NATIONAL COMPANY LAW APPELLATE TRIBUNAL
AT CHENNAI
(APPELLATE JURISDICTION)
Company Appeal (AT) (CH) (Ins) No. 146/2026
IA Nos. 445 & 446/2026

In the matter of :

MR. G. MADHUSUDHAN RAO
Monitoring Committee Chairman &
Ex. Resolution Professional of Bheema Cements Limited
7-1-285, Flat No 103,
Sri Sai Swapna Sampada Apartments
Balkampet, Hyderabad 500038,
Telangana **… APPELLANT**

V

BHEEMA CEMENTS LIMITED
6-3-652/C/A, Flat 5-A, "Kautilya",
Amrutha Estates Somajiguda,
Beside Medinova,
Hyderabad – 500082 **… RESPONDENT NO.1**

SUCCESSFUL RESOLUTION APPLICANT (SRA) OF BHEEMA CEMENTS LIMITED THROUGH CONSORTIUM OF M/S. FORTUNA ENGI TECH AND STRUCTURALS (INDIA) PRIVATE LIMITED AND MR. PRASANNA SAI RAGHUVEER KANDULA, MR. TADIMELLA RAJAKISHORE AND M/S. MURGUD VINCOM PRIVATE LIMITED
6-3-652/C/A, Flat 5-A, "Kautilya",
Amrutha Estates Somajiguda,
Beside Medinova,
Hyderabad - 500 082 **… RESPONDENT NO.2**

Present :

For Appellant : Mr. Sankaranarayanan, Senior Advocate
For Mr. Murtaza Kachwalla, Advocate
Mr. Madhusudhan Rao G, Ex RP and MC Chairman

O R D E R
(Hybrid Mode)

[ORAL JUDGMENT: Justice Sharad Kumar Sharma, Member (Judicial)]

18.03.2026:

The Ex-Resolution Profession of M/s. Bheema Cements Limited, the company under CIRP, is before this Appellate Tribunal, wherein he questions the impugned order of 05.02.2026, as rendered by the Ld. NCLT Hyderabad Bench (Adjudicating Authority) in IA No. 252/2026, preferred in CP(IB) No. 97/07/HDB/2018.

2. The effect of the impugned order dated 05.02.2026 has been that the said IA, as preferred by the Appellant, seeking a denovo restoration and revival of the CIRP process, has been laid to rest. The facts, which could be derived from the records placed before this Appellate Tribunal are, that the legal status of the Appellant, admittedly happens to be that of a Erstwhile Resolution Professional who, at the stage when he has filed the instant company appeal enjoyed the status of being the Chairman and the Member of the Monitoring Committee.

3. The Resolution plan was submitted by Respondent No.2, i.e. a consortium of M/s. Fortuna Engi Tech and Structurals (India) Private Limited and Mr. Prasanna Sai Raghuveer Kandula, Mr. Tadimella Rajakishore and M/s. Murgud Vincom Private Limited.

4. The Corporate Debtor was directed to be placed under CIRP by virtue of an order dated 09.07.2018 passed by the Adjudicating authority. The Resolution Plan, which was submitted by Respondent No. 2, was approved by 99.53% of voting in the meeting of the CoC, which was held on 11.02.2020. The total value of the Resolution Plan amounted to Rs. 212,23,00,000/ (Rupees Two Hundred and Twelve Crores and Twenty Three Lakhs only).

5. At various stages of the enforcement of the Resolution Plan, there was failure on the part of Respondent No.2 (Successful Resolution Applicant). The Secured Financial Creditor and the members of the Monitoring Committee had already imposed a condition that, if there is any breach in the enforcement of the Resolution Plan, in making the payments as per the required time schedules, then as per the undertaking in Resolution Plan, the lenders would be entitled to seek an order of liquidation.

6. There was persistent default by the Consortium of Successful Resolution Applicant, in adherence to the payment obligations and the schedule of payment as under the approved Resolution Plan of 11.02.2020.

7. It led to institution of a liquidation process by invocation of the provisions contained under Section 33 of the I & B Code, by filing of an application to the said effect, being IA No. 15/2024 that, was preferred on 01.04.2024, and the same is pending consideration. The said application for

liquidation was initially withdrawn by the Appellant/Applicant due to the submission of the revised payment schedule, as proposed by the Consortium of Successful Resolution Applicant. But because of persistent breach in compliance with the revised payment schedule, a Restoration Application No.1/2025 was preferred by the Appellant/application seeking restoration of the liquidation application, i.e., IA No. 15/2024. The said restoration application was allowed. As an effect of restoration, the liquidation application as preferred on 01.04.2024, is still surviving and the liquidation process has been initiated as a consequence of non-compliance of the obligations under the Resolution Plan even and the revised resolution plan and repayment schedule under the revised plan.

