

**NATIONAL COMPANY LAW APPELLATE TRIBUNAL,
PRINCIPAL BENCH, NEW DELHI**

**Company Appeal (AT) (Insolvency) No. 890 of 2025
& I.A. No. 3492 of 2025**

[Arising out of Order dated 30.04.2025 read with Order dated 10.06.2025 and 13.06.2025 passed by the Adjudicating Authority (National Company Law Tribunal), Kolkata Bench in Inv. P. No.5 of 2025 in CP(IB) No.369 of 2020]

IN THE MATTER OF:

**Girish Siriram Juneja,
RP, Hindusthan National Glass & Industries Ltd.**

...Appellant

Versus

Soneko Marketing Pvt. Ltd. & Ors.

...Respondents

Present:

For Appellant: Mr. Navin Pahwa, Sr. Advocate and Mr. Gautam Narayan, Sr. Advocate with Mr. Vikram Wadhera, Ms. Smriti Churiwal, Mr. Jaiveer Kant, Advocates.

For Respondents: Mr. Joy Saha, Sr. Advocate with Mr. Aditya Shukla, Ms. Pratiksha Sharma, Mr. Ritu Chaudhary, Mr. Ayush Jain, Mr. Mukesh Kumar, Advocates for R-1.

Mr. Arun Kathpalia, Sr. Advocate with Ms. Misha, Mr. Siddhant Kant, Ms. Maulshree Shukla, Mr. Yugal Jain, Ms. Gayathri Balasubramanian, Ms. Diksha, Advocates for R-2 (CoC).

Mr. Rishav Banerjee, Mr. Utsav Trivedi, Ms. Kiran Sharma, Ms. Manini Roy, Ms. Nandini Acharya, Ms. Pooja Chakraborti, Advocates for R-3.

Ms. Manju Bhuteria, Sr. Advocate with Mr. Saurav Jain, Advocate for AGI Greenpac.

Mr. Pranjit Bhattacharya, Ms. Salonee Shukla, Advocates for Exclusive Capital Ltd.

Mr. Raghenth Basant, Sr. Advocate with Mr. Mudit Gupta, Ms. Sonali Jain, Ms. Kaushitaki Sharma, Mr. Vinayak Sharma, Advocates for Intervener.

Company Appeal (AT) (Insolvency) No. 891 of 2025

[Arising out of Order dated 30.04.2025 read with Order dated 10.06.2025 and 13.06.2025 passed by the Adjudicating Authority (National Company Law Tribunal), Kolkata Bench in Inv. P. No.5 of 2025 in CP(IB) No.369 of 2020]

IN THE MATTER OF:

**Girish Siriram Juneja,
RP, Hindusthan National Glass & Industries Ltd.**

...Appellant

Versus

Soneko Marketing Pvt. Ltd. & Ors.

...Respondents

Present:

For Appellant: Mr. Navin Pahwa, Sr. Advocate and Mr. Gautam Narayan, Sr. Advocate with Mr. Vikram Wadhera, Ms. Smriti Churiwal, Mr. Jaiveer Kant, Advocates.

For Respondents: Mr. Joy Saha, Sr. Advocate and Mr. Abhijeet Sinha, Sr. Advocate with Mr. Aditya Shukla, Ms. Pratiksha Sharma, Mr. Ritu Chaudhary, Mr. Ayush Jain, Mr. Mukesh Kumar, Advocates for R-1.

Mr. Arun Kathpalia, Sr. Advocate with Ms. Misha, Mr. Siddhant Kant, Ms. Maulshree Shukla, Mr. Yugal Jain, Ms. Gayathri Balasubramanian, Ms. Diksha, Advocates for R-2 (CoC).

Mr. Rishav Banerjee, Mr. Utsav Trivedi, Ms. Kiran Sharma, Ms. Manini Roy, Ms. Nandini Acharya, Ms. Pooja Chakraborti, Advocates for R-3.

Ms. Manju Bhuteria, Sr. Advocate with Mr. Saurav Jain, Advocate for AGI Greenpac.

Mr. Pranjit Bhattacharya, Ms. Salonee Shukla, Advocates for Exclusive Capital Ltd.

