

NATIONAL COMPANY LAW APPELLATE TRIBUNAL
AT CHENNAI
(APPELLATE JURISDICTION)
Company Appeal (AT) (CH) (Ins) No. 264/2026

In the matter of:

TSN Raja

Interim Resolution Professional

M/s Panduranga Energy Systems Pvt. Ltd.

Plot No.16 (11-20-18),

Shop-cum-Flat, Huda Complex,

Kothapet,

Hyderabad,

Telangana-500 035

... Appellant

Present :

For Appellant : Mr. T. Ravichandran, Advocate

With

Company Appeal (AT) (CH) (Ins) No. 265/2026

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... Appellant

Present :

For Appellant : Mr. T. Ravichandran, Advocate

ORDER

(Hybrid Mode)

27.05.2026:

[Oral Judgment: Justice Sharad Kumar Sharma, Member (Judicial)]

The Appellant in these two Company Appeals, being Company Appeal (AT) (CH) (INS) No. 264 of 2026 and Company Appeal (AT) (CH) (INS) No. 265 of 2026, happens to be the Interim Resolution Professional (IRP) of M/s. Panduranga Energy Systems Private Limited and M/s. GMP Infrastructure Private Limited respectively.

2. He puts the challenge to the impugned order dated 16.04.2026, as it has been rendered by the Ld. Adjudicating Authority on IA (IBC) / 588 / 2026, as it stood preferred in CP (IB) / 304 / 7 / HDB / 2022, by filing Company Appeal (AT) (CH) (INS) No. 264 / 2026 and also the impugned order of 16.04.2026 that, has been rendered on IA (IBC) / 589 / 2026 as preferred in CP (IB) / 306 / 7 / HDB / 2022 by filing the Company Appeal (AT) (CH) (INS) No. 265 / 2026.

3. In fact, if the nature of the respective orders, which have been rendered by the Ld. Adjudicating Authority is taken into consideration, they take the shape of being an Interlocutory Order only for the reason being that, by virtue of the impugned orders, the matter has been remitted back to the Committee of Creditors (CoC) who has been directed to take into consideration, the observations made by the Learned Tribunal in its orders dated 27.05.2025 & 25.02.2026 in IA No. 742 / 2021, as rendered in CP (IB) / 12 / 10 / HDB / 2017, in the matters of VNR Infrastructure Limited qua the conduct of the Appellant, while deciding the issue of appointment of the Appellant as RP.

4. The Appellant's contention is that, the impugned orders of 16.04.2026 that, have been passed in the respective Company Petitions are violative of Section 22 of the I&B Code by sitting on appeal over the commercial wisdom of the CoC, as on his appointment as IRP on 05.02.2026 after CIRP against M/s. Panduranga Energy System Pvt Ltd and M/s. GMP Infrastructure Private Limited was commenced, he has conducted the CIRP strictly in accordance with the provisions of the I & B Code, 2016, and nothing adverse has been found against him in the conduct of aforesaid two CIRP proceedings.

5. In support of his contention, the Appellant has submitted that the CoC had resolved to continue the Appellant as RP in its meeting dated 05.03.2026 by 100% voting in the light of the provisions contained under Section 22 (2) of the I & B Code, 2016, and accordingly, the Appellant had filed the application being IA (IBC) / 588 / 2026 in CP (IB) / 304 / 7 / HDB / 2022 and IA (IBC) / 589 / 2026 in CP (IB) / 306 / 7 / HDB / 2022.

6. In the respective Interlocutory Applications, that was preferred on 23.03.2026, the Applicant i.e. the Resolution Professional to M/s. Panduranga Energy Systems Private Limited and M/s. GMP Infrastructure Pvt Ltd, the Corporate Debtor had sought for the following reliefs:

- a) To pass an order for approval of appointment of Resolution Professional as approved by CoC with 100% voting; and*
- b) To pass any such order in the interests of justice and Equity in favor of the applicant.*

7. He has submitted that the relief sought in the Interlocutory Applications was simpliciter a prayer for grant of an approval of appointment of the Resolution Professional in accordance with the resolution of CoC which was carried with the 100% voting. But, by virtue of the rider attached by the impugned orders, which are now the subject matter of challenge before this Appellate Tribunal, Learned NCLT has directed the CoC to take into consideration the observations, made by it in IA No. 742 / 2021, as it has been rendered in CP (IB) / 12 / 10 / HDB / 2017, prior to deciding on the appointment of the Appellant as RP, which is not warranted.

8. At this stage, it will be apt to note what observations Learned NCLT had asked CoC to take into consideration. It is an admitted case that so far as the order that has been passed on IA No. 742 / 2021 in CP(IB)/12/10/HDB/2017 is concerned, it was on a proceedings, taken up under Regulation 45 of the Insolvency and Bankruptcy Board of India (Liquidation Process), Regulations, 2016, to be read with Section 60(5) of the I & B Code, 2016, in which the Ld. Tribunal has proceeded to pass an order making certain observations that was particularly contained in Para 31 of the order dated 25.02.2026. The relevant extraction of Para 31 of order dated 25/02/2026 is given here under:

(i) The prayer seeking a declaration that the liquidation process stands completed and for discharge of the Applicant as Liquidator is hereby rejected at this stage.