8. At a later stage, in January 26, that the Appellant had filed an application, being IA No. 252/2026, praying for the following relief: -

> *"In view of the facts and circumstances mentioned hereinabove, it is prayed that this Hon'ble Tribunal may be pleased to:*
>
> *i. Pass order(s) directing the restoration and revival of the Corporate Insolvency Resolution Process of the Corporate Debtor, i.e., Bheema Cements Limited in CP(IB) No. 97/07/HDB/2018, and consequently revive the appointment of the present Applicant as Resolution Professional by directing the Successful Resolution Applicant to hand over possession, custody and control of the assets, records and affairs of the Corporate Debtor to the Resolution*

Professional so appointed, consequently thereafter direct issuance of a fresh Form G for invitation of Expressions of Interest; and

ii. *Pass such other order/orders as this Hon'ble Tribunal may deem fit and proper in the facts and circumstances of this case."*

9. The consequential effect of the relief sought for in IA No. 252/2026, as extracted above, would be that an attempt was made by the Appellant, to seek a restoration of the CIRP, which otherwise under law has already stood culminated with the approval of the Resolution Plan, and later after failure of resolution process with initiation of liquidation. More importantly while seeking the restoration of CIRP process the appellant also sought his appointment as a Resolution Professional. It is important to note that RP himself had initiated liquidation proceedings by filing of IA No. 15/2024, which was restored at his behest on his application, being Restoration Application No. 1/2025 and after allowing of the same the liquidation application is pending consideration.

10. It is this application, i.e., IA No. 252/2026, which came up for consideration before the Ld. Tribunal and the same has been rejected by the impugned order dated 05.02.2016, observing thereof:

i. The Resolution Plan could not be implemented.

ii. The Resolution Plan was re-scheduled and was directed to be implemented, but even thereafter, there was still persistent default. Based on which, the Ld. Tribunal observed that once upon the

culmination of CIRP, it has resulted into the process of invitation of a Resolution Plan attempted to be implemented, but due to default in compliance of conditions of plan, it was attempted to be revised and re-scheduled. It will lead to a situation where, the order of CIRP will automatically come to an end and the process of CIRP itself, since it's no more breathing in the eyes of law, it cannot be permitted to be revived back on the basis of the application preferred by the Appellant for restoration of the CIRP process, once the stage of proceedings of the CIRP has matured, and had reached to the closure of the Resolution Plan resulting to its non-implementation as per the schedule of compliance contained in the plan the requirement of filing of an application for liquidation under Section 33(1) of the I & B Code, which admittedly was resorted to by the Appellant himself by filing IA No. 15/2024, which was restored at his behest, on the restoration application, which was filed by the Appellant.

11. Under these peculiar circumstances, the Ld. Tribunal in the impugned order observed that, since the CIRP process is no more subsisting, it cannot be permitted to be revived back by putting clock back, by re-initiation of process denovo, and the only recourse left was to proceed with the liquidation under Section 33 of the I & B Code, for which, i.e., for liquidation, the Appellant

himself was an Applicant by way of IA No. 15/2024. Hence, the application preferred for the above reason was rightly rejected.

12. The Ld. Counsel for the Appellant has submitted that when the Ld. Tribunal passed an order on 03.12.2024 on IA(I)2301/2024, as preferred in IA No. 15.2024, the Ld. Tribunal observed that since the liquidation, being the last resort, which was available under law, as the lenders, despite having jointly entered into a revised repayment plan schedule, have failed to comply it, and if the said plan was permitted to be implemented, it would have resulted into the revival of the Corporate Debtor. And at that juncture, based on that anticipated analogy, the Ld. Tribunal expressed that the application could be allowed for the purposes of availing of an arrangement between the Successful Resolution Applicants.