Mr. Raghenth Basant, Sr. Advocate with Mr. Mudit Gupta, Ms. Sonali Jain, Ms. Kaushitaki Sharma, Mr. Vinayak Sharma, Advocates for Intervener.

Company Appeal (AT) (Insolvency) No. 892 of 2025

[Arising out of Order dated 30.04.2025 read with Order dated 10.06.2025 and 13.06.2025 passed by the Adjudicating Authority (National Company

Law Tribunal), Kolkata Bench in Inv. P. No.5 of 2025 in CP(IB) No.369 of 2020]

IN THE MATTER OF:

**Girish Siriram Juneja,
RP, Hindusthan National Glass & Industries Ltd.**

...Appellant

Versus

Soneko Marketing Pvt. Ltd. & Ors.

...Respondents

Present:

For Appellant: Mr. Navin Pahwa, Sr. Advocate and Mr. Gautam Narayan, Sr. Advocate with Mr. Vikram Wadhera, Ms. Smriti Churiwal, Mr. Jaiveer Kant, Advocates.

For Respondents: Mr. Joy Saha, Sr. Advocate and Ms. Liz Mathew, Sr. Advocate with Mr. Aditya Shukla, Ms. Pratiksha Sharma, Mr. Ritu Chaudhary, Mr. Ayush Jain, Mr. Mukesh Kumar, Advocates for R-1.

Mr. Arun Kathpalia, Sr. Advocate with Ms. Misha, Mr. Siddhant Kant, Ms. Maulshree Shukla, Mr. Yugal Jain, Ms. Gayathri Balasubramanian, Ms. Diksha, Advocates for R-2 (CoC).

Mr. Rishav Banerjee, Mr. Utsav Trivedi, Ms. Kiran Sharma, Ms. Manini Roy, Ms. Nandini Acharya, Ms. Pooja Chakraborti, Advocates for R-3.

Ms. Manju Bhuteria, Sr. Advocate with Mr. Saurav Jain, Advocate for AGI Greenpac. Mr. Pranjit Bhattacharya, Ms. Salonee Shukla, Advocates for Exclusive Capital Ltd.

Mr. Raghenth Basant, Sr. Advocate with Mr. Mudit Gupta, Ms. Sonali Jain, Ms. Kaushitaki Sharma, Mr. Vinayak Sharma, Advocates for Intervener.

Company Appeal (AT) (Insolvency) No. 911 – 913 of 2025

[Arising out of Order dated 30.04.2025 read with Order dated 10.06.2025 and 13.06.2025 passed by the Adjudicating Authority (National Company Law Tribunal), Kolkata Bench in Inv. P. No.5 of 2025 in CP(IB) No.369 of 2020]

IN THE MATTER OF:

Committee of Creditors of Hindusthan National

...Appellant

Glass & Industries Ltd.

Versus

Soneko Marketing Pvt. Ltd. & Ors.

...Respondents

Present:

For Appellant: Mr. Arun Kathpalia, Sr. Advocate with Ms. Misha, Mr. Siddhant Kant, Ms. Maulshree Shukla, Mr. Yugal Jain, Ms. Gayathri Balasubramanian, Ms. Diksha, Advocates.

**For Respondents: Mr. Joy Saha, Sr. Advocate with Mr. Aditya Shukla, Ms. Pratiksha Sharma, Mr. Ritu Chaudhary, Mr. Ayush Jain, Mr. Mukesh Kumar, Advocates for R-1.
Mr. Vikram Wadhera, Ms. Smriti Churiwal, Mr. Jaiveer Kant, Advocates for R-2 (RP).
Mr. Rishav Banerjee, Mr. Utsav Trivedi, Ms. Kiran Sharma, Ms. Manini Roy, Ms. Nandini Acharya, Ms. Pooja Chakraborti, Advocates for R-3.**

J U D G M E N T
(8th July, 2025)

Ashok Bhushan, J.

