

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

**PRESENT: JUSTICE TELAPROLU RAJANI – MEMBER JUDICIAL  
ATTENDANCE-CUM-ORDER SHEET OF THE HEARING HELD ON 10.04.2023 AT 10.30 AM**

TC/CP. Nos.	CA/IA No.	Section/ Rule	Name of Parties
CP(IB)/67/9/AMR/2020	Main Case	9 of IBC	Ingram Micro India Pvt Ltd Vs Fastlane Information Pvt Ltd
	IA(IBC)/118/2023	33(2) of IBC	Mr. Srinivas Gudla Rao, RP of Fastlane Information Technologies Private Limited

**ORDER**

**IA(IBC)/118/2023:**

Ms.Manoranjani, Counsel for the Applicant present. Orders pronounced.  
IA(IBC)/118/2023 is allowed, vide separate orders.

Sd/-  
**JUSTICE TELAPROLU RAJANI  
MEMBER JUDICIAL**

*RSN*

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

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**IA(IBC)/118/2023  
IN  
CP (IB)/67/9/AMR/2020**

**Under Section 33(2) of the Insolvency and Bankruptcy Code, 2016  
Read with Rule 11 of National Company Law Tribunal Rules, 2016  
and Regulation 3 of Insolvency and Bankruptcy Board of India  
(Liquidation Process) Regulations, 2016**

**In the matter of  
FASTLANE INFORMATION TECHNOLOGIES PRIVATE  
LIMITED**

Between:

Mr. Srinivas Gudla Rao,  
Resolution Professional of  
M/s. Fastlane Information Technologies Private Limited,  
Registered office at H.No.5-87-60,  
ATR Complex, 1<sup>st</sup> Floor, Main Road,  
Opposite Chaitanya Techno School,  
Lakshmi Puram, Guntur, AP -522007.

... **Applicant/ Resolution Professional**

**Date of Pronouncement of Order: 10.04.2023**

**CORAM:**

**Justice Telaprolu Rajani, Member Judicial**

**Appearance:**

For Applicant/RP : Ms.Manoranjani, Advocate

**ORDER**

**Per: Justice Telaprolu Rajani, Member Judicial**

1. This is an Application filed by the Resolution Professional under Section 33 (2) of the Insolvency and Bankruptcy Code, 2016 (the Code) read with Rule 11 of NCLT Rules, 2016 and Regulation 3 of Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 seeking orders for Liquidation of the Corporate Debtor i.e., **M/s. Fastlane Information Technologies Private Limited** and to appoint the Resolution Professional as the Liquidator.
2. The facts of the case, briefly, are as follows:
  - i. The Company Petition i.e., CP (IB)/67/9/AMR/2020 is filed under section 9 of the Insolvency and Bankruptcy Code, 2016 by **Ingram Micro India Pvt Ltd (Operational Creditor)** to initiate the Corporate Insolvency Resolution Process (CIRP) against **Fastlane Information Technologies Pvt Ltd** (Corporate Debtor) was admitted by the Hon'ble Tribunal vide its order dated 20.09.2022 and Mr.Mannava Divakara Sarma was appointed as Interim Resolution Professional (IRP).
  - ii. The IRP made public announcement on 28.09.2022 in Form A in widely circulated newspapers i.e., Financial Express in (English Newspaper) and Saakshi (Telugu Newspaper) in Andhra Pradesh and Nava Telangana (Telugu Newspaper) in the state of

Telangana to invite claims from the creditors of the Corporate Debtor.

- iii. On verification of the Goods and Services Tax Portal, it is found that the CD has 5 GST Licenses and out of them, 2 are in Andhra Pradesh State (Both are inactive), 1 is in Maharashtra State (Inactive) and other two are in Karnataka and Telangana states (Both are active and GST returns were filed up to August 2022).
- iv. The IRP and his team visited the CD's Registered Offices in various locations as provided in the GST Portal:
  - a. **Registered Office at Andhra Pradesh:** On 26-09-2022, visited the registered office of the Corporate Debtor, at the address as mentioned in the website of the Ministry of Corporate Affairs for taking over the control and custody of its assets, but Corporate Debtor's office was not found in the said address. Further, the owner of the premises said that they have not given any lease agreement to the CD (M/s Fastlane Information technologies Private Limited). Hence, it is construed that there is no registered office of the CD.
  - b. **Maharashtra:** The CD's office address at Unit No.167, 1<sup>st</sup> Floor, Administrative Building, Arshiya Ftwz, Village Sai, Taluka Panvel, Raigad, Maharashtra-410206 as given in Maharashtra State GST also could not be located and the people present at the premises informed the IRP that the

Corporate Debtor had vacated the premises about a year back.