13. Looking to the nature of relief, which was sought in IA No. 2301/2024, as extracted in the order of 03.12.2024, which has been taken by the Appellant, to be interpreted, as if the Ld. Tribunal was of the opinion that there could be a possibility of revival of the Corporate Debtor, and the liquidation should be resorted to as a last recourse, was under these circumstances where the members of the Consortium of Successful Resolution Applicant had expressed that there could be a possibility of implementation of the re-scheduled plan. Based upon the said possibility, a liberty was granted to enforce the schedule plan, which

ultimately failed. However, it reserved the right for revival of the liquidation proceedings filed by the Appellant, himself by way of IA No. 15/2024.

14. We are of the opinion, that no positive conclusion could be drawn from the inferences that has been drawn by the order of 03.12.2024 of laying down any precedent as such, dealing with the aspect of that the liquidation has to be resorted to by way of a last recourse. Rather, the observation made in the order of 03.12.2024, was only restricted for an accommodation for enforcement of the revised re-scheduled plan, as offered to be implemented by the Successful Resolution Applicant, because of which there was a deferment in implementation of the application for liquidation, being IA No. 15/2024. Hence, the said order would not be of any benefit to the Appellant in the manner it has been interpreted.

15. The Ld. Counsel for the Appellant has further, argued with regard to the effect of the order dated 01.08.2025, which was passed in Contempt Application (IBC)21/2023, where the relief sought was confined for punishment of the alleged contemnors, i.e., the Corporate Debtor for disobedience of the orders passed on 22.09.2023 in IA No. 906/2023. We note that, the said order was only resulting into, and would be having an effect of closing of the proceedings of contempt, due to compliance of the order. Ld. Counsel for the Respondent No.2 on the other hand invited attention to the order passed on the Restoration

Application No. 1/2025, as preferred in IA(IBC)15/2024 preferred by the Applicant, himself invoking Section 33 of the I & B Code, for initiation and proceeding with the liquidation process. Since the said order was only confined to, restoring the application for proceeding with liquidation under Section 33 of the I & B Code preferred by the Appellant, once again, it will have no bearing so far as it relates to the impugned order, rejecting the application for revival of the CIRP, after the approval of the plan, and much after the partial implementation of the plan, and after continued failure to implement the revised Resolution Plan. The CIRP cannot be permitted to be de novo revived on the prayers sought for by the Appellant, because the very purpose of initiation of the CIRP stands frustrated due to non-implementation or partial implementation of the revised repayment plan.

16. In elaboration to his argument, the Ld. Counsel for the Appellant had made reference to the judgment of ***Company Appeal (AT) (CH) (Ins) No. 161/2021 Edelweiss Asset Reconstruction Company Limited v Peter Beck and Peter Vermoenesverwaltung Limited & Another,*** and particularly he has drawn the attention of this Appellate Tribunal to the observations made in para 13 of the said judgment. The same is extracted hereunder: -

> *"**13**. The Learned Senior Counsel for the Appellant SBI has finally urged that this Tribunal has the inherent power under rule 11 of NCLAT Rules, 2016 to pass orders necessary for meeting the ends of justice. He has claimed*

that since the previously Approved Resolution Plan has failed, the company under insolvency resolution should not be allowed to go into liquidation which would mean corporate death of the company and therefore, in the interest of fairness and justice to stakeholders of the Corporate Debtor, this Tribunal has the power to direct re-initiating the insolvency resolution process of Corporate Debtor after setting aside the order dated 2.2.2021 of the Adjudicating Authority, with a further period of 90 days provided to there-instated Resolution Professional to invite EOIs and complete the insolvency resolution process of the Corporate Debtor."

17. The observation made therein was in context to the subject as to what would be the scope and ambit of exercise of powers under Rule 11 of NCLAT Rules, for the purposes of passing of an order, while exercising the inherent powers for revival of the CIRP process.

18. In the case of Edelweiss Asset Reconstruction Company Limited (Supra), the controversy, which was under consideration before the Ld. Adjudicating Authority was related to extension of time period of the CIRP. Adjudicating Authority had declined to extend the CIRP by another two weeks as prayed for by the Successful Resolution Applicant to deposit Rs 10 Crores, the Applicant therein had prayed for the grant of the same by filing of an application therein. It was under a situation because the Successful Resolution Applicant had failed to implement the plan, and the extension was sought by Successful Resolution Applicant to comply with the conditions of the plan. It was under those conditions that the period of CIRP was extended. Any ratio laid down by the

courts are not to be read in isolation by extracting a particular paragraph, by interpreting it to be applied under the circumstances of the case in which the said judgment is being relied with.