Company Appeal (AT) (Insolvency) Nos.890 of 2025, 891 of 2025 & 892 of 2025 have been filed challenging the order dated 30.04.2025 read with orders dated 10.06.2025 and 13.06.2025 passed by the Adjudicating Authority (National Company Law Tribunal), Kolkata Bench-2 in IVN.P. Nos. 5/KB/2025. Company Appeal (AT) (Insolvency) Nos.890 of 2025, 891 of 2025 & 892 of 2025 have been filed by Resolution Professional- Mr. Girish Siriram Juneja and Company Appeal (AT) (Insolvency) Nos. 911, 912 and 913 of 2025 have been filed by the Committee of Creditors (CoC) against the

orders dated 30.04.2025 read with orders dated 10.06.2025 and 13.06.2025.

2. Brief facts of the case giving rise to these Appeals are:-

2.1. Corporate Insolvency Resolution Process (CIRP) against the Corporate Debtor- Hindustan National Glass & Industrial Limited commenced by order dated 21.10.2021. Mr. Girish Siriram Juneja was appointed as Interim Resolution Professional who was subsequently confirmed as Resolution Professional. Under the decision of the CoC, the Resolution Professional issued Expression of Interest (EoI) inviting Resolution Plans. Resolution Plans were received after issuance of RFRP by the Resolution Professional. The Resolution Plan submitted by AGI Greenpac Pvt. Ltd. ("AGI") was approved by the CoC with 98% vote shares of the CoC on 27.10.2022. The Respondent No.1, an Operational Creditor has filed Intervention Petition No.18 of 2022 in CP (IB) No. 369 of 2020 seeking to intervene in the main Company Petition and prayed for removal of the Resolution Professional. Adjudicating Authority vide order dated 28.04.2023 approved the Resolution Plan of AGI Greenpac Pvt. Ltd., challenging the said order, several Appeals were filed in this Tribunal i.e. Company Appeal (AT) (Insolvency) No.807 of 2023 filed by the Respondent No.1, Company Appeal (AT) (Insolvency) No. 735 of 2023 was filed by Independent Sugar Corporation Ltd., another Resolution Applicant. Company Appeal (AT) (Insolvency) Nos. 607 of 2023 & 724 of 2023 were also filed. All the above Company Appeals were decided by this Tribunal vide its judgment and order dated 18.09.2023 dismissing all the Appeals. Aggrieved by order of this Tribunal dated 18.09.2023, Civil

Appeals were filed by Respondent No.1 as well as Independent Sugar Corporation Ltd. Hon'ble Supreme Court vide its judgment and order dated 29.01.2025 decided Civil Appeal No. 6177 of 2023 filed by Independent Sugar Corporation Ltd., another Resolution Applicant as well as other Appeals. The Hon'ble Supreme Court vide its judgment dated 29.01.2025 set aside the order of the Adjudicating Authority as well as the order of this Tribunal approving the Resolution Plan of AGI Greenpac Pvt. Ltd. Hon'ble Supreme Court held that as prior approval by the CCI as required by Section 31 has not been obtained by AGI Greenpac Pvt. Ltd., Resolution Plan could not have been approved. Hon'ble Supreme Court issued direction to reconsider the Resolution Plan of Independent Sugar Corporation Ltd. and any other Resolution Plans which possessed the requisite CCI approval as on 28.10.2022. After the order of the Hon'ble Supreme Court, on 30.01.2025, a show cause notice was issued by the IBBI to the Resolution Professional. In consequence of the order of the Hon'ble Supreme Court dated 29.01.2025, the Resolution Plan of Independent Sugar Corporation Ltd. was approved on 04.02.2025. On 07.03.2025, Respondent No.1, Operational Creditor filed Intervention Petition No.5 of 2025 seeking intervention as well as removal of the Resolution Professional. A W.P. (C) No.3065 of 2025- ***"HNG Industries Thozhilalar Nalasangam vs. Insolvency and Bankruptcy Board of India & Ors."*** was filed on 12.03.2025 before Delhi High Court seeking a direction that the order dated 30.01.2025 precludes the RP from undertaking any new assignment/s; the same does not prevent him from continuing with any existing assignment/s'. Resolution Professional filed reply to Intervention Petition

