NATIONAL COMPANY LAW TRIBUNAL
AMARAVATI BENCH
(Video Conference)

PRESENT: JUSTICE TELAPROLU RAJANI – MEMBER JUDICIAL

ATTENDANCE-CUM-ORDER SHEET OF THE HEARING HELD ON 17.03.2023 AT 10.30 AM

TC/CP. Nos.	CA/IA No.	Section/ Rule	Name of Parties
CP(IB)No.67/9/AMR/2020	Main Case	9 of IBC	Ingram Micro India Pvt ltd Vs Fastlane Information Pvt Ltd
	IA(IBC)/387/2022	19(2) of IBC	Mr. Srinivas Gudla Rao, RP Vs. Mr. Naveen Kumar Moparthy and Mr. Uppalapati Uday Kiran (suspended Directors) (in the matter of M/s Fastline Information Technologies Private Limited)

ORDER

IA(IBC)/387/2022:

Ms.Manoranjani, Counsel for the Applicant present. Orders pronounced. IA(IBC)/387/2022 is partly allowed, vide separate orders.

Sd/-
JUSTICE TELAPROLU RAJANI
MEMBER JUDICIAL

RSN

NATIONAL COMPANY LAW TRIBUNAL
AMARAVATI BENCH AT MANGALAGIRI

IA(IBC)/387/2022
IN
CP (IB)/67/9/AMR/2020

Section 19(2) & 60 (5) of the Insolvency and Bankruptcy Code, 2016
Read with Rule 11 of the National Company Law Tribunal Rules, 2016

In the matter of
M/s. FASTLANE INFORMATION TECHNOLOGIES PRIVATE LIMITED

BETWEEN:

Mr.Srinivas Gudla Rao,
(IBBI/IPA-001/IP-P02093/2020-21/13333)
Resolution Professional of
M/s. Fastlane Information Technologies Pvt Ltd.

..... Applicant/RP

AND

1. Mr. Naveenkumar Moparty,
   H.No. 3-26, Pedakakani, Guntur District,
   Andhra Pradesh-522509
   Email Id: naveen2020@gmail.com

2. Mr.Uppalapati Uday Kiran,
   371, 3rd Cross, Renco BHEL Layout,
   Pattanagere, Rajarajeswari Nagar,
   Bengalore, Karnataka -560098
   Email id: udaykiran24@gmail.com

...Respondents

Date of orders pronounced on:15.03.2023

***Coram*:**

Justice Telaprolu Rajani, Member Judicial.

Parties/Counsels present:

For the Applicant/RP : Ms.Manoranjani, Advocate

For the 1st Respondent : Mr.Santosh Jadhav, Advocate

ORDER

Per: Justice Telaprolu Rajani, Member Judicial

1. This is an Application filed by the Applicant Under Section 19 (2) & 60(5) of the Insolvency and Bankruptcy Code, 2016 Read with Rule 11 of the National Company Law Tribunal Rules, 2016 seeking to direct the Respondent to share the detailed information are as follows:

   a) All the Bank account details of the CD & Cheque book and Bank statements for all financial years.
   b) Audited Balance Sheet as of 31st March 2017, 31stMarch 2018, 31st March 2019 and 31st March 2021
   c) Books of accounts of the CD in Tally or any other package, or ledgers & registers maintained by you since beginning to till 04.01.2022
   d) Provisional financials from 01.04.2021 to 04.01.2022
   e) Fixed Assets & Depreciation Register as on 04.01.2022, Fixed Assets schedules to the Balance Sheet.
   f) Stock Register (Quantitative details & its value) as on 04.01.2022.
   g) All the land & properties in the name of the CD
   h) Purchase & Sales Register.
   i) Purchase & Sales Invoices File.
   j) Details of Sundry Debtors & Sundry Creditors.
   k) Details of employees with their contact numbers
   l) Income Tax files, IT returns & Income tax audit reports.
   m) All other records of the CD
   n) Records of any other cases pending against the CD if any.
   o) All passwords & user-Ids for GST & IT.
   p) PPF & EPF records
   q) GST/VAT return copies including notices and assessment orders and demand notice

r) AGM records
s) ROC records
t) All legal matter files
u) Loan agreements and register
v) Rental agreements, if any
w) Related party transactions details
x) Latest Audit reports including audited financial statements
y) Communications/ agreements/ appointment letters of professionals/ consultants.

2. The facts of the case, briefly, are as follows:

i. The Company Petition i.e., CP (IB)/67/9/AMR/2020 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 Sakshi (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 & 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, 1st 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, 2nd 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. No claims were received from Secured Financial Creditors and Unsecured Financial Creditors who are not the related parties and that the claims were received from operational creditors.

vii. On 14.10.2022, a claim amount of Rs.1,01,00,366/- received from the Unsecured Financial Creditor, Mr. Viplav Kumar VLS. After verification, it is found that Mr.Viplav Kumar VLS (DIN: 07096616) as a related party who is Ex-Director of the CD as per Loan Agreement dated 15.09.2021 is Rs.1.70 Crore and dated 18.02.2022 is Rs.30 Lakhs and as per Section 5(24A)(d) of the Code any person who controls more than twenty per cent of voting rights in the corporate debtor on account of ownership or a voting agreement is considered as related party. Hence, the IRP, constituted the CoC with Operational Creditors.

viii. In the 1st COC meeting held on 22.10.2022, COC resolved to replace the IRP and filed an application vide IA(IBC)/324/2022 before this Bench 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.

ix. 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.

SNo	Transaction	Party Name / Transaction details	Amount involved. Rs.
1	Investment	Nuronics 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/-

x. It is noticed that the CD is involved in various litigations and that the cooperation of Respondents is vital for the RP to take appropriate action in the the best interest of the CD and its entire stake holders as tabulated below:

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(IB)/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.

xi. The erstwhile IRP, immediately on his appointment, intimated the Respondents about the initiation of CIRP and sought their cooperation and email dated 21-11-2022, the IRP requested them to provide all the records and details of the CD required for conducting the CIRP. The Respondents have furnished certain part of information that is asked for and has not furnished full information. The Tally package, financial statements for FY 2020-2021 and 2021-2022, provisional statements for the period from 01.04.2022 to 20.09.2022 are yet to be furnished. Hence, this application.

3. Counter filed by the 1st Respondent denies the allegations made in the Application and states that almost all the data and documents requested

of the CD were provided to the erstwhile IRP and hence, this application is not maintainable.

4. Heard the counsel appearing for the RP. None appears for R1 & R2. R2 did not appear on the last adjournment and no counter is filed on his behalf. The Counsel for the RP submits that except the details of the bank account, no other documents which were sought in this Application were shared by the Respondents. R1, though in the counter contends that all the documents were shared, does not specify whether the documents sought for in this Application are shared and he does not put forth any evidence with regard to the sharing of those documents with the RP. Hence, considering that the contention of R1 that all the documents were submitted is not supported by any evidence and considering the contention made by the RP that except the Bank Account Details, no other documents is shared, the Application is partly allowed and the Respondents are directed to share all the documents that are mentioned in the application except the bank account details which were already shared. Accordingly, IA(IBC)/387/2022 is disposed of.

Sd/- Dated 17.03.2023

JUSTICE TELAPROLU RAJANI
MEMBER JUDICIAL

Swamy Naidu