

NATIONAL COMPANY LAW APPELLATE TRIBUNAL
PRINCIPAL BENCH, NEW DELHI

Comp. App. (AT) (Ins) No. 894 of 2026

IN THE MATTER OF:

Chirag Rajendrakumar Shah
Liquidator of GEI Industrial Systems Ltd.

...Appellant(s)

Versus

C. E. Fernandes

...Respondent(s)

Present:

For Appellant(s) : Ms. Anjali Sharma and Mr. Gaikhuanlung,
Advocates.

For Respondent(s) : Mr. Biswajit Dubey, Mr. Kaustubh Rai, Mr.
Shantanu Chaurasiya, Adv. Vipulaaksh Moondra
and Mr. Akshat Awasthi, Advocates.

O R D E R
(Hybrid Mode)

20.05.2026 Heard, Ld. Counsel appearing for the Appellant and Ld.
Counsel appearing for the Respondent No.1.

2. This Appeal has been filed against the order dated 27.04.2026 by which
Adjudicating Authority has decided the application in IA/215/MP/2026 filed
by the Respondent No.1. In the application following prayers were made:

*“(i) That this Hon'ble Tribunal may kindly be
pleased to stay, quash and set aside the proposed
auction of the assets of the Corporate Debtor GEI
industrial Systems Ltd scheduled to be held on 27th
April 2026 at 03:00 PM, as approved by the
Stakeholder Consultation Committee (SCC) in its 5th
meeting held on 17th March 2026 and 18th March
2026.*

*(ii) That this Hon'ble Tribunal may kindly be
pleased to stay, quash and set aside the Agenda,
Minutes of Meeting. Voting Results of item No 5 of the
5th SCC Meeting of the GEI industrial Systems Ltd.,
specifically dealing with publication of E-Auction Notice
for sale of Assets of the Corporate Debtor.*

(iii) That this Hon'ble Tribunal may be pleased to stay all further steps, actions and consequences arising out of the said SCC decision approving auction of assets of the Corporate Debtor.

(iv) That this Hon'ble Tribunal may be pleased to direct the Liquidator to duly consider and place the Applicant's Scheme of Compromise and Arrangement submitted under Section 230 of the Companies Act, 2013 read with Regulation 28 of the IBBI (Liquidation Process) Regulations, 2016 and place the same before the stakeholders for consideration and voting in accordance with law."

3. The Adjudicating Authority by the impugned order has disposed of the application with following directions in Para-18:

"(i) The Respondent is directed to consider the Scheme of Compromise and Arrangement after affording a reasonable opportunity to the Applicant, and thereafter take an appropriate decision in accordance with law.

(ii) Till a decision is taken with respect to the Scheme, no further proceedings in the liquidation process, including auction or any other sale proceedings, shall be carried out."

4. Ld. Counsel for the Appellant aggrieved by the order submits that the Adjudicating Authority has observed that in SCC meeting dated 18.03.2026. SCC took the view that it is not inclined to consider the scheme on the ground that earnest money has not been deposited. It is submitted that the said meeting was dated 18.03.2026 but votings concluded subsequently by 31.03.2026.

5. Ld. Counsel for the Respondent submitted that although the amount of Rs. 37,00,00,000/- which was to be deposited by the Appellant by 27.03.2026

could not be deposited and the Appellant wanted extension of time for deposit, however, the Appellant shall deposit the entire amount of Rs. 37,00,00,000/- within 30 days from today. Thereafter, the scheme of the Appellant be considered.

6. We have heard Ld. Counsel for the parties and perused the record.

7. The Adjudicating Authority by the order has already directed for consideration in the scheme of compromise and arrangement, we are of the view that Respondent No.1 be allowed 30 days' time for deposit of the amount of Rs. 37,00,00,000/- with the Liquidator which may be kept in an interest-bearing account. In event, the amount is deposited, SCC shall consider the scheme and take appropriate decision in accordance with law.

8. We make it clear that in case the amount is not deposited within 30 days it shall be open for the Liquidator to proceed further in accordance with law.

9. The Appeal is disposed.

[Justice Ashok Bhushan]
Chairperson

[Indevar Pandey]
Member (Technical)

Abhishek/Manu