No.5 of 2025. Various Review Petitions were filed before the Hon'ble Supreme Court for reviewing the judgment dated 29.01.2025 in March 2025. On 30.04.2025, two separate orders were passed by Judicial Member and Technical Member. Judicial Member framed three points and held that the intervenor i.e. Respondent No.1 was entitled to intervene in the matter and further directed replacement of Resolution Professional. Technical Member gave a different opinion holding that the Respondent No.1 has no right to intervene in the matter and further view taken by Technical Member was that other prayers have become infructuous. There being two different opinions, the Adjudicating Authority made a reference to the President for appropriate orders on 30.04.2025 itself noticing the point of difference. After the reference made on 30.04.2025, Hon'ble President constituted a Third Member to hear the reference and by order dated 10.06.2025, Third Member gave its opinion. Learned Third Member gave answer to two questions which were referred to in affirmative. Opinion of Third Member was placed before the Adjudicating Authority and Adjudicating Authority after noticing the opinion of Third Member passed the order dated 13.06.2025. Adjudicating Authority took the view that in view of the majority view on point no.(i) and (iii), the Application is disposed of.

2.2. Aggrieved by the aforesaid orders dated 30.04.2025, 10.06.2025 and 13.06.2025, these Appeals have been filed.

3. We have heard Shri Navin Pahwa, Learned Senior Counsel for the Appellant in Appeals filed by the Resolution Professional, Shri Arun Kathpalia, Learned Senior Counsel for the Appellant in the Appeal filed by

the Committee of Creditors of Hindusthan National Glass & Industries Ltd., Shri Joy Saha, Learned Senior Counsel for the Respondent No.1- Soneko Marketing Pvt. Ltd., the Contesting Respondent. Shri Rishav Banerjee, Learned Counsel has appeared for Independent Sugar Corporation Ltd., one of the Respondents in the Appeal. Shri Raghenth Basant, Learned Senior Counsel for the Intervenor (Promoter). We have also heard Learned Counsel appearing on behalf of the Intervenor- HNG Industries Thozhilalar Nalasangam.

4. We shall notice first submission advanced by Learned Counsel for the Appellant in Appeals filed by the Resolution Professional and Appeals filed by the Committee of Creditors.

5. Learned Senior Counsel appearing for the Appellant (Resolution Professional) challenging the impugned order submits that the Learned Judicial Member committed error in passing the order dated 30.04.2025 directing IBBI to remove the Resolution Professional relying on Sections 97 and 98 of the IBC which provisions are not attracted in CIRP under Part II whereas those provisions were only relevant for CIRP under Part III. The very basis of the order of the Judicial Member is erroneous and unfounded. It is submitted that the Learned Judicial Member in its opinion dated 30.04.2025 has also erroneously taken the view on bye-law 23A of Model Bye-Laws under Schedule II of the IBBI(Model Bye-laws and Governing Body of Insolvency Professional Agencies) Regulation 2016 by holding that as per Bye-Law 23, after suspension of AFA, the Resolution Professional cannot continue with even existing assignment. It is submitted that Bye-Law of 23A

only bars Resolution Professional from taking any future assignment after suspension of AFA. Learned Judicial Member in its opinion has not noticed the other relevant Regulations governing the field. It is further submitted that the opinion dated 30.04.2025 of Judicial Member was not agreed upon by the Technical Member, gave separate opinion holding that Respondent No.1 had no locus to file the application, and that the prayers made in the application by Respondent No.1 has become infructuous. There being divergence of opinion between Judicial Member and Technical Member matter was referred to the President, NCLT for making a reference. In the reference only two questions were referred which did not include the question regarding the removal of Resolution Professional by the IBBI. Third Member vide its order dated 10.06.2025 had concurred with the opinion of the Judicial Member that the Respondent No.1 has locus to file application but Third Member did not express any opinion on the merits of the prayers including Point No.(iii) as framed by Judicial Member. The order dated 13.06.2025 passed by the Adjudicating Authority erroneously observed that the application is disposed of in view of the majority opinion and Point Nos. (i) and (iii), there was no majority opinion on Point No.(iii) (as was framed by Judicial Member), hence, the order dated 13.06.2025 is not in accordance with the majority opinion and is unsustainable. It is submitted that under Section 419(3) of the Companies Act, the order can be passed on the basis of opinion of the majority of the members. It is submitted that the Respondent No.1 had already filed Intervention Petition No.18 of 2022 where prayer for removal of the Resolution Professional was taken which application remain pending. It is submitted that the Intervention Petition No.5 of 2025 has been

