NATIONAL COMPANY LAW APPELLATE TRIBUNAL
AT CHENNAI

(APPELLATE JURISDICTION)

Company Appeal (AT) (CH) (Ins) No. 516/2026

(IA Nos. 1468, 1469 & 1470/2026)

In the matter of:

Vivek Kumar Ratakonda,
(Resolution Applicant of Baron Infotech Ltd) … Appellant

Vs

Ahalada Rao Vummenthala,
(RP of Baron Infotech Limited) & 2 Ors. … Respondents

Present :

For Appellant : Mr. TK Bhaskar & Ms. Niveditha Narayanan, Advocates
For Ms. Pavni Dada & Ms. Divya K, Advocates

For Respondents : Mr. Krishna CV Grandhi, Senior Advocate
For Mr. Avinash Alladi &
Mr. Pavan Kumar, Advocates for R1/RP
Mr. Ahalada Rao Vummenthala, RP
Mr. M. Maharshi Viswaraj, Advocate for R2
Mr. Sankaranarayanan, Senior Advocate
For Ms. Janani Shankar, Advocate for R3

ORDER
(Hybrid Mode)

03.11.2026:

1) Heard Mr. Krishna Grandhi for the R1 / RP. The learned counsel submitted as below:

a) In the course of the resolution process, the RP has come up with RFRP, in response to which the appellant, the SRA / R3 and others submitted the plan and the CoC voted in favour of the plan of the appellant. The plan was thereafter placed before the Adjudicating Authority for its approval and it was objected by the other resolution proponents. Eventually, vide its order

dated 09.12.2025, the Adjudicating Authority rejected it. One of the reasons for the rejection is that, while the appellant herein has indicated about a strategic investor, but it has not disclosed its identity. Taking an exception to the same, the Adjudicating Authority has observed below:

> *"In the present case, the Resolution Plan (i) introduces Ticker Limited as the entity to be merged with the Corporate Debtor, and (ii) introduces unidentified "strategic investors" who are to infuse Rs. 20 crores. The RP has not placed any material regarding the beneficial ownership, corporate structure, control, or financial capability of Ticker Limited. Similarly, no details, identity, proof of funds, or eligibility certificates have been furnished with respect to the so-called "strategic investors". In the absence of such material, the RP cannot be said to have complied with Regulation 36A (8)."*

b) The Adjudicating Authority remitted the matter to CoC and directed to restart the CIRP from the stage of issuance of a fresh RFRP and the Adjudicating Authority has also replaced the resolution professional.

c) The successor resolution professional would now issue fresh RFRP. The significant clause in the RFRP, which is relevant in the context, runs as below:

> *"The right to negotiate any of the terms of the Resolution Plan with any or all resolution applicants at any stage would be at the sole discretion of the COC and the COC may decide to adopt any method, including the Swiss challenge mechanism or any other challenge mechanism to ascertain the Successful Resolution*

Applicant after receipt of all Resolution Plans. The COC may at its own discretion, decide any method or process for negotiations with the resolution applicants regarding their financial proposal prior to the voting in accordance with the Applicable laws, which may include but shall not be limited to a price discovery process, outbidding process, or any kind of challenge mechanism process prior to putting any compliant resolution plan to vote and each resolution applicant shall be bound by the terms governing such process which shall be decided by the COC in its commercial wisdom subject to relevant CIRP

Regulations. The detailed process note of such challenge mechanism will be notified separately to the potential resolution applicants in respect of the compliant resolution plans."

d) The appellant, the SRA and others submitted their respective plan and this came to be discussed in the 21st CoC meeting, held on 02.04.2026. In that meeting, the plans were analysed and evaluated and discussion were also held with eligible PRAs. So far as appellant is concerned, this is what minuted as below:

ITEM NO. 8:

TO ANALYZE, EVALUATE AND NEGOTIATE THE RESOLUTION PLANS

The Chairperson informed the members of the Committee of Creditors ("CoC") that Resolution Plans had been received from the Prospective Resolution Applicants ("PRAs") in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016 ("Code") and the regulations framed thereunder.

The members were further apprised that the Resolution Plans had been duly examined by the Resolution Professional ("RP") for compliance with the applicable provisions of law and evaluated in accordance with the evaluation matrix as approved by the CoC. Pursuant thereto, the RP invited the Process Advisor to present clarifications in respect of the Resolution Plans before the CoC and the Eligible Prospective Resolution Applicants ("EPRAs"). The CoC took note of and agreed to the same.

