



(SHOW CAUSE NOTICE BEFORE ADMISSION)
IN THE HIGH COURT OF ANDHRA PRADESH AT AMARAVATI
(SPECIAL ORIGINAL JURISDICTION)

THURSDAY, THE NINTH DAY OF JANUARY,
TWO THOUSAND AND TWENTY FIVE

:PRESENT:

THE HONOURABLE SRI JUSTICE VENKATESWARLU NIMMAGADDA
WRIT PETITION NO: 736 OF 2025

Between:

M/s. BGR Energy System Limited, Represented by its Authorized Signatory S.Harishram Srinivasan Having its registered office at A-5 Pannamgadu Industrial Estate, Ramapuram Post Sullurpet Taluk, Nellore District Andhra Pradesh.

...Petitioner

AND

1. Union of India, Rep by its Chief Secretary Ministry of Corporate Affairs New Delhi.
2. Canara Bank, 524, 1st floor, Canara Tower, Anna Salai, Teynampet Chennai 600 018.

...Respondents

WHEREAS the Petitioner above named through its Advocate Sri T.V.P.SAI VIHARI presented this Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the affidavit filed therewith, the High Court may be pleased to issue an order/direction, particularly one in nature of Writ of Mandamus declaring the Impugned Proceedings, dated 30.10.2023, declaring the account of the Petitioner Company as NPA with effect from 30.06.2022 are in violation to the Guidelines under RBI Master Circular - Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances

and section 35A and Section 35 AB of the Banking Regulations Act 1949 and consequential proceedings under Section 7 of IBC, 2016 in CP(IB) No. 58/7/AMR/2024 on the file of Honble NCLT, Amaravati bench herein as illegal, arbitrary and in violation of Principles of Natural Justice, devoid of authority for the Respondent Bank and absence of jurisdiction and consequentially, to set aside the impugned proceedings issued by the 2nd Respondent, dated 30.10.2023, declaring the Petitioner Company account as NPA with effect from 30.06.2022 and also to set-aside the proceedings under Section 7 of IBC, 2016 in CP(IB) No.58/7/AMR/2024 on the file of Hon'ble NCLT, Amaravati herein;

AND WHEREAS the High Court upon perusing the petition and affidavit filed herein and upon hearing the arguments of Sri Dammalapati Srinivas, learned senior Counsel representing Sri T.V.P.Sai Vihari, Advocate for the Petitioner and Sri Pasala Ponna Rao, learned Deputy Solicitor General for the Respondent No.1, directed issue of notice to the Respondents herein to show cause as to why this WRIT PETITION should not be admitted.

You viz:

1. The Chief Secretary, Union of India, Ministry of Corporate Affairs
New Delhi.
2. Canara Bank, 524, 1st floor, Canara Tower, Anna Salai, Teynampet
Chennai 600 018.

are be and hereby directed to show cause either appearing in person or through an Advocate, as to why in the circumstances set out in the petition and the affidavit filed therewith (copy enclosed) this WRIT PETITON should not be admitted within three weeks, on which date the case stands posted for hearing;

IA NO: 1 OF 2025:

Petition under Section 151 CPC is filed praying that in the circumstances stated in the affidavit filed in support of the writ petition, the High Court may be pleased to stay all further proceedings CP(IB) No. 58/7/AMR/2024 on the file of Hon'ble NCLT Amaravathi Bench, pending disposal of WP No.736 of 2025, on the file of the High Court.

IA NO: 2 OF 2025:

Petition under Section 151 CPC is filed praying that in the circumstances stated in the affidavit filed in support of the writ petition, the High Court may be pleased to direct the 2nd Respondent not to take any further coercive steps in pursuance to the declaration of Petitioners account as NPA, pending disposal of WP No.736 of 2025, on the file of the High Court.

The Court made the following:

ORDER:

"Notice before admission.

Heard Sri Dammalapati Srinivas, learned senior counsel representing Sri T.V.P. Sai Vihari, learned counsel for the petitioner and Sri Pasala Ponna Rao, learned Deputy Solicitor General of India appearing for Respondent No.1.

There shall be an interim stay of all further proceedings in CP(IB) No.58/7/AMR/2024 on the file of Hon'ble NCLT, Amaravati Bench, for a period of four weeks.

Further, directing the Respondent No.2 not to take any further coercive steps in pursuance to the declaration of petitioner's account as NPA, pending disposal of the writ petition.

Learned counsel for the petitioner is permitted to take out personal notice against the Respondents by registered post with acknowledgment due and file proof of service in the registry.

For filing counter affidavit by the Respondents, post the matter after three weeks."