filed by Respondent No.1 only with intent to delay and derail the CIRP process and to ensure that the CIRP process is not completed. Counsel for the Appellant refers to the judgment dated 29.01.2025 of the Hon'ble Supreme Court where Hon'ble Supreme Court has rejected the Resolution Plan of AGI and directed for voting on the Resolution Plan of Independent Sugar Corporation Ltd., which was indeed has been approved by the CoC on 04.02.2025 and nothing was required to be done by the Resolution Professional except to bring the approval of the Resolution Plan before the Adjudicating Authority for passing the necessary orders. It is submitted that the Hon'ble Supreme Court by its order dated 16.05.2025 in the Review Petition has directed the completion of entire process within 6 weeks, but the order passed by the Adjudicating Authority tends to create a situation in which timeline fixed by the Hon'ble Supreme Court are difficult to be complied with. The submission of the Counsel for the Respondent No.1 that the Appellant has no locus to file this Appeal is wholly misconceived. The directions have been passed by the Adjudicating Authority to the IBBI to remove the Appellant which can very well be questioned and challenged by the Appellant. It is submitted that the Resolution Professional is taking every steps to ensure the compliance of the direction passed by the Hon'ble Supreme Court dated 29.01.2025 as well as 16.05.2025. Reliance on First Information Report filed against the Appellant is misplaced since neither any charge sheet has been filed nor any charges have been framed in any of the FIR.

6. Counsel for the Appellant- Committee of Creditors submits that there is no majority opinion with regard to removal of the Resolution Professional as directed by Judicial Member in its opinion dated 30.04.2025, neither any question of difference of opinion with regard to removal of Resolution Professional was framed nor Third Member gave any opinion on Point No.(iii) as framed by Judicial Member. The judgment dated 13.06.2025 purporting to decide the Intervention Petition No.05/KB/2025 on the basis of majority opinion is erroneous and misplaced there being no majority opinion on Point No.(iii) i.e. replacement of Resolution Professional. The Adjudicating Authority in its order dated 13.06.2025 has erred in observing that on the majority opinion on Point No.(iii), application is disposed of. Counsel for the Appellant submits that the suspension of authorisation for assignment (AFA) does not bar Resolution Professional to continue with existing assignment. Counsel for the Appellant submits that the Adjudicating Authority had not appreciated Regulation 7A of the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016. Counsel for the Appellant has also referred to Regulation 13 of the Insolvency and Bankruptcy Board of India (Inspection and Investigation) Regulations, 2017 and submits that the scheme of Regulation indicates that the Resolution Professional on suspension of AFA is not debarred from continuing with existing assignment. Counsel further relied on the judgment of the Bombay High Court in **“Kairav Anil v. IBBI & Ors. 2024 SCC OnLine Bom 2572”** and the order of the Delhi High Court in W.P. (C)-3065/2025-**“HNG Industries Thozhilalar Nalasangam”** (supra). It is submitted that the CoC has expressly made it clear and submitted before

the Adjudicating Authority that the CoC has full confidence in the Resolution Professional to complete the process. It is submitted that in fact the order of the Hon'ble Supreme Court dated 29.01.2025 only directed re-voting on the Resolution Plan of Independent Sugar Corporation Ltd. and other eligible Resolution Plans with respect to which voting it is only CoC who has to exercise its voting rights. The issue of replacement of Resolution Professional was raised by the Respondent No.1 who had only 0.20% debt in the total admitted debt of the Corporate Debtor only with intent to delay and derail the CIRP process and to ensure that the process is not completed within the time allowed by the Hon'ble Supreme Court. It is submitted that the Learned Judicial Member has taken an erroneous view in its opinion dated 30.04.2025 and further the Adjudicating Authority committed error in passing order dated 13.06.2025 which is unsustainable. It is submitted that the Respondent No.1 has no locus to intervene in the CIRP and Intervention Application filed with motive to scuttle the CIRP.