(ii) The Liquidator is directed to place the following information before the SCC within a period of two (2) weeks from the date of this Order:

- A comprehensive project-wise and litigation-wise Status Report, including all matters relating to invocation, encashment, subsistence or adjudication of Bank Guarantees;*
- Complete Audited Financial Statements available with him and detailed Unaudited Financial Statements upto date, duly itemised, reconciled and supported by transaction-wise particulars;*
- A transaction-wise computation of liquidation costs and remuneration strictly in accordance with the applicable provisions of the Liquidation Regulations;*
- A full reconciliation of realisations and distribution strictly in terms of Section 53 of the Code.*
- A detailed Compliance Report evidencing completion, or current status, of all statutory filings with the Registrar of Companies, Income Tax Authorities and GST Authorities.*

(iii) The SCC shall consider the same and record its reasoned observations within two (2) weeks thereafter, specifically certifying:

- That all assets forming part of the liquidation estate have been properly identified and realised;*
- That all receivables and Bank Guarantees have been properly accounted for;*
- That distribution has been effected strictly in accordance with Section 53 of the Code;*
- That liquidation costs and remuneration have been computed in strict conformity with the statutory framework; and*

- *The status of any unresolved exposure or contingent liability, if continuing to subsist.*

(iv) In the event statutory returns remain unfiled or incomplete, the Liquidator shall ensure filing of the requisite returns before the competent authorities immediately upon disposal of I.A. No. 169 of 2018 and I.A. No. 186 of 2018, and shall place proof of such compliance on record.

(v) In the event that any irregularity, diversion, misapplication of funds, suppression of material particulars, or continued non-compliance with statutory or judicial directions is noticed upon such scrutiny, it shall be open to the SCC and/or the Insolvency and Bankruptcy Board of India to initiate appropriate proceedings in accordance with law, including civil, criminal or disciplinary action, if warranted, without further reference to this Authority.

(vi) The question of discharge of the Liquidator shall be considered only upon:

- *Demonstrable compliance with the above directions;*
- *Filing of a corrected, complete and fully reconciled Final Report; and*
- *Submission of a duly completed Form H in accordance with Regulation 45 of the IBBI (Liquidation Process) Regulations, 2016.*

(vii) The Registry is directed to forward a copy of this Order to the Insolvency and Bankruptcy Board of India for its information and for such action, if any, as it may deem appropriate in accordance with law, in view of the observations recorded herein regarding statutory non-

compliance and repeated non-compliance with the directions of this Authority.

9. It is argued by the Ld. Counsel for the Appellant, that the order dated 25.02.2026, may not be taken as to be relevant for the instant proceedings, based on which, a finding could have been recorded in the impugned order for taking into consideration the observations made in the order of 25.02.2026, for the reason being that, in the light of the findings which has been recorded in Para 31 (V) of the order dated 25.02.2026, no determination qua the conduct of the Appellant has so far been made by IBBI and no proceedings have been initiated for verifying / substantiating the allegations as per law.

10. It has been stated by the Appellant, who is also participating in today's proceedings in person, and who has been identified by his Counsel, Mr. T. Ravichandran, that even after the directions as given in Para 31 (V) of the order dated 25.02.2026, no proceedings have been drawn so far against him and therefore, as such the findings that has been recorded as against the conduct of the Appellant in the order dated 25.02.2026, may not exclusively be taken as to be conclusive, based on which a direction could have been issued by the impugned order to the CoC to re-examine the case in light of the observations made in the order dated 25.02.2026 passed in IA No. 742/2021. Looking to the entire conspectus of the controversy, it is clear that Learned NCLT has not made any remark as to what implication would the order dated 25.02.2026 would be

carrying for the purposes of deciding the IA No. 588/2026 & 589/2026 in context of the relief that was sought therein, for the reason being that, the decision upon the same is yet to be arrived at by the CoC while considering the aspect of approval of appointment of the Appellant as RP by it. The recourse, which has now been left open to be considered by the CoC is exclusively the purposes for taking of a decision only upon considering the observation which has been made in the order of 27.05.2025 and 25.02.2026. The order which is impugned in its entirety, is extracted hereunder:

*We have made certain observations in IA No.742/2021 in CP (IB) No. 12/10/HDB/2017 of VNR Infrastructure Limited in which Mr. TSN Raja was appointed as Liquidator. The CoC may not be aware of our observations and the matter has also been referred to IBBI for taking suitable action. Therefore, the CoC is directed to **take into consideration our observations in IA No.742/2021 in CP (IB) No. 12/10/HDB/2017 of VNR Infrastructure Limited and revert back.** Ld. Counsel is directed to serve the copy of the orders dated 27.05.2025 and 25.02.2026 in VNR Infrastructure Limited to the CoC. Matter is adjourned to 28.04.2026.*

