

NATIONAL COMPANY LAW APPELLATE TRIBUNAL
PRINCIPAL BENCH, NEW DELHI

Company Appeal (AT) (Insolvency) No. 766 of 2025

&

I.A. No. 2932 of 2025

IN THE MATTER OF:

Anuj Goyal

...Appellant

Versus

**Amit Chandrakant Shah,
RP of Frost International Ltd.**

...Respondent

Present:

For Appellant : Mr. Mohit Chowdhary, Mr. Prakhar Mithal and Mr. Gaurav Raj, Advocates.

For Respondent : Mr. Varun Kalra and Mr. Pranav Khadda, Advocates for R-1.

Mr. Ramji Srinivasan, Sr. Advocate with Mr. Atul Shankar Mathur, Mr. Prabal Mehrotra, Mr. Shubhankar, Ms. Shefali Munde and Mr. Arjun Bhatia, Advocates for Intervenors.

O R D E R
(Hybrid Mode)

16.05.2025: Heard counsel for the appellant and learned counsel appearing for the RP as well as learned Sr. counsel Mr. Ramji Srinivasan appearing for another bidder – Greensward Enterprises Pvt. Ltd.

2. This appeal has been filed against an order dated 11.04.2025 by which order, adjudicating authority allowed I.A. 1424/MB/2025 filed by the RP seeking clarification with regard to re-run the second challenge mechanism. The appellant was highest bidder in the first challenge process and he raised objection with regard to application filed by the RP. Adjudicating authority after hearing the parties by the impugned order has allowed the I.A. meaning thereby directing for the second challenge process to take place.

3. Learned counsel for the appellant submits that CoC could not have conducted second challenge process and could not permit participation of those resolution applicant who did not participate in the first challenge. Learned counsel for the appellant has referred to Clauses 3.3 & 3.7 of the RFRP.

4. Learned counsel for the RP submitted that second challenge process has already been completed and third challenge process has been scheduled on 19.05.2025.

5. We have considered the submissions of counsel for the parties and perused the record.

6. Clauses 3.3 & 3.7 on which reliance has been placed does not preclude the CoC to opt for second challenge process and give opportunity to those resolution applicants who did not participate in first challenge process since their financials were to be treated for final for the purposes of the first challenge process.

7. Appellant although was declared H-1 in the first challenge process but that does not give any right to the applicant to claim that his H-1 bid should be accepted by the CoC. CoC has full jurisdiction and domain to take decision to hold negotiation or challenge processes for maximisation of the value of the corporate debtor under the Clauses of the RFRP.

8. Adjudicating authority has rightly placed reliance on the judgment of this Tribunal in the matter of **‘Vistara ITCL India Limited’ Vs. ‘Torrent Investments Pvt. Ltd. & Ors.’** in **Comp. App. (AT) (Ins.) No. 132/2023**, decided on 02.03.2023.

9. We thus do not find any error in the order of the adjudicating authority permitting the RP to proceed with the second challenge process.

10. Learned counsel for the appellant has also submitted that Greensward Enterprises Pvt. Ltd. who did not participate in the first challenge process and his financials were freeze, its higher offer could not have accepted by the CoC.

11. We are of the view that above higher offer cannot be treated to be any offer in accordance with the process, however, that does not preclude the CoC to invite for any further negotiation and hold further challenge process.

12. Learned counsel for the appellant lastly submitted that he should also be permitted to participate in the third challenge process. Counsel for the RP submitted that email has already sent to the appellant to participate in the third challenge process.

In view of the aforesaid, no further orders are required. We close the appeal.

**[Justice Ashok Bhushan]
Chairperson**

**[Barun Mitra]
Member (Technical)**

**[Arun Baroka]
Member (Technical)**

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