7. Shri Joy Saha, Learned Senior Counsel appearing for the Respondent No.1, the Operational Creditor who had filed the Intervention Petition No.5 of 2025 has supported the impugned order and submits that the Resolution Professional has no locus to file these Appeals. It is submitted that on suspension of AFA w.e.f. 30.01.2025 after issuance of show-cause notice issued by the IBBI on the complaints filed against the Resolution Professional with respect to the Corporate Debtor, Resolution Professional is clearly debarred from continuing as the Resolution Professional of the Corporate Debtor. It is further submitted by the Counsel for the Respondent

No.1 that the issue is fully covered by judgment of Madras High Court in **“CA. V Venkta Sivakumar Vs. IBBI 2024 OnLine Madras 156”** where Madras High Court was considering challenge to Bye-Laws 23A and observed that the intent is to keep the erring person away from the office. Against the judgment of the Madras High Court, Special Leave Petition was also filed before the Hon’ble Supreme Court being SLP (Civil) No.4726 of 2024 which has been dismissed by a reasoned order upholding the constitution validity of Bye-Laws 23A. It is submitted that the Judgment of the Madras High Court has also been relied and reiterated by Bombay High Court in its judgment **“Kairav Anil Trivedi”** (*supra*), hence, after suspension of AFA, Resolution Professional cannot even continue with the existing assignment and the Learned Judicial Member has rightly directed for the replacement of the Resolution Professional by the IBBI. It is submitted that there was no question of rehearing the matter by the Adjudicating Authority after receipt of the third opinion on 10.06.2025. It is submitted that the conduct of the Resolution Professional indicate that he is not eligible to continue as the Resolution Professional of the Corporate Debtor. The Resolution Professional after the suspension of AFA never approached the Adjudicating Authority seeking permission to continue. CoC never convened a meeting to discuss the suspension of the Resolution Professional or approached the Adjudicating Authority challenging the removal of the Resolution Professional. It is submitted that the Adjudicating Authority and the CoC has power to remove the Resolution Professional under Section 27. It is submitted that the Regulation 7A of the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016

merely state that after 31.12.2019 a Resolution Professional cannot continue if it has no valid AFA. The said Regulation is completely silent about the authority of the Resolution Professional with existing assignment. Regulation 13(6) of the Insolvency and Bankruptcy Board of India (Inspection and Investigation) Regulations, 2017 does not touch upon the automatic suspension of the Resolution Professional. It is submitted that the Respondent No.1 in no manner is standing against the compliance of the order of the Hon'ble Supreme Court dated 29.01.2025 and 16.05.2025. It is submitted that the Hon'ble Supreme Court while passing the order dated 29.01.2025 was never made aware of the suspension of the Resolution Professional and the direction of the Hon'ble Supreme Court cannot be treated to mean that the Supreme Court has permitted Girish Shriram Juneja to continue as Resolution Professional.

8. Shri Rishav Banerjee, Learned Counsel for Independent Sugar Corporation Ltd. supported the submissions of the Appellant and submits that the Resolution Plan of Independent Sugar Corporation Ltd. has been approved by the CoC on 04.02.2025 and after the order dated 16.05.2025 of the Hon'ble Supreme Court on 10.06.2025. It is submitted that the 6 weeks' time has already expired on 27.06.2025. The Resolution Plan approval application needs to be taken and decided by the Adjudicating Authority. It is submitted that it is the CoC and not the Resolution Professional who has approved the Resolution Plan. Resolution Professional has no role except to place the Resolution Plan before the CoC. It is submitted that the Respondent No.1 is raising the above objection at the instance of promoters

of the Corporate Debtor. It is submitted that the Counsel for the Respondent No.3 also adopt the submission made by the Appellant with regard to entitlement of the Resolution Professional to continue with existing assignment. It is submitted that the suspension of AFA only precludes the Resolution Professional from taking any new assignment and does not prevent him from continuing with existing assignment. It is submitted that in the Review Petition filed before the Hon'ble Supreme Court, the issue pertaining to suspension of AFA was also raised before the Hon'ble Supreme Court. Review Petition was dismissed on 16.05.2025. It is further submitted that the Learned Judicial Member has recused himself on 24.06.2025 from the proceedings. It is submitted that the various applications were filed before the Adjudicating Authority including threat of contempt which led to recusal of the Member Judicial.