11. Thus, the decision taken on the said IA is not conclusive in the nature and rather the CoC has been directed to take into consideration, as to what implication would the finding recorded in the orders of 27.05.2025 and 25.02.2026 would have, for the purposes of considering the appointment of the Appellant as RP under Section 22 (3)(a) of I & B Code and that the said findings are to be independently considered by the CoC. In that eventuality, the orders,

which have been subjected to challenge in the instant Appeals have not been attached with any finality, but rather the Adjudicating Authority has taken a precaution that the CoC while considering its decision dated 05.03.2026, to continue the Appellant as a Resolution Professional under Section 22 (2) of the Code, may take note of the observations recorded in the orders referred to in the impugned order and to record its reason on the same before pursuing the matter of appointment of the Appellant as RP with Learned NCLT. Thus, the impugned orders passed by the Ld. Tribunal is only precautionary in nature, for the reason being that, the necessity for the Ld. Adjudicating Authority to pass the said orders had chanced owing to its surmise that while passing the Resolution by 100 % voting in favour of the appointment of the Appellant as RP, the CoC was not made conscious of the orders dated 27.05.2025 & 25.02.2026 passed in IA 741/2021 as passed in CP(IB)/12/10/HDB/2017 in the matters of VNR Infrastructure Ltd., and hence the Application under Section 22 was required to be reconsidered. Since, the directions contained in the impugned order only directs reconsideration of grant of an approval of the appointment of the Appellant as a Resolution Professional, which is yet to be considered by the CoC, we are of the view that the nature of the order is not deciding any right as such of the Appellant because the effect of the said two orders passed in IA/741/2021 on the approval granted by the CoC to the appointment of the Appellant as a Resolution Professional is yet to be determined by CoC.

12. Since a fresh decision has been directed to be called for from the CoC, we do not find that it is a fit case, which requires any interference by this Appellate Tribunal at this stage. Having said so, we make it very clear that the reference made by us to the orders dated 27.05.2025 and 25.02.2026 that has been rendered in the matters of VNR Infrastructure Ltd. is only tentative for the purposes of consideration of the instant Company Appeals.

13. It is made clear, that the implication of the orders passed on IA/241/2021 on the Application already made under Section 22 (2) by the CoC, would still be an issue open to be considered by the CoC on its own merit, without being influenced by any observations made by us. Subject to the aforesaid exceptions, the Company Appeals lacks merit and the same are dismissed.

Interlocutory Applications if any stands closed.

14. The aforesaid conclusion which has been drawn by us while passing the judgment, has to be visualised in the light of the relief that was sought by the Appellant in the application, that was preferred before the Learned Adjudicating Authority, for granting an approval to the appointment of the Appellant as Resolution Professional, which was claimed to have been approved by the CoC. Owing to the fact that, the CoC while taking the said decision was oblivious of the fact that, there were already certain orders as against the Resolution Professional, whose appointment was sought to be approved, Learned Adjudicating Authority has only taken a precaution, that the CoC should be aware

of such orders and revert back after considering the implication of the observations made in the orders of 27.05.2025 and 25.02.2026, in the proceedings of IA 742/2021, that was passed in CP(IB)/12/10/HDB/2017. In fact, the impugned orders merely solicit an opinion from the CoC on the issue of appointment of RP in the light of observations made by the Learned NCLT in IA/741/2021 before pressing the application preferred by the Appellant under Section 22 (2) of the Code and the logic behind it is that, the CoC should be in a position to have entire conspectus of the credibility of the Appellant as to whether at all, he deserves to be appointed as RP in the light of the provisions contained under the provision of Section 22 (2) of the Code. Thus, looking to the nature of the orders, it is clear that the said orders are not deciding the lis for the reason being that, as per the observation made in the impugned order, it has only solicited the opinion of the CoC after taking into consideration its earlier orders in the matter of VNR Infrastructure as referred in the impugned order. Since, the impugned orders were soliciting an opinion by the CoC, before taking a final call on the application preferred by the Appellant, for grant of approval of the appointment of the Resolution Professional, as per the provisions contained under Section 22 (2) of the Code, in that eventuality, it cannot be said that, the impugned orders in themselves were deciding any right of any of the party to the proceedings, as they were only facilitating a decision as to whether at all the appointment of the Appellant as RP deserves to be approved in the light and spirit of the provisions contained under Section 22 (2) of the Code. Hence, since the

orders under challenge do not attach any finality of the rights, they will deemed to be of interlocutory nature, and hence will not warrant any interference by us.

[Justice Sharad Kumar Sharma]
Member (Judicial)

[Jatindranath Swain]
Member (Technical)

YS/MS/AK