

S.No.1

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
HYDERABAD BENCH – II  
VC AND PHYSICAL (HYBRID) MODE  
ATTENDANCE CUM ORDER SHEET OF THE HEARING HELD ON  
23.06.2026 AT 10:30 A.M.**

**Contempt Petition (IBC)/23/2025 in IA (IBC)/2333/2024 and  
Contempt Petition (IBC)/24/2025 in IA (IBC)/2334/2024  
in CP (IB) No.252/9/HDB/2020  
U/s 9 of IBC**

**IN THE MATTER OF:**

**Akaal Enterprises Pvt Ltd**

**...Petitioner**

**AND**

**AGS Management Services Pvt Ltd**

**...Respondent**

**C O R A M:-**

**SHRI. RAJEEV BHARDWAJ, HON'BLE MEMBER (JUDICIAL)  
SHRI. SANJAY PURI, HON'BLE MEMBER (TECHNICAL)**

**O R D E R**

**Contempt Petition (IBC)/23/2025 in IA (IBC)/2333/2024**

Orders pronounced, recorded vide separate sheets. In the result, the Contempt Petition (IBC)/23/2025 in IA (IBC)/2333/2024 is allowed.

**Contempt Petition (IBC)/24/2025 in IA (IBC)/2334/2024**

Orders pronounced, recorded vide separate sheets. In the result, the Contempt Petition (IBC)/24/2025 in IA (IBC)/2334/2024 is allowed.

**Sd/-  
MEMBER (T)**

**Sd/-  
MEMBER (J)**

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
HYDERABAD BENCH- II**

**Contempt Petition (IBC) No. 23 of 2025 in I.A (IBC) No. 2333 of 2024  
In  
C.P. (IB) No. 252/9/HDB/2020**

*[U/s with Section 425 of the Companies Act, 2013 r/w Section 60(5) of  
Insolvency and Bankruptcy Code, 2016 and Rule 11 of National Company  
Law Tribunal Rules, 2016]*

**In the matter of M/s. Akaal Enterprises Pvt. Ltd. vs. AGS Management  
Services Limited**

**Between:**

**M/s. AGS Management Services Limited,**

Represented by Liquidator,  
Mr. Sreenivasa Rao Ravinthula,  
FF 26, Raghava Ratna Towers, Chirag Ali Lane,  
Abids, Hyderabad- 500001.

**....Applicant**

**Versus**

**1. Sri Venkata Rama Murthy Garnipudi**

Suspended Director of CD,  
Plot No. 35, Pavan Vihar Colony, New Bowenpally,  
Secunderabad- 500011.

**.....Respondent No. 1**

**2. Sri Naga Satya Venkata Laxmi Garnipudi**

Suspended Director of CD,  
Plot No. 35, Pavan Vihar Colony, New Bowenpally,  
Secunderabad-500011.

**.....Respondent No. 2**

**Date of Order: 23.06.2026**

**Coram:**

Shri Rajeev Bhardwaj, Hon'ble Member (Judicial)

Shri Sanjay Puri, Hon'ble Member (Technical)

IN THE NATIONAL COMPANY LAW TRIBUNAL  
HYDERABAD BENCH- II

Contempt Petition (IBC) No. 23 of 2025  
in

I.A (IBC) No. 2333 of 2024

In

C.P. (IB) No. 252/9/HDB/2020

Date of Order: 23.06.2026

**Counsels Present:**

For the Applicant : Mr. Krishna Mohan Gollomudi, Advocate along  
with Sreenivasa Rao Ravinthula, Liquidator  
For the Respondents : Ex-parte

1. The present Application is filed by Mr. Sreenivasa Rao Ravinthula, Liquidator of M/s. AGS Management Services Private Limited (**Corporate Debtor/CD**), against the Suspended Directors of the Corporate Debtor seeking initiation of contempt proceedings under section 425 of Companies Act, 2013 and punish the Respondents for committing contempt of court for wilful and deliberate disobedience of the Order dated 18.08.2025 passed by this Authority in I.A. 2333 of 2024.