- c. **Karnataka:** Further it is noticed that the address at 604/B, 2<sup>nd</sup> Floor, Siddalingeshwara Tower, Shivakumar Swamy, Badavane, Hadadi Road, Davanagere, Karnataka-577004 given in GST portal of the CD are also not functioning. As per the information available, the CD does not have any office and no employees are there as on CIRP commencement date.
- d. **Telangana:** On 03.10.2022, IRP along with his team visited the premises of the CD at Hyderabad. It is found that there is no office belonging to the CD.
- v. On 03.10.2022, IRP sent letters to the banks operated by the CD i.e., HDFC Bank Limited, ICICI Bank Limited at Home Branch and Kotak Mahindra Bank Limited at Home Branch for seizure of operations in CD's accounts in those banks.
- vi. In response to the public announcement in Form A made by the IRP, various claims were received and the same were collected, collated and a list of creditors was prepared in accordance with Section 18(1)(b) of the Code read with Regulations 13(1) and 13(2) of the CIRP Regulations and regularly updated. As on 18.03.2023, the final list of claims as received and admitted are as follows:

S. No.	Category of Creditors	Amount Claimed	Amount Admitted	Under Verification
1.	Secured Financial Creditors	1,01,00,366/-	Nil	1,01,00,366/-
2.	Unsecured Financial Creditors	Nil	Nil	Nil
3.	Operational Creditors - Government	1,42,85,241/-	1,42,85,241/-	Nil
4.	Operational Creditors – Employees (18)	3,57,77,095/-	94,98,670/-	2,61,77,431/-
5	Operational Creditors – Other than Government & Employee dues	43,64,49,102/-	30,76,41,398/-	12,88,07,704/-
	<b>Total</b>	<b>49,66,11,804/-</b>	<b>33,14,25,309/-</b>	<b>16,50,85,501/-</b>

vii. A claim amount of Rs.1.01 Crores received from the Unsecured Financial Creditor, Mr. Viplav Kumar is considered to be a related party transaction. Hence, the IRP, constituted the CoC with Operational Creditors.

viii. The IRP appointed Mr.Gutta Koteswara Rao and CA DCV Subrahmanyam as the registered valuers of the CD only for Financial & Security Category of Assets as required under Regulation 27 of IBBI (CIRP Regulations), 2016 since the CD does not have any assets other than the Financial Assets, as reported in the financial statements for the FY2019-20 available in the ROC records and the suspended management has not

provided any documents or cooperation in conducting the CIRP. However, the valuation could not be done because the documents were not provided by the Suspended Board.

- ix. The IRP filed an application i.e., IA(IBC)/324/2022 before this Tribunal, seeking for change of RP and the same is allowed by this Tribunal vide orders dated 17.11.2022 and Mr.Srinivas Gudla Rao, Applicant herein, was appointed as the Resolution Professional.
- x. As per the balance sheet as on 31.03.2020, the CD has done some related party transactions without the approval of members at the general meeting. IRP sent a mail to the Respondents and to the erstwhile directors who were on board at the time of such transactions but no clear reply was received from them.

<b>S.No</b>	<b>Transaction</b>	<b>Party Name / Transaction details</b>	<b>Amount involved. Rs.</b>
1	Investment	Nuronic Labs Pvt Ltd	42,50,000/-
2	Investment	XYZ Innovations Pvt Ltd	49,000/-
3	Investment	Octobuzz Analytics Pvt Ltd Share Application Money	56,20,000/-
4	Investment	Triupm Share application Money	30,24,000/-
5	Loans & Advances	XYZ Innovations Pvt Ltd	3,99,10,134/-
6	Loans & Advances	Netops Fiber Solutions LLP	7,00,00,000/-

- xi. After inviting the quotations for appointment of the Transactional Auditor and after negotiations, COC agreed for appointment of Mr. M. Thilagar from Erode Kerala to take up the audit with a remuneration of Rs.1,00,000/- excluding GST. Accordingly, on 29.01.2023, Mr. M Thilagar has been appointed as the auditor and the transactional audit report is the process of finalization.
- xii. The Applicant filed an application vide IA(IBC)/387/2022 seeking directions to the suspended board for cooperation and for providing necessary documents for conduction of CIRP and the same is partly allowed by this Tribunal vide order dated 15.03.2023 and directed the Suspended Board to share all the documents mentioned in the Application except the bank account details which were already shared.
- xiii. It is noticed that the CD is involved in various litigations before different courts and tribunals which are as follows:
  - a. Ingram Micro - Ingram filed against the CD, a cheating case at Visakhapatnam, a Cheque Bounce Case at Mumbai and also present case filed under Section 9 of IBC vide CP(IBC)/67/9/AMR/2020 that got admitted for CIRP before this Hon'ble NCLT.
  - b. UST Global - CD has filed against UST global for a Receipt of approximately Rs.8.5 Crores in principal and interest of 8 Crores at the MSME Court.