At 16:45 hours, the Process Advisor, CA Praveen Kumar, representative of M/s PRVR Associates, joined the meeting and commenced presenting the clarifications in respect of the Resolution Plans.

DISCUSSIONS WITH ELIGIBLE PROSPECTIVE RESOLUTION APPLICANTS (EPRAs)

1. Mr. Vivek Kumar Ratakonda (Ranked H1)

(In Time: 16:47 hours I Out Time: 17:31 hours)

Mr. Vivek Kumar Ratakonda, Resolution Applicant ("RA") joined the meeting at 16:47 hours. The Process Advisor presented the observations pertaining to the Resolution Plan submitted by him, and the RA provided necessary explanations to the queries raised by the Coc and the Resolution Professional ("RP"). The RP and the RA deliberated upon the challenge mechanism, and it was informed that a period of seven (7) days would be granted to improve the terms and conditions of the Resolution Plan. It was further disclosed that the RA was presently ranked H1. The R.A. was informed that observations will be issued to the R.A. and requested to submit clarifications and revised resolution plan, if any. The RA took note

of the same and agreed to submit the clarifications and submit revised plan. Mr. Vivek Kumar exited the meeting at 17:31 hours.

2. Resurgent Property Ventures Private Limited ("Resurgent") represented by Mr. Rohan Saluja and Mr. O.P. Ahuja (Ranked H4)
(In Time: 17:31 hours | Out Time: 17:37 hours)
Thereafter, the representatives of Resurgent joined the meeting. The RP and the RA deliberated upon the challenge mechanism, and it was informed that a period of seven (7) days would be provided for submission of improved terms. It was disclosed that the RA was presently ranked H4. The representatives of R.A. were informed that observations on the Resolutions Plan would be shared with the R.A. for submission of their clarifications and revising the resolution plan. The representatives took note of the same and exited the meeting at 17:37 hours.

3. Evervolt Green Energy Private Limited ("Evervolt") represented by Mr. Krishna Thimmaiah (Ranked H3)
(In Time: 17:40 hours | Out Time: 17:51 hours)
Mr. Krishna Thimmaiah, representative of Evervolt, joined the meeting at 17:40 hours. The RP informed that the Resolution Plan submitted by the RA was under review and that detailed observations would be communicated in due course. The RP and the representative of RA deliberated upon the challenge mechanism, and it was stated that a period of seven (7) days would be granted to improve the terms of the Resolution Plan. It was disclosed that the RA was presently ranked H3. The RA took note of the same and exited the meeting at 17:51 hours.

4. Innopark (India) Private Limited ("Innopark") represented by Ms. Ankit Singh (Ranked H2)

(In Time: 17:52 hours | Out Time: 18:10 hours)

Ms. Ankit Singh, representative of Innopark, joined the meeting at 17:52 hours. The Process Advisor presented observations on the Resolution Plan, which were duly noted by the RA, and confirmation was provided that necessary corrections would be undertaken. The Process Advisor sought certain additional documents and clarifications, and the RA agreed to submit the same. The RA also provided clarifications in response to the queries raised. The Resolution Professional ("RP") and the RA deliberated upon the challenge mechanism, and it was informed that a period of seven (7) days would be granted to improve the terms and conditions of the Resolution Plan. It was disclosed that the RA was presently ranked H2. Ms. Ankit Singh exited the meeting at 18:10 hours.

Thereafter, the RP requested the Process Advisor to complete the verification of the Resolution Plans, and the Process Advisor confirmed that the same would be completed and submitted by Saturday. The Process Advisor exited the meeting at 18:11 hours.

In order to maximize the value of the assets of the Corporate Debtor and to arrive at a commercially viable resolution, the CoC deliberated upon the evaluation of the Resolution Plans and considered conducting further discussions and negotiations with the Resolution Applicants, including seeking improved financial as well as nonfinancial terms.

e) In fact, the same courtesy was extended to other resolution proponent and the discussion held with them is minuted in almost identical expressions.

