GAJUWAKA, VISHAKAAPTAM.530026, ANDHRA PRADESH,VISAKHAPATNAM,ANDHRA PRADESH,INDIA
A/C No:	762405500009	A/C Type:	CAA
Jt. Holder:	XXXXXXXXXXXXXXXX	Cust ID:	573669941



Sl No	Tran Id	Value Date	Transaction Date	Transaction Posted Date	Cheque no / Ref No	Transaction Remarks	Withdrawal (Dr)	Deposit (Cr)	Balance
XXXXXXXXXXXXXXXXXX									
3//	S3509 9623	03/Apr/20 24	03/Apr/2024	03/04/2024 01:56:54 PM		RTGS/ICIR4202404 0300523357/UBINO 800503/SIRISMELTE RSANDENERGYPRIV ATELIM	1,00,00,0 00.00		- 4,42,50,7 13.85
XXXXXXXXXXXXXXXXXX									
1	S8836 0802	08/Apr/20 24	08/Apr/2024	08/04/2024 12:35:01 PM		RTGS/ICIR4202404 0800516196/UBINO 800503/SIRISMELTE RSANDENERGYPRIV ATELIM	30,00,000 .00		- 4,48,73,5 70.85
XXXXXXXXXXXXXXXXXX									
1	S1506 1896	03/May/2 024	03/May/2024	03/05/2024 09:28:12 AM		RTGS/ICIR4202405 0300503063/UBINO 800503/SIRISMELTE RSANDENERGYPRIV ATELIM	50,00,000 .00		- 3,42,90,4 85.47
XXXXXXXXXXXXXXXXXX									
29	S1869 8709	03/May/2 024	03/May/2024	03/05/2024 02:23:08 PM		RTGS/ICIR4202405 0300525182/UBINO 800503/SIRISMELTE RSANDENERGYPRIV ATELIM	20,00,000 .00		- 3,01,16,4 15.47
XXXXXXXXXXXXXXXXXX									
4	S4631 0418	28/May/2 024	28/May/2024	28/05/2024 04:47:25 PM		RTGS/ICIR4202405 2800545682/UBINO 800503/SIRISMELTE RSANDENERGYPRIV ATELIM	1,00,00,0 00.00		- 4,63,54,1 29.47
XXXXXXXXXXXXXXXXXX									
5	S8741 5842	01/Jun/20 24	01/Jun/2024	01/06/2024 05:07:34 PM		RTGS/ICIR4202406 0100532513/UBINO 800503/SIRISMELTE RSANDENERGYPRIV ATELIM	50,00,000 .00		- 2,90,14,8 27.47
XXXXXXXXXXXXXXXXXX									
3	S4216 3153	28/Jun/20 24	28/Jun/2024	28/06/2024 06:04:32 PM		RTGS/ICIR4202406 2800551561/UBINO 800503/SIRISMELTE RSANDENERGYPRIV ATELIM	50,00,000 .00		- 3,87,53,0 61.45
XXXXXXXXXXXXXXXXXX									
29	S9339 2244	03/Jul/20 4	03/Jul/2024	03/07/2024 07:01:32 PM		RTGS/ICIR4202407 0300551556/UBINO 800503/SIRISMELTE RSANDENERGYPRIV ATELIM	50,00,000 .00		- 3,84,37,3 36.71



- (iv) The Corporate Debtor, in response to the email dated 01.09.2025 of the Financial Creditor along with the demand letter dated 01.09.2025, has acknowledged the debt vide its email dated 01.09.2025. The aforesaid emails are reproduced below:





TRUST METALS & MINERALS ENTERPRISES
(Supply of All Metals, Minerals & Ores)
(GSTIN: 37AALFT9344D1ZU)



DEMAND LETTER

Date:- 01 September 2025.

To,

M/s. Siri Smelters & Energy Private Limited,

Plot No.262/B & 263 /A, A,

PIIC Growth Center, Bobbili, Andhra Pradesh, India, 535558.

Subject: Demand for Repayment of Principal Loan Amount of ₹4,50,00,000/ Together with Accrued Interest.

Dear Sir,

We, M/s. Trust Metals & Minerals Enterprises, refer to the Loan Agreement Dated 03.04.2024 pursuant to which a total sum of ₹4,50,00,000/- (Rupees Four Crores Fifty Lakhs Only) was disbursed to your company on various dates. As per the terms of the agreement, each date of disbursement is deemed to be the effective date for computation of interest, which is payable at the rate of 18% (Eighteen Percent) per annum until repayment in full.

You had undertaken to repay the entire principal amount together with accrued interest on or before 31st August 2025. However, despite the lapse of the said due date, the outstanding dues have not been cleared.