**Application**

2. It is submitted that the Corporate Debtor was admitted into the Corporate Insolvency Resolution Process (**CIRP**) vide order dated 23.11.2023 in C.P. (IB) No. 252/9/HDB/2020. Subsequently, the Corporate Debtor was ordered to be liquidated vide order dated 11.06.2024, and Mr. Sreenivasa Rao Ravinthula was appointed as the Liquidator.
3. It is further submitted that the Applicant/Liquidator filed I.A. (IBC) No. 2333 of 2024 under Sections 43, 49, and 66 of the Insolvency and Bankruptcy Code, 2016, seeking avoidance of preferential transactions amounting to Rs. 30,40,800/- and fraudulent transactions amounting to Rs. 71,21,800/-. This Authority, vide order dated 18.08.2025, allowed the application in part and held that transactions aggregating to Rs. 9,99,000/- constituted preferential transactions made in favour of Mr. Satish and Mr. Raza.

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I.A (IBC) No. 2333 of 2024

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4. It is submitted that, by the aforesaid order dated 18.08.2025 passed in I.A. (IBC) No. 2333 of 2024 in C.P. (IB) No. 252/09/HDB/2020, this Authority directed the Respondents, namely Sri Venkata Rama Murthy Garnipudi (**Respondent No. 1**) and Smt. Naga Satya Venkata Laxmi Garnipudi (**Respondent No. 2**), to contribute an amount of Rs. 9,99,000/- to the liquidation account of the Corporate Debtor.
5. It is further submitted that the Applicant/Liquidator addressed emails dated 21.08.2025 and 12.09.2025 to the Respondents, calling upon them to comply with the aforesaid order. However, the Respondents failed to make the required contribution even after the expiry of the stipulated period of 30 days. It is also averred that the Respondents refused to accept the notices issued by the Applicant/Liquidator.
6. It is contended that such non-cooperation on the part of the Respondents has caused substantial prejudice to the stakeholders of the Corporate Debtor. Despite being fully aware of their obligations under the order of this Authority, the Respondents failed to take any steps to comply with the directions issued. Hence, the present Application has been filed seeking initiation of contempt proceedings and imposition of appropriate punishment for their wilful disobedience.
7. Despite being afforded sufficient opportunity to file their counter, the Respondents failed to do so. Consequently, this Authority, vide order dated 12.03.2026, proceeded against the Respondents ex parte.
8. We have heard the submissions and perused the material available on record.

IN THE NATIONAL COMPANY LAW TRIBUNAL  
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Contempt Petition (IBC) No. 23 of 2025  
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I.A (IBC) No. 2333 of 2024

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C.P. (IB) No. 252/9/HDB/2020

Date of Order: 23.06.2026

**Findings**

9. The CD was admitted into CIRP vide order dated 23.11.2023 in C.P. (IB) No. 252/9/HDB/2020 and later, Liquidation was initiated vide order dated 11.06.2024. During the course of liquidation, the Applicant filed I.A. (IBC) No. 2333 of 2024 under Sections 43, 49 and 66 of the IBC, 2016, seeking directions against the Respondents. This Authority, vide order dated 18.08.2025 in I.A. (IBC) No. 2333 of 2024 in C.P. (IB) No. 252/09/HDB/2020, inter alia, directed as follows:

*“In view of our findings above, we hold that the present application is partly allowed to the extent of the preferential transactions pertaining to ‘Satish’ and ‘Raza’, as identified hereinabove. In lieu of the same, the **Respondents are hereby directed to contribute an amount of Rs. 9,99,000/-** (Rupees Nine Lakhs Ninety-Nine Thousand Only) (Rs. 4,99,000 +Rs. 5,00,000) to the Liquidation Account of the Corporate Debtor within 30 days from the date of this order and file compliance accordingly.*

*Accordingly, the present application is allowed partly to the extent indicated above and is disposed off.”*

10. The material on record establishes that the Applicant/Liquidator duly communicated the order dated 18.08.2025 to the Respondents and repeatedly called upon them to comply with the directions contained therein. In this regard, emails dated 20.08.2025, 12.09.2025 and 30.10.2025 were addressed to the Respondents. Further, letters dated 07.10.2025 were also issued, which were returned with the postal endorsement “Refused”. Despite such repeated communications and opportunities afforded to them, the Respondents have failed to contribute

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in**

**I.A (IBC) No. 2333 of 2024**

**In**

**C.P. (IB) No. 252/9/HDB/2020**

**Date of Order: 23.06.2026**

the amount of Rs. 9,99,000/- to the Liquidation Account of the Corporate Debtor, as directed by this Authority.