Thereafter, on 04.04.2026, the resolution professional sent an email to all the resolution proponent with a copy of the process advisory and an observation note on the plan of each of the resolution applicant. The observation notes of appellant runs to about 12 pages (in the typeset of papers) which principally focuses on the non-disclosure of the strategic investor despite there is an insistence to disclose it and also the source of funds, which the appellant has promised. Indeed, it is for the non-disclosure of the strategic investor, appellant plan came to be rejected even in the first instance. Despite the same, appellant continued to hide this strategic investor. Indeed, in its response to the observation note, the appellant continues to stay-put in its original stands and continued to plead, that there was no need to disclose the strategic investor.

f) It may be now stated that, this is not only contrary to the earlier finding of the Adjudicating Authority, but also runs counter to Regulation 37 (ba) of IBBI (CIRP) Regulations, 2017, which IBBI had brought in and came into effect on 23.12.2025.

Turning to the process advisory, it runs as below:

<u>Process - Opportunity for Revision / Challenge Mechanism - Bid Improvement Methodology</u>

1. Evaluation of Resolution Plans

Upon receipt of Resolution Plans from the Prospective Resolution Applicants ("PRAs"), the Resolution Professional shall conduct a

preliminary compliance review to ensure that the plans comply with the provisions of the Insolvency and Bankruptcy Code, 2016 and the CIRP Regulations, including Section 30(2) of the Code.

Only those Resolution Plans which are found compliant and eligible shall be placed before the Committee of Creditors ("CoC") for evaluation.

The compliant Resolution Plans shall be evaluated strictly in accordance with the Evaluation Matrix approved by the CoC, and scores shall be assigned to each Resolution Applicant based on the parameters specified therein.

2. Assignment of Rankings

Based on the evaluation carried out under the approved Evaluation Matrix:

- *Each Resolution Plan shall be assigned a score and corresponding ranking.*
- *The Resolution Applicant securing the highest score shall be ranked H1, followed by H2, H3, and so on.*
- *For the purpose of maintaining confidentiality and fairness:*
- *The ranking position (H1/H2/H3 etc.) shall be communicated to the respective Resolution Applicants.*
- *Scores or financial details of competing resolution plans shall not be disclosed.*

3. Opportunity for Submission of Revised Resolution Plans by disclosing ranking

After communication of rankings, all Resolution Applicants shall be provided a one-time opportunity to submit a revised or improved Resolution Plan, if they so desire.

The revised plan may include improvements in:

➤ *Financial proposal to creditors*

➤ *Upfront payment*

➤ *Amount of fresh funds infusion*

➤ *Implementation timeline*

➤ *Collateral security to be provided*

➤ *Other parameter forming part c*

The Resolution Applicant shall submit from R.P. for submission of Revised Plan.

Failure to submit a revised plan within the prescribed timeline shall result in the earlier submitted plan being treated as the final plan of the concerned Resolution Applicant, CoC reserves the right to accept/reject the same accordingly, without assigning any reason or any more opportunity.

4. Evaluation of Revised Resolution Plans

All revised Resolution Plans received within the prescribed timeline shall be re-evaluated strictly in accordance with the Evaluation Matrix approved by the CoC.

Based on such evaluation:

- *Fresh scores shall be assigned, and*
- *The final ranking of Resolution Applicants shall be determined.*

5. Selection of Successful Resolution Applicant

Based on the final evaluation and ranking, the Committee of Creditors shall consider the Resolution Plans and may consider the approval of the Resolution Plan of the highest ranked Resolution Applicant and also while taking the final decision, the CoC may consider, inter alia:

➤ *Financial proposal offered to creditors*

➤ *Feasibility and viability of the Resolution Plan*

➤ *Speed and certainty of implementation*

➤ *Track record and credibility of the Resolution Applicant*

➤ *Financial capability and background of the Resolution Applicant*

➤ *Long-term sustainability and revival prospects of the Corporate Debtor*

The CoC will take its decision not only based on highest scoring and also it exercise its commercial wisdom, taking into account the evaluation matrix, feasibility and viability of the plan and financial capability of applicant and other relevant factors. The decision of the Committee of Creditors shall be taken in exercise of its commercial wisdom in accordance with the provisions of the IBC and CIRP Regulations.

6. Binding Nature of the Process

Participation in the Revision mechanism by the Resolution Applicants shall be deemed to constitute acceptance of the evaluation methodology, challenge process, and decision-making authority of the Committee of Creditors.

The decision of the CoC regarding the evaluation and selection of the successful Resolution Plan shall be final and binding, subject to approval of the Hon'ble Adjudicating Authority (NCLT).

The Resolution Professional and the Committee of Creditors reserve the right to modify, amend or supplement this Process Advisory at any time without prior notice, in accordance with the

applicable provisions of the Code and CIRP Regulations. No Swiss Challenge Mechanism will be conducted for selecting the Successful Resolution Applicant, the Challenge Mechanism as mentioned above is the final.