Outstanding Amount as on 31.08.2025:

Total Principal: ₹4,50,00,000

Total Interest @18% p.a.: ₹1,04,94,585



For TRUST METALS AND MINERALS ENTERPRISES
G.S.U.
Authorized Signatory

9-17-34, Flat No. 001, Sri Puja Residency, CBM Compound, Visakhapatnam - 530003, Andhra Pradesh
Email: tmmtrade@gmail.com, info@trustmetal.in
Office: 0891-2737451



TRUST METALS & MINERALS ENTERPRISES
(Supply of All Metals, Minerals & Ores)
(GSTIN: 37AALFT9344D1ZU)



Total Amount Due: ₹5,54,94,585 (Rupees Five Crores Fifty-Four Lakhs Ninety-Four Thousand Five Hundred Eighty-Five Only)

We hereby call upon you to make payment of the entire outstanding amount of ₹5,54,94,585/- (Rupees Five Crores Fifty Four Lakhs Ninety Four Thousand Five Hundred Eighty Five Only) within 7 days from the receipt of this letter, failing which we shall be constrained to initiate legal proceedings, civil and criminal remedies, and proceedings under the Insolvency and Bankruptcy Code (IBC), at your sole risk, cost, and consequences.

For

M/s. Trust Metals & Minerals Enterprises

For TRUST METALS AND MINERALS ENTERPRISES

G.S.U.
Authorized Signatory.

Authorized Signatory



9-17-34, Flat No. 001, Sri Puja Residency, CBM Compound, Visakhapatnam - 530003, Andhra Pradesh
Email: tmmtrade@gmail.com, info@trustmetal.in
Office: 0891-2737451



M Gmail

Trust Metals <tmmtrade@gmail.com>

Demand Letter from M / s. Trust Metals & Minerals.

info sirismelters.com <info@sirismelters.com>
To: Trust Metals <tmmtrade@gmail.com>

Mon, 1 Sept, 2025, at 2:09 PM

Dear Sir,

We are currently reviewing the payment details and will revert to you shortly with the finalised payment schedule. We assure you that there will be no delay from our side, and the schedule will be shared without fail.

Thank you for your patience and understanding.

Kind Regards

Sajja Naga Mohan
Managing Director
Siri Smelters & Energy Pvt Ltd.

- (v) In reply to the email of the Financial Creditor dated 27.11.2025, the Corporate Debtor vide email dated 28.11.2025 has again acknowledged the debt. The relevant extracts of the emails are reproduced below:

M Gmail

Trust Metals <tmmtrade@gmail.com>

RE: Reply – Outstanding Loan Amount

purchase sirismelters.com <purchase@sirismelters.com>
To: Trust Metals <tmmtrade@gmail.com>

Fri, Nov 28, 2025 at 3:46 PM

Dear Sir,

Thank you very much for the support extended by you till today. We wish to inform you that we are putting our efforts to get the power re-connection and will get it very soon. We will give you our plan of action for the payments immediately after receiving the power instalment letter from APEPDCL. So, we request you not to initiate any proceedings before the Hon'ble NCLT.

Thanks & Regards,

Mohan N Sajja
Managing Director

From: Trust Metals <tmmtrade@gmail.com>
Sent: 27 November 2025 16:17
To: Naga Mohan S <sirialloys@gmail.com>; accounts sirismelters.com <accounts@sirismelters.com>; purchase sirismelters.com <purchase@sirismelters.com>
Cc: Trust Metals <tmmtrade@gmail.com>
Subject: Reminder – Outstanding Loan Amount

Dear Sir,

This is a gentle reminder that the loan amount due to us continues to remain outstanding in our books. Despite our repeated follow-ups, we have not received any update or confirmation regarding the payment.

We request you to kindly arrange for the immediate clearance of the outstanding dues. In the absence of payment, we will be constrained to initiate appropriate proceedings before the Hon'ble NCLT.

You are requested to treat this matter as urgent and share the proposed payment schedule at the earliest.



(vi) In view of the aforesaid discussions, we are of the considered view that there is a financial debt extended by the Financial Creditor to the Corporate Debtor and there is a default in repayment thereof, when it became due and payable on 31.08.2025 and the default exceeds the minimum threshold of Rupees One crore. In this regard, we also rely on the **judgement dated 24.02.2026 of the Hon'ble Supreme court in the matter of Catalyst Trusteeship Ltd. vs. Ecstasy Realty Pvt. Ltd., 2026 INSC 186 (Civil Appeal No. 7424 of 2025)**, wherein the Supreme Court has observed as below:

“12. In this regard, we may note the settled legal position that for admission of an application under Section 7 of the Code, the adjudicating authority is only required to examine and satisfy itself that a financial debt exists and there is default in relation thereto. In this context, the observations of this Court in Innoventive Industries Limited vs. ICICI Bank and another (2018) 1 SCC 407 are of relevance and are extracted hereunder:

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

Thus, the concept of a pre-existing dispute, which may be a stumbling block for admission of an application filed under Section 9 of the Code by an operational creditor, has no bearing on an application filed by a financial creditor under Section 7 of the Code.”