11. It is further noted that the Applicant filed a Memo dated 23.12.2025 placing on record proof of service in the present Contempt Petition. The said material evidences that notices in the present proceedings were duly served upon the Respondents. Notwithstanding service of notice, the Respondents failed to enter appearance or contest the proceedings. Consequently, this Authority, vide order dated 12.03.2026, proceeded against the Respondents ex parte.
12. Subsequently, the Respondents filed I.A. (IBC) No. 647 of 2026 seeking recall of the ex parte order dated 12.03.2026 passed in the present Contempt Petition. This Authority, vide order dated 21.04.2026, allowed the said application subject to payment of costs of Rs. 25,000/- and granted liberty to the Respondents to file their counter affidavit. However, despite the indulgence shown by this Authority, the Respondents neither paid the costs imposed nor filed any counter affidavit. Their conduct demonstrates a continued disregard for the proceedings before this Authority and a persistent failure to respond to the directions issued herein.
13. In view of the above facts, we refer to Sections 2(a) & 2(b) of the Contempt of Courts Act, 1971 which define 'contempt' as under:
  - a. contempt of court means civil contempt or criminal contempt;
  - b. civil contempt means wilful disobedience to any judgment, decree, direction, order, writ or other process of a court or wilful breach of an undertaking given to a court
14. Therefore, to establish contempt, it must be proven that the disobedience of the Order was wilful. The Applicant must demonstrate

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that the Respondents, despite having knowledge of the Order dated 18.08.2025 in I.A (IBC) No. 2333 of 2024, deliberately and wilfully breached it with the intent to undermine the dignity and authority of this Authority.

15. The Hon'ble Supreme Court in ***Ram Kishan Vs. Tarun Bajaj, [Contempt Petition No. 336 of 2013 in Civil Appeal No. 4985 of 2012] (2014) 16 SCC 2014***, has elaborated on the meaning of wilful disobedience, stating that the term "wilful" introduces a mental element and requires an assessment of the contemnor's intent. Wilful disobedience is deliberate, intentional, and conscious, with full awareness of the consequences. It excludes casual, accidental, bona fide, or unintentional acts. A wilful act must be performed with a bad purpose, stubbornly, or without a justifiable excuse. Mere negligence or inadvertence does not constitute wilful disobedience.
16. Furthermore, even where an order is disobeyed, if the non-compliance is due to compelling circumstances, the contemnor cannot be held liable for contempt. Contempt proceedings, including committal or sequestration, are not warranted unless there is a substantial degree of misconduct.
17. Similarly, in ***Salauddin Ahmed vs. Samta Andolan, [Civil Appeal No. 2504-2504 of 2012] AIR 2012 SC 3891***, the Hon'ble Supreme Court observed that to establish deliberate and wilful contempt of court, firstly, it has to be established that the Court passed an order directing a person either to do or to restrain from doing certain acts and the person or persons had knowledge of the same. Secondly, despite knowledge of the order, there is a deliberate and wilful violation with an intention of lowering the dignity and image of the Court.

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18. In the present case, it is observed that although the Respondents did not appear before this Authority in I.A. No. 2333 of 2024, the record reflects that they refused to accept service of notices issued for compliance with the order dated 18.08.2025 in I.A. No. 2333 of 2024 and are also aware about the present Contempt Petition. The said order is clear, unequivocal, and admits of no ambiguity. The Respondents were also duly informed of the order by the Applicant/Liquidator through various email communications. In these circumstances, it is evident that the Respondents had full knowledge of the order dated 18.08.2025. Despite being fully aware of their obligation to contribute the specified amount within the stipulated period, the Respondents have failed to comply. No material has been placed on record to demonstrate any justifiable cause or compelling circumstance for such non-compliance. Accordingly, this Authority is satisfied that the Respondents have wilfully and deliberately disobeyed the order of this Authority, thereby committing civil contempt within the meaning of the Contempt of Courts Act, 1971.