This Process Advisory is only for guidance and understanding the CoC way forward action, submitted with a view to maintain fair and transparent process and this note shall not create any legally binding obligation or representation on the part of the Resolution Professional or the Committee of Creditors and shall not confer any right on any Resolution Applicant.

g) If the process advisory is read closely, it would indicate that, it is not just financial proposal which is required to be increased but it also accomodates filing of a revised plan in all sense of the term. Therefore, bringing in a strategic investor by the SRA is not prohibited. Afterall it is not a case where a procedure is differently adopted for the SRA but equally to all.

h) The appellant has been harping much on his status as H1 rank holder in the first instance, but it must be indicated that by its own admission, due to certain arithmetical error, he has submitted a plan for a total value of ₹ 161.85 crores, whereas even according to him, it intended to make an offer for a sum which is less than the sum disclosed by around ₹69 crores. Therefore, his ranking as a H1 rank holder itself is in wobbling plane.

2) The learned counsel for the RP submits that, the status quo order required to be modified since the RP has certain statutory compliance cost. We require Mr. Krishna Grandhi to file a memo to that effect.

List this appeal on **05.11.2026** at **12 PM**.

The interim order would continue to operate till the next date of listing.

[Justice N. Seshasayee]
Member (Judicial)

[Jatindranath Swain]
Member (Technical)

YS/NA/MS

NATIONAL COMPANY LAW APPELLATE TRIBUNAL
AT CHENNAI
(APPELLATE JURISDICTION)

Company Appeal (AT) (CH) (Ins) No. 516 / 2026
(IA Nos.1468, 1469, 1470 & 1726/2026)

In the matter of:

Vivek Kumar Ratakonda,
Resolution Applicant of Baron Infotech Ltd. … Appellant

Vs

Ahalada Rao Vummenthala,
RP of Baron Infotech Ltd. & 2 Ors. … Respondents

Present :

For Appellant : Mr. TK Bhaskar, Ms. Niveditha Narayanan,
Ms. Pavni Dada & Ms. Divya K, Advocates

For Respondents : Mr. Krishna CV Grandhi, Senior Advocate
For Mr. Avinash Alladi &
Mr. Kartikey Raja, Advocates for R1/RP
Mr. M Maharishi Viswaraj, Advocate for R2
Mr. R. Sankaranarayanan, Senior Advocate
For Ms. Janani Shankar, Advocate for R3

With
Company Appeal (AT) (CH) (Ins) No. 577 / 2026
(IA No.1617/2026)

In the matter of:

Vivek Kumar Ratakonda,
Resolution Applicant of Baron Infotech Ltd. … Appellant

Vs

Ahalada Rao Vummenthala,
RP of Baron Infotech Ltd. & 2 Ors. … Respondents

Present :

For Appellant : Mr. TK Bhaskar, Ms. Niveditha Narayanan,
Ms. Pavni Dada & Ms. Divya K, Advocates

For Respondents : Mr. Krishna CV Grandhi, Senior Advocate
For Mr. Avinash Alladi &
Mr. Kartikey Raja, Advocates for R1/RP

Mr. M Maharishi Viswaraj, Advocate for R2
Mr. R. Sankaranarayanan, Senior Advocate
For Ms. Janani Shankar, Advocate for R3

With
Company Appeal (AT) (CH) (Ins) No. 579 / 2026
(IA No.1621/2026)

In the matter of:

Vivek Kumar Ratakonda,
Resolution Applicant of Baron Infotech Ltd. … Appellant

Vs

Ahalada Rao Vummenthala,
RP of Baron Infotech Ltd. & Anr. … Respondents

Present :

For Appellant : Mr. TK Bhaskar, Ms. Niveditha Narayanan,
Ms. Pavni Dada & Ms. Divya K, Advocates

For Respondents : Mr. Krishna CV Grandhi, Senior Advocate
For Mr. Avinash Alladi &
Mr. Kartikey Raja, Advocates for R1/RP
Mr. M Maharishi Viswaraj, Advocate for R2

ORDER
(Hybrid Mode)

06.11.2026: Heard the learned counsel for the SRA and the CoC. For the reply of the appellant, list these appeals on **27.11.2026**.

[Justice N. Seshasayee]
Member (Judicial)

[Jatindranath Swain]
Member (Technical)

AR/MS/AK