

NATIONAL COMPANY LAW APPELLATE TRIBUNAL

AT CHENNAI

(APPELLATE JURISDICTION)

IA No. 1420/2026

in

Company Appeal (AT) (CH) (Ins) No. 252/2026

(IA Nos. 697, 698 & 717/2026)

In the matter of:

**Arjun Govind Raghupathy,
Suspended Director of BGR Energy Systems Ltd.**

... Appellant

V

**National Asset Reconstruction
Company Ltd. & Anr.**

... Respondents

Present :

For Appellant : Mr. PS. Raman, Senior Advocate
For Mr. Pradeep Joy, Advocate

For Respondents : Ms. Fatema Kachwalla, Advocate for R2
Mr. Anant Merathia, Ms. Priyanka Varma,
Mr. Surekh Kant Baxy, Mr. Aarsheya Sharda &
Ms. Amisha Ray, Advocates for Intervenor

ORDER
(Hybrid Mode)

28.09.2026:

1) The learned counsel for the suspended director of the CD submits that, the default complained of by the financial creditor vis-à-vis the debt in question has been amicably settled. He submits that the settlement has to be formalised through a proper and appropriate documentation.

2) The learned counsel submitted that even though the appellant has settled the matter with the financial creditor, inasmuch as the proceeding has now assumed the character of a proceeding in rem, he intends to argue the matter on merits.

3) In the meantime, a certain operational creditor of the CD has preferred IA No. 1420/2026. It's contention is that, the corporate debtor owes it approximately ₹ 4.73 crores, for non payment and when the appellant committed default in paying the same, this proposed intervenor instituted a petition under Section 9, but that came to be dismissed in view of another order of NCLT wherein the appellant was drawn into CIRP. The appellant would now settle with that petitioner, following which the order initiating the CIRP was set at naught. The proposed intervenor would now approach the Adjudicating Authority for pronouncing its final order, which was not pronounced yet, but the matter came to be challenged before Andhra Pradesh High Court. There was an order of stay passed by the Hon'ble High Court, which was stated to be in force for about 20 months, before it was vacated on 24.06.2026. The intervenor would now submit that, because of the present appeal the Adjudicating Authority is reluctant to go ahead with its application and it has not passed final orders in Section 9 petition.

4) We inform the proposed intervenor that there are only two possibilities in this case:

- a) If the appellant succeeds on merit, necessarily the intervenor has to pursue its matter before the Adjudicating Authority. Indeed, the

Adjudicating Authority will be free of any fetters in pronouncing its final orders in Section 9 petition instituted by it;

b) If we do not find any merit in the appeal, necessarily the CIRP of the corporate debtor herein will kickstart during which the intervenor may prefer its claim. In other words, no right of the intervenor is now in peril.

5) With this observation, we close IA No. 1420/2026. We require both sides to submit their pointed notes of submission latest by 09.10.2026.

List this appeal on **16.11.2026** at **12 PM**.

Till the next date of hearing, the earlier interim order, if any, passed by this tribunal, shall continue.

[Justice N. Seshasayee]
Member (Judicial)

[Jatindranath Swain]
Member (Technical)

YS/LP/MS