

NATIONAL COMPANY LAW APPELLATE TRIBUNAL
AT CHENNAI
(APPELLATE JURISDICTION)

Company Appeal (AT) (CH) (Ins) No. 217/2026
(IA Nos. 614 & 615/2026)

In the matter of:

Prakash Oil Depot

... Appellant

V

G. Madhusudhan Rao

Liquidator for M/s. Sarda Agro Oils Limited

... Respondent

Present :

For Appellant : Mr. Rahul Balaji, Advocate

For Ms. Janani Shankar, Advocate

For Respondent : Mr. PH Arvinth Pandian, Senior Advocate

Mr. Avinash Krishnan Ravi, Advocate

Mr. Madhusudhan Rao Gonugunta, Liquidator

With

Company Appeal (AT) (CH) (Ins) No. 245/2026
IA No. 894/2026

In the matter of:

G. Madhusudhan Rao

Liquidator for Sarda Agro Oils Ltd.

... Appellant

Present :

For Appellant : Mr. Arvinth Pandian, Senior Advocate

For Mr. Avinash Krishnan Ravi, Advocate

Mr. Madhusudhan Rao Gonugunta, Liquidator

ORDER
(Hybrid Mode)

03.08.2026: These appeals are preferred by the liquidator and the scheme proponent against the rejection of the scheme under Section 230 of the Companies Act. During the course of liquidation process of the corporate debtor scheme was submitted by the liquidator in terms of Regulation 2B of the IBBI (Liquidation Process) Regulations, 2016. This scheme was approved 100% by

the Secured financial creditors, and the overall approval was more than 77%. However, the learned Adjudicating Authority has rejected the scheme essentially on the ground that the liquidator has not divided the creditors into multiple classes.

2. The quintessence of the submission of the learned counsel for the appellant is a need for division of the entire body of creditors into different classes is for a limited purpose of nominating representatives for each of the classes for the purposes of participating in the stakeholders' meeting. It is essentially a rule of convenience.

3. Practically, there are no respondents since both the parties who are affected by the order of the learned Adjudicating Authority are before this court with separate appeals.

4. We only require the appellants to submit one consolidated note of facts and notes on law. The appellant will be given 30 minutes to make his submissions.

List these matters on **07.08.2026 @ 2.00 PM**.

The interim order already granted on 16.04.2026, in Company Appeal (AT) (CH) (Ins) No. 217/2026, will continue to operate till the next date of listing.

[Justice N. Seshasayee]
Member (Judicial)

[Jatindranath Swain]
Member (Technical)