19. In the matter of Edelweiss (Supra), it was under those circumstances where the Successful Resolution Applicant has sought extension of time to comply with the plan and that was declined, and the Resolution Plan failed because of the Successful Resolution Applicant inability for not being able to implement the plan. The said ratio will not apply herein under the given set of circumstances, of this company appeal, where the plan was sought to be implemented and thereafter it was re-scheduled, and the consequences of initiation of the liquidation process was automatically flowing, because of the non-fulfilment of the conditions of enforcement of plan under re-schedulement of the Resolution Plan and which the Appellant himself has adhered to by filing of an application IA No. 15/2024 by invoking the provisions contained under Section 33 of the I & B Code, for seeking liquidation. If that be the situation, now at this stage the Appellant cannot be permitted to take a somersault to re-initiate the process of CIRP, which otherwise, according to his own application, stands closed, when he filed an application for liquidation, due to non-fulfilment of the obligations contained under the re-scheduled repayment plan. Hence, the ratio of this judgment will not be applicable as attempted to be applied by the Appellant in the instant case.

20. The Ld. Counsel for the Appellant had further made reference to yet another judgment as rendered in ***Company Appeal (AT) (CH) (Ins) No. 2012-2013/2024 in the matters of Darwin Platform Infrastructure Limited v. Union Bank of India*** and particularly in the said case, the Ld. Counsel for the Appellant has made reference to para 14 and 15 of the said judgment. The same is extracted hereunder: -

> *"**14**. We may further notice that appellant before the Adjudicating Authority as well as before this Tribunal has submitted that appellant is still ready to deposit amount, when the appellant has failed to deposit the amount within the timeline, it is not open for the appellant to deposit the amount at the stage when the application was filed or in the hearing of the appeal. Consequences of non-adhering to the timelines in the resolution plan, cannot be reversed after considerable lapse of time, and specially, when not even first tranche of payment has been made by the SRA."*
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> *"**15**. We are of the view that Adjudicating Authority has rightly after considering the submissions of the parties taken a decision to reject the I.A.1956/2024. Coming to the order passed by the Adjudicating Authority on I.A.2520/2024, after dismissal of the application I.A.1956/2024 by the SRA, Adjudicating Authority did not commit any error in restoring the CIRP and excluding certain time."*

21. In this case too, we failed to understand as to how the circumstances of this case could be taken as to be akin to the one at hand, so as to attract the ratio laid down by the said judgment of the Principal Bench. Factually, in the said case, it's the Appellant who submitted the Resolution Plan, and the Resolution

Plan of the Appellant was approved, but in the meeting of the joint lenders, the plan was shown to have failed to be implemented, and hence it was under these circumstances, the lenders had decided to invoke the performance bank guarantee.

22. The challenge given in the matters of Darwin Platform (Supra) was to the invocation of the performance bank guarantee by filing of an IA No. 1956/2024. It was under that context where the decision of the joint lenders meeting, where they opined that the Successful Resolution Applicant since has failed to implement the plan. The consequential decision was taken for the purposes of withdrawing of the performance bank guarantee, which was an issue under consideration. And the same was accordingly decided by the Ld. Tribunal in the matters of Darwin Platform Infrastructure Limited (Supra).

23. The consequential effect of the order, had been observed, that the invocation of the performance bank guarantee was upheld by the Ld. Tribunal. The said judgment too, since factually based upon a different pedestal altogether, will not be applicable, to the circumstances of the present case, as the factual matrix is very different here.

24. The conduct of appellant is not at all consistent with the provisions of the IBC, when he himself has filed application to initiate a liquidation process due to the failure of SRA to implement the re-scheduled repayment plan. That too

when, after the withdrawal of his application under Section 33(1) of the I & B Code, he himself has sought to restore the same, and the same has been restored and is pending consideration.

25. The challenge by the Appellant in the instant company appeal happens to be in contradiction to his own stand taken, when he himself seeks initiation for liquidation process by filing of an application and then reverting back, praying for re-initiation of the CIRP process, which already stands closed with the approval of the Resolution Plan, and non-implementation of re-schedule repayment plan.

26. Hence, we don't find any merit in the company appeal. The same would accordingly stand 'dismissed'. All pending 'interlocutory applications' would stand 'closed'.

[Justice Sharad Kumar Sharma]
Member (Judicial)

[Indevar Pandey]
Member (Technical)

SN/MS/AK