

IN THE HIGH COURT OF ANDHRA PRADESH AT AMARAVATI
(SPECIAL ORIGINAL JURISDICTION)

THURSDAY, THE TWENTY SEVENTH DAY OF MARCH
TWO THOUSAND AND TWENTY FIVE

:PRESENT:

THE HONOURABLE SRI JUSTICE SUBBA REDDY SATTI

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

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;

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 petition coming on for hearing, upon perusing the Petition and the affidavit filed in support thereof and the High Court order dated 09.01.2025, 30.01.2025, 13.02.2025 & 06.03.2025 made 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, the Court made the following:

ORDER:

List the matter on 24.04.2025.

Till then, interim order granted earlier is extended.

//TRUE COPY//

F

SD/- A. VIJAYA BABU
ASSISTANT REGISTRAR

SECTION OFFICER

To,

- ✓ 1. One CC to Sri. T.V.P.Sai Vihari, Advocate [OPUC]
- ✓ 2. One CC to Sri. Pasala Ponna Rao, Deputy Solicitor General [OPUC]
3. One spare copy

svp

HIGH COURT

SRS,J

DATED:27.03.2025

List the matter on 24.04.2025

ORDER

WP.No.736 of 2025

INTERIM ORDER EXTENDED