In view of the above observations, we hereby direct:

The Respondents, i.e., Sri Venkata Rama Murthy Garnipudi (**Respondent No.1**) and Naga Satya Venkata Laxmi Garnipudi (**Respondent No. 2**) are directed to appear in person before this Authority on 12.08.2026, to show cause as to why action under Section 425 of the Companies Act, 2013 and Section 12 of the Contempt of Courts Act, 1971 should not be taken against him for wilful violation of the aforesaid order.

Accordingly, this Contempt Petition No. 23 of 2025 in in I.A (IBC) No. 2333 of 2024 in C.P. (IB) No. 252/9/HDB/2020 is **allowed** and disposed.

Sd/-

**SANJAY PURI**  
**MEMBER (TECHNICAL)**

Sd/-

**RAJEEV BHARDWAJ**  
**MEMBER (JUDICIAL)**

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
HYDERABAD BENCH- II**

**Contempt Petition (IBC) No. 24 of 2025 in I.A (IBC) No. 2334 of 2024  
In  
C.P. (IB) No. 252/9/HDB/2020**

*[U/s with Section 425 of the Companies Act, 2013 r/w Section 60(5) of  
Insolvency and Bankruptcy Code, 2016 and Rule 11 of National Company  
Law Tribunal Rules, 2016]*

**In the matter of M/s. Akaal Enterprises Pvt. Ltd. vs. AGS Management  
Services Limited**

**Between:**

**M/s. AGS Management Services Limited,**

Represented by Liquidator,  
Mr. Sreenivasa Rao Ravinthula,  
FF 26, Raghava Ratna Towers, Chirag Ali Lane,  
Abids, Hyderabad- 500001.

**....Applicant**

**Versus**

1. **Sri Venkata Rama Murthy Garnipudi**

Suspended Director of CD,  
Plot No. 35, Pavan Vihar Coloney, New Bowenpally,  
Secunderabad- 500011.

**.....Respondent No. 1**

2. **Sri Naga Satya Venkata Laxmi Garnipudi**

Suspended Director of CD,  
Plot No. 35, Pavan Vihar Colony, New Bowenpally,  
Secunderabad-500011.

**.....Respondent No. 2**

**Date of Order: 23.06.2026**

**Coram:**

Shri Rajeev Bhardwaj, Hon'ble Member (Judicial)

Shri Sanjay Puri, Hon'ble Member (Technical)

**Case Citation: (2026) ibclaw.in 2487 NCLT**  
**IN THE NATIONAL COMPANY LAW TRIBUNAL**  
**HYDERABAD BENCH- II**

**Contempt Petition (IBC) No. 24 of 2025**

**in**

**I.A (IBC) No. 2334 of 2024**

**In**

**C.P. (IB) No. 252/9/HDB/2020**

**Date of Order: 23.06.2026**

**Counsels Present:**

For the Applicant : Mr. Krishna Mohan Gollomudi, Advocate along  
with Sreenivasa Rao Ravinthula, Liquidator

For the Respondents : Ex-parte

1. The present Application is filed by Mr. Sreenivasa Rao Ravinthula, Liquidator of M/s. AGS Management Services Private Limited (**Corporate Debtor/CD**), against the Suspended Directors of the Corporate Debtor seeking initiation of contempt proceedings under section 425 of Companies Act, 2013 and punish the Respondents for committing contempt of court by wilful and deliberate disobedience of the Order dated 13.08.2025 passed by this Authority in I.A. 2334 of 2024.

**Application**

2. It is submitted that the Corporate Debtor was admitted into the Corporate Insolvency Resolution Process (CIRP) vide order dated 23.11.2023 passed in C.P. (IB) No. 252/09/HDB/2020. Subsequently, the Corporate Debtor was ordered to be liquidated vide order dated 11.06.2024, and Mr. Sreenivasa Rao Ravinthula was appointed as the Liquidator.
3. It is further submitted that the Applicant/Liquidator had filed I.A. (IBC) No. 2334 of 2024 under Section 35(1)(b) of the Insolvency and Bankruptcy Code, 2016, seeking directions against the Respondents to hand over possession and control of the undivided share of land admeasuring 71.8 square yards along with Flat No. G on the Ground Floor, Block-A, Tower A3, in the building known as “The Valencia”, having a total area of 3,388 sq. ft. (including common areas), situated at Sy. No. 129/77, Shaikpet Village and Mandal, Syed Nagar, First Lancer, Hyderabad, Telangana, (**Subject Property**) together with a cash balance

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of Rs. 14,00,000/- as disclosed in the unaudited financial statements forming part of the liquidation estate.