- c. Hitachi (HCC) - CD has filed against Hitachi Consulting Company for non-payment of Rs.2.30 Crores as principle and Rs.2.00 crores as interest at the MSME court.
  - d. Andhra Pradesh State Fibernet Limited (APSFL) - CD has sent legal notices to APSFL for non-payment of Rs.8.20 Crores with regards to the AMC services provided by the CD.
  - e. Qogno – CD has sent multiple reminders and did personnel follow-up for non-payment and non-allocation of shares to the CD for its investment of Rs.85 Lakhs along with interest.
- xiv. Mr. Naveen Kumar Moparthy, member of Suspended Board filed an appeal CA(AT)(CH)(Ins)No.395/2022 challenging the admission of the application CP (IB)/67/9/AMR/2020 under U/S 9 of the Code and the same is pending before the Hon'ble NCLAT, Chennai Bench.
- xv. The IRP & RP conducted 4 CoC meetings. In the 4<sup>th</sup> CoC meeting held on 13.03.2023, the COC resolved and approved with 91.81% voting to initiate liquidation proceedings of the company without going through the process of inviting the Expression Of Interest (EOI) and Resolution Plans owing to the reasons that the CD has no registered office or administrative office and the CD has no work orders in hand. Hence, from the

information available with the IRP/RP, CD had no operations from the FY 2020-2021 and the employees left the organisation since they were not paid salaries and also no work was assigned to them. CD has no fixed assets and has only financial assets like trade receivables, short term investments in related company which are not readily realisable assets (NRRA).

xvi. In the 4<sup>th</sup> CoC meeting, the CoC resolved and approved with 91.81% voting to initiate liquidation proceedings of the CD and to appoint the applicant Mr.Srinivas Rao Gudla, (Registration No. IBBI/IPA-001/IP-P-02093/2020-2021/13333) as Liquidator of the CD. Hence, this application.

3. Heard the counsel for the Applicant. The counsel for the Applicant drew the attention of this tribunal to the minutes of the 4<sup>th</sup> CoC that due to lack of financial information and books of accounts, the Form G as well as EoI could not be issued even after 174<sup>th</sup> day of CIRP.

### **ORDER**

4. In view of the facts stated in the Application, this Tribunal allows the Application with the following directions.
  - a) **Mr. Srinivas Rao Gudla**, (Registration No. IBBI/IPA-001/IP-P-02093/2020-2021/13333), having office at 6-20-20/3, Flat No.201, Aqua Towers, East Point Colony, Back Gate, Chaitanya College, Visakhapatnam, Andhra Pradesh-530017; Mobile:8885524036; e-mail: **gudlasrinivasrao @gmail.com**; is

appointed as the Liquidator. No disciplinary proceeding is pending against him as per the IBBI website.

- b) He shall issue public announcement stating that Corporate Debtor is in Liquidation.
- c) The Moratorium declared under Section 14 of the IBC, 2016 shall cease to operate here from.
- d) Subject to section 52 of the IBC 2016 no suit or other legal proceedings shall be instituted by or against the Corporate Debtor. This shall however not apply to legal proceedings in relation to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.
- e) All powers of the Board of Directors, Key Managerial Personnel and partners of the Corporate Debtor shall cease to have effect and shall be vested in the Liquidator.
- f) The liquidator shall exercise the powers and perform duties as envisaged under Sections 35 to 50 and 52 to 54 of the Code, read with Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations 2016.
- g) Personnel connected with the Corporate Debtor shall extend all assistance and cooperation to the Liquidator as will be required for managing its affairs.

- h) The Liquidator shall be entitled to such fees as may be specified by the Board in terms of Section 34 (8) of the Code.
  - i) This Order shall be deemed to be a notice of discharge to the officers, employees and workmen of the Corporate Debtor, except when the business of the Corporate Debtor is continued during the Liquidation process by the Liquidator.
  - j) Copy of the Order shall be furnished to the IBBI, to the Regional Director (South Eastern Region), Ministry of Corporate Affairs; Registrar of Companies & Official Liquidator, Andhra Pradesh, the Registered Office of the Corporate Debtor; and the Liquidator.
5. With the above directions IA(IBC)/118/2023 in CP (IB)/66/9/AMR/2020 is disposed of. Hence this Order.

**Sd/- Dated 10.04.2023  
JUSTICE TELAPROLU RAJANI  
MEMBER JUDICIAL**

*Swamy Naidu*