Sd/- B. PRASADA RAO
ASSISTANT REGISTRAR

//TRUE COPY//

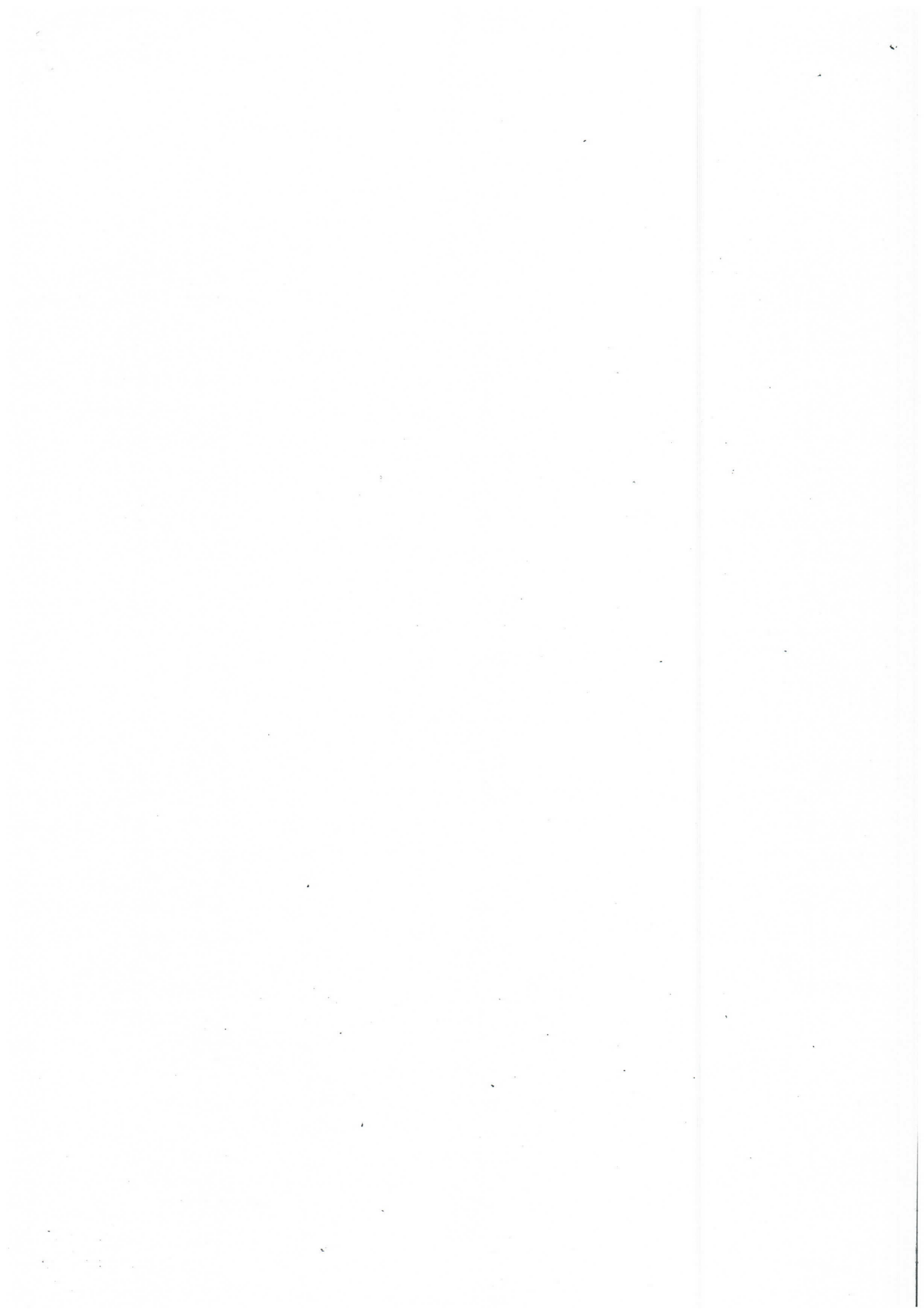
Fc

Ch
SECTION OFFICER

To,

1. The Chief Secretary, Union of India, Ministry of Corporate Affairs
New Delhi.
2. Canara Bank, 524, 1st floor, Canara Tower, Anna Salai, Teynampet
Chennai 600 018. (Addressee Nos.1 & 2 by RPAD- along with a
copy of petition and affidavit)
3. One CC to Sri. T.V.P.Sai Vihari, Advocate [OPUC]
4. One CC to Sri. Pasala Ponna Rao, Deputy Solicitor General [OPUC]
5. One spare copy

MM



HIGH COURT

NV,J

DATED:09/01/2025

POST THE MATTER AFTER THREE WEEKS

NOTICE BEFORE ADMISSION

WP.No.736 of 2025

INTERIM STAY