4. It is submitted that this Authority, vide order dated 13.08.2025 in I.A. (IBC) No. 2334 of 2024 in C.P. (IB) No. 252/09/HDB/2020, directed the Respondents, namely Sri Venkata Rama Murthy Garnipudi (**Respondent No. 1**) and Smt. Naga Satya Venkata Laxmi Garnipudi (**Respondent No. 2**), to hand over possession and control of the aforesaid immovable property along with the cash balance of Rs. 14,00,000/- to the Applicant/Liquidator.
5. It is submitted that the Applicant/Liquidator issued an email dated 21.08.2025, followed by another email dated 12.09.2025, calling upon the Respondents to comply with the directions of this Authority and to contribute the aforesaid amount. However, despite the lapse of the stipulated period of 30 days, the Respondents failed to comply with the said directions. It is further submitted that the Respondents refused to accept the notices issued by the Applicant/Liquidator.
6. It is contended that the continued non-cooperation of the Respondents has resulted in substantial financial prejudice to the stakeholders of the Corporate Debtor. Despite being fully aware of their obligations under the order dated 13.08.2025, the Respondents have failed to take any steps towards compliance. Hence, the present Application has been filed seeking initiation of contempt proceedings against the Respondents and for imposition of appropriate punishment for their deliberate and wilful disobedience.
7. Despite being granted sufficient opportunity to file their counter, the Respondents failed to do so. Consequently, this Authority, vide order dated 12.03.2026, proceeded ex parte against the Respondents.

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**I.A (IBC) No. 2334 of 2024**

**In**

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8. We have heard the submissions and perused the material available on record.

**Findings**

9. The CD was admitted into CIRP vide order dated 23.11.2023 in C.P. (IB) No. 252/9/HDB/2020 and later, Liquidation was initiated vide order dated 11.06.2024. During the course of liquidation, the Applicant filed I.A. (IBC) No. 2334 of 2024 under Sections 35(1)(b) of the IBC, 2016, seeking directions to the Respondents to hand over possession and control of the Subject Property. This Authority, vide order dated 13.08.2025 in I.A. (IBC) No. 2334 of 2024 in C.P. (IB) No. 252/09/HDB/2020, inter alia, directed as follows:

*"Accordingly, the **Respondent is hereby directed to forthwith hand over to the Liquidator possession and control of the scheduled property** being "Undivided share of land measuring 71.8 square yards and Flat No. G on the Ground Floor, Block-A, Tower A3, in the building 'The Valencia', with a total area of 3,388 sq. ft. (including common areas), located at Sy. No. 129/77, Shaikpet Village and Mandal, Syed Nagar, First Lancer, Hyderabad, Telangana", **along with the cash balance of Rs. 14,00,000** as disclosed in the unaudited financial statements forming part of the liquidation estate. Consequently, I.A. No. 2334 of 2024 in C.P. (IB) No. 252/9/HDB/2020 is allowed."*

10. The material on record establishes that the Applicant/Liquidator duly communicated the order dated 13.08.2025 to the Respondents and repeatedly called upon them to comply with the directions contained therein. In this regard, emails dated 20.08.2025, 12.09.2025 and 30.10.2025 were addressed to the Respondents. Further, letters dated 07.10.2025 were also issued, which were returned with the postal

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**In**

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endorsement “Refused”. Despite such repeated communications and opportunities afforded to them, the Respondents have neither handed over possession and control of the subject property nor remitted the cash balance of Rs. 14,00,000/-, as directed by this Authority.