13. However, before admission, this Adjudicating Authority has to satisfy that the Petition is complete and there are no disciplinary proceedings pending against the proposed IRP. Further, Rule 4 of the IB Rules prescribes the procedural requirements, including the format and supporting documents required for filing such a Petition.

14. We have gone through the contents of the Petition filed by the Financial Creditor and found that the same is complete. The Financial Creditor has proposed the name of **Mr. Krishna Komaravolu having Reg. No. IBBI/IPA-002/IP-N00562/2017-**



2018/11699 as IRP in this matter. The written consent of the proposed IRP in Form-2 dated 02.12.2025 is annexed to the Petition at Annexure-M, wherein, the proposed IRP affirmed that he is eligible to be appointed as a resolution professional in respect of the Corporate Debtor herein and certified that there are no disciplinary proceedings pending against him with the Board or Indian Institute of Insolvency Professionals. The copy of the Authorisation for Assignment in Form B is annexed at Page 97 of the Petition, which shows that his Authorisation is valid till 31.12.2026.

15. As a sequel to the discussion above, the present section 7 Petition bearing **CP (IB)/44/7/AMR/2025** filed by the Financial Creditor under section 7 of the IBC for initiating CIRP against the Corporate Debtor **M/s. Siri Smelter & Energy Private Limited**, 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 license, 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.



16. The credentials of the proposed IRP was verified on the IBBI website, which shows that the proposed IRP holds the valid Authorisation for Assignment (AFA) up to 31.12.2026. The relevant extract of the IBBI website is given below:

Name of the IP	Mr. Krishna Komaravolu
Registration no	IBBI/IPA-002/IP-N00562/2017-2018/11699
Date of Registration	16-Mar-18
Member of IPA	ICSI Institute of Insolvency Professionals
Member of IPE	
Email id	kkvolu[at]gmail[dot]com
Address	Komaravolu Krishna, H.No.7-1-214, Flat No.401, Vamsikrishna Apartments, Dharam Karan Road ,Ameerpet, Hyderabad ,Hyderabad ,Telangana ,500016
Have Valid AFA	Yes
AFA Certificate No.	AA2/11699/02/311226/204061
AFA Valid Upto	31-Dec-26
Total CPE Earned	128
Total Assignments	28

17. Accordingly, we hereby appoint **Mr. Krishna Komaravolu** bearing Registration No. IBBI/IPA-002/IP-N00562/2017-2018/11699, e-mail ID: kkvolu@gmail.com having registered address at H. No. 7-1-214, Flat No. 401, Vamsikrishna Apartments, Dharamkaram Road, Ameerpet, Hyderabad-500016, Telangana as IRP in the instant matter, with the following directions: -

- (i) The term of appointment of Mr. Krishna Komaravolu shall be in accordance with the provisions of Section 16(5) of the Code ;
- (ii) The aforesaid IRP shall submit an affidavit to this Adjudicating Authority within 7 days of this Order that his existing assignments including the present assignment are within the permissible limit of clause 22 of Code of Conduct specified in First Schedule to IBBI (Insolvency Professionals) Regulations, 2016



- (iii) The aforesaid IRP shall also submit an affidavit to this Adjudicating Authority within 7 days of this Order that he is eligible to be appointed as IRP under Regulation 3 of IBBI (Insolvency Resolution Process for Corporate Persons), Regulations, 2016;
- (iv) The IRP in the first meeting of the CoC shall make the requisite disclosure in terms of Regulation 7 of the IBBI (Insolvency Professionals) Regulations, 2016
- (v) 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;
- (vi) 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 his profession and as an Insolvency Professional with high standards of ethics and moral;
- (vii) 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;

- (viii) The IRP/RP shall prepare the Audited Financial Statements as on date of the CIRP and shall submit before the CoC for consideration.
- (ix) 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.
- (x) 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;
- (xi) 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 IRP/ RP 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.

- (xii) 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.
- (xiii) 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 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 his status report filed before this Adjudicating Authority immediately after a month of the initiation of the CIRP.

- (xiv) 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.
- (xv) 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 his appointment, and shall convene first meeting of the Committee within seven days of filing the report of constitution of the Committee;
- (xvi) 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, ESI etc. and also to trade unions, and employee associations to inform them about the commencement of CIRP.



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

18. 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 him 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.

19. 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)/44/7/AMR/2025 stands admitted.

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

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

Chandu