9. We have noticed above that Learned Counsel for the HNG Industries Thozhilalar Nalasangam as well as Counsel appearing for the promoter sought intervention in the matter. Promoters have also filed an IA No.23573 of 2025 on behalf of Mr. Mukul Somani & Anr. The order impugned has been passed on the application filed by Respondent No.1 who is the Contesting Respondent and has been heard at length by us. We have already noticed the judgment of the Hon'ble Supreme Court dated 29.01.2025 and 16.05.2025, by which the Court has passed a direction that the entire process needs to be completed within 6 months from 16.05.2025. We are of the view that in this Appeal no intervention needs to be permitted.

10. After having heard Counsel for the parties and perusing the record, following are questions arise for consideration in these Appeals:-

- (I) Whether in the facts of the present case there was any majority opinion on Point No.(iii) (Whether Resolution Professional is debarred to continue with pending/ existing assignments and replacement of Resolution Professional is required) to dispose of Intervention Petition No.5 of 2025 accordingly?
- (II) Whether suspension of authorisation for assignment (AFA) under Bye- Law 23A of Model Bye-Laws shall debar the Resolution Professional to continue with pending/ existing assignment or Resolution Professional is only prohibited to take new assignment?
- (III) Whether the order of the Adjudicating Authority dated 13.06.2025 is sustainable and in accordance with law?

Question No.(I)

11. Intervention Petition No.05 of 2025 was filed by the Respondent No.1, an Operational Creditor having 0.20% debt of the total debt of the Corporate Debtor. As noted above, the CIRP process against the Corporate Debtor had commenced on 21.10.2021. In the CIRP process, the Resolution Plan of AGI Greenpac Pvt. Ltd. was approved on 27.10.2022 which was approved by the Adjudicating Authority by an order dated 28.04.2023 against which several Appeals were filed with this Tribunal which Appeals were dismissed by judgment and order dated 18.09.2023 challenging which order further

Appeals were filed in the Hon'ble Supreme Court being Civil Appeal No.6177 of 2023 titled as **“Soneko Marketing Pvt. Ltd. v/s Mr. Girish Sriram Juneja & Ors.”** with other Appeals. The Hon'ble Supreme Court allowed the Appeals vide judgment and order dated 29.01.2025 in **“Independent Sugar Corporation Ltd. v. Girish Sriram Juneja & Ors.- (2025) 5 SCC 209”** with other Appeals. The Hon'ble Supreme Court rejected the Resolution Plan of AGI Greenpac Pvt. Ltd. on the ground that prior approval of the CCI was not obtained. It is useful to extract paragraphs 152 and 153 which is as follows:-

“152. Therefore, a balance between the need for expeditious relief and adherence to the statutory framework must necessarily be maintained, in order to ensure that the objectives of both, the IBC and the Competition Act are met in a manner that supports India's long-term economic aspirations.

153. The upshot of the above discussion are the following orders:

153.1. The AGI Greenpac's Resolution Plan is unsustainable as it failed to secure prior approval from the CCI, as mandated under the proviso to Section 31(4) of the IBC. Consequently, the approval granted by the CoC to the Resolution Plan dated 28.10.2022 without the requisite CCI approval, cannot be sustained and is hereby set aside and quashed.

153.2. Any action taken pursuant to the Resolution Plan shall stand nullified, and the rights of all stakeholders shall be restored as per status quo ante, prior to the

approval of the Resolution Plan by the CoC on 28.10.2022.

153.3. Consequently, the CoC shall reconsider the Appellant's Resolution Plan and any other Resolution Plans which possessed the requisite CCI approval as on 28.10.2022 i.e., the date on which the CoC voted upon the submitted Resolution Plans.”