11. It is further noted that the Applicant filed a Memo dated 23.12.2025 placing on record proof of service in the present Contempt Petition. The said material evidences that notices in the present proceedings were duly served upon the Respondents. Notwithstanding service of notice, the Respondents failed to enter appearance or contest the proceedings. Consequently, this Authority, vide order dated 12.03.2026, proceeded against the Respondents ex parte.
12. Subsequently, the Respondents filed I.A. (IBC) No. 648 of 2026 seeking recall of the ex parte order dated 12.03.2026 passed in the present Contempt Petition. This Authority, vide order dated 21.04.2026, allowed the said application subject to payment of costs of Rs. 25,000/- and granted liberty to the Respondents to file their counter affidavit. However, despite the indulgence shown by this Authority, the Respondents neither paid the costs imposed nor filed any counter affidavit. Their conduct demonstrates a continued disregard for the proceedings before this Authority and a persistent failure to respond to the directions issued herein.
13. In view of the above facts, we refer to Sections 2(a) & 2(b) of the Contempt of Courts Act, 1971 which define ‘contempt’ as under:
  - a. contempt of court means civil contempt or criminal contempt;
  - b. civil contempt means wilful disobedience to any judgment, decree, direction, order, writ or other process of a court or wilful breach of an undertaking given to a court

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14. Therefore, to establish contempt, it must be proven that the disobedience of the Order was wilful. The Applicant must demonstrate that the Respondents, despite having knowledge of the Order dated 13.08.2025 in I.A (IBC) No. 2334 of 2024, deliberately and wilfully breached it with the intent to undermine the dignity and authority of this Authority.
15. The Hon'ble Supreme Court in ***Ram Kishan Vs. Tarun Bajaj, [Contempt Petition No. 336 of 2013 in Civil Appeal No. 4985 of 2012] (2014) 16 SCC 2014***, has elaborated on the meaning of wilful disobedience, stating that the term "wilful" introduces a mental element and requires an assessment of the contemnor's intent. Wilful disobedience is deliberate, intentional, and conscious, with full awareness of the consequences. It excludes casual, accidental, bona fide, or unintentional acts. A wilful act must be performed with a bad purpose, stubbornly, or without a justifiable excuse. Mere negligence or inadvertence does not constitute wilful disobedience.
16. Furthermore, even where an order is disobeyed, if the non-compliance is due to compelling circumstances, the contemnor cannot be held liable for contempt. Contempt proceedings, including committal or sequestration, are not warranted unless there is a substantial degree of misconduct.
17. Similarly, in ***Salauddin Ahmed vs. Samta Andolan, [Civil Appeal No. 2504-2504 of 2012] AIR 2012 SC 3891***, the Hon'ble Supreme Court observed that to establish deliberate and wilful contempt of court, firstly, it has to be established that the Court passed an order directing a person either to do or to restrain from doing certain acts and the person or persons had knowledge of the same. Secondly, despite knowledge of the

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order, there is a deliberate and wilful violation with an intention of lowering the dignity and image of the Court.

18. In the present case, it is observed that although the Respondents did not appear before this Authority in I.A. No. 2334 of 2024, the record indicates that they refused to accept service of notices issued for compliance with the order dated 13.08.2025. The said order is clear, unequivocal, and admits of no ambiguity. The Respondents were also duly informed of the said order by the Applicant/Liquidator through multiple email communications. In such circumstances, it is evident that the Respondents had full knowledge of the order dated 13.08.2025. Despite such knowledge, they have failed to comply with the directions contained therein. No material has been placed on record to demonstrate any justifiable cause for such non-compliance. Accordingly, this Authority is satisfied that the Respondents have wilfully and deliberately disobeyed the order of this Authority, thereby committing civil contempt within the meaning of the Contempt of Courts Act, 1971.

In view of the above observations, we hereby direct:

The Respondents, i.e., Sri Venkata Rama Murthy Garnipudi (**Respondent No. 1**) and Naga Satya Venkata Laxmi Garnipudi (**Respondent No. 2**) are directed to appear in person before this Authority on 12.08.2026, to show cause as to why action under Section 425 of the Companies Act, 2013 and Section 12 of the Contempt of Courts Act, 1971 should not be taken against him for wilful violation of the aforesaid order.

Accordingly, this Contempt Petition No. 24 of 2025 in in I.A (IBC) No. 2334 of 2024 in C.P. (IB) No. 252/9/HDB/2020 is **allowed** and disposed.

Sd/-

**SANJAY PURI**  
**MEMBER (TECHNICAL)**

Sd/-

**RAJEEV BHARDWAJ**  
**MEMBER (JUDICIAL)**