12. After the order dated 29.01.2025 of the Hon'ble Supreme Court, Resolution Plan of Independent Sugar Corporation Ltd. was approved by the CoC on 04.02.2025. Intervention Petition No.5 of 2025 was filed by Respondent No.1 on 07.03.2025 praying for large number of reliefs including prayer for removal of the Resolution Professional. In the Intervention Petition No.5 of 2025, reply was filed by the Resolution Professional objecting to the application and prayers made on which intervention petition a split opinion was delivered by Judicial Member and Technical Member. Learned Judicial Member in its order dated 30.04.2025, after noticing the pleadings in Intervention Petition and reply submitted by the Resolution Professional, framed three points for consideration in paragraph 17 of the judgment. Paragraph 17 of the judgment is as follows:-

“17. After having gone through pleading of the parties, legal aspects thereon and hearing Learned Counsels for the parties, the following points emerges for consideration and decision thereon:

- (i) Whether the applicant has the right to intervene in the CIRP process of the Corporate Debtor?*
- (ii) Whether entire CIRP process initiated by the respondents including decisions taken by the*

Committee of Creditors (CoC) starting from September 30, 2022 and action initiated after the order dated 29th January 2025 passed by the Hon'ble Apex Court requires to be quashed and set aside

(iii) Whether Resolution Professional is debarred to continue with pending/existing assignments and replacement of resolution professional is required?

13. On Point No.(i), Learned Judicial Member held that the applicant has right to intervene in the present matter. On Point No.(ii), Learned Judicial Member held that the entire action of Respondent except approval of the Resolution Plan of AGI Greenpac Pvt. Ltd. which has already been set aside by the Hon'ble Supreme Court, could not be set aside as prayed in the instant application. On Point No.(iii), Learned Judicial Member after referring to Sections 97 and 98 of the IBC, judgment of the Hon'ble High Court of Madras in case of CA. V. Venkta Sivakumar(Surpa), judgment of the Hon'ble Bombay High Court in case of Kairav Anil Trivedi (Supra) and clause 23A of Bye-Laws came to the opinion that there is automatic suspension of Authorisation of Assignment of Resolution Professional upon initiation of disciplinary proceedings then the resolution professional should not be allowed to continue even with the pending assignment which finding has been returned in paragraph 46 of the order which are as follows:-

“46. Therefore, in view of the above, we have no hesitation to hold that when there is automatic suspension of Authorisation of Assignment of Resolution Professional upon initiation of disciplinary

proceedings then the resolution professional should not be allowed to continue even with the pending assignment till disciplinary proceedings are concluded or suspension is revoked.”

14. In paragraph 48, Learned Judicial Member directed IBBI to replace the present Resolution Profession by another Resolution Professional to conduct CIRP process as per the provision of law which direction is contained in paragraphs 48 and 49 of the order:-

“48. Therefore, in view of the above, we direct the Insolvency and Bankruptcy Board of India (IBBI) to replace the present Resolution Profession by another Resolution Professional to conduct CIRP process as per provision of law.

49. Registry is hereby directed to forward a copy of this order to IBBI for its consideration and necessary action thereon.”

15. Learned Technical Member disagreed with the opinion as given by Judicial Member and held that prayer (a) for seeking intervention is not allowed. Learned Technical Member held that all prayers have become infructuous. The conclusion of the Technical Member is as follows:-

“The applicant has not only sought the relief to intervene in the process but also has sought relief against many grievances as good as entire process as covered in prayers mentioned above in the intervention application itself, without filing a separate application for the remedy against the

grievances which is not the nature of “intervention application”. The nature itself for the intervention application is to seek relief for intervening in the particular interlocutory application filed by any other person in the CIRP of the Corporate Debtor, which otherwise is affecting the rights or interests of the aggrieved person and limited to the extent of prayer for intervention in that application. Thereby, it restricts to allow the grant for intervention in the prayers for which there is no specific application linked.

Conclusion:

Considering above, the prayer “a” is Not Allowed with the liberty to file intervention application against specific grievance/s linked to interlocutory application with explaining the locus for filing such application. Accordingly, all other prayers become infructuous. The instant application is accordingly stands disposed of.”

16. There being difference of opinion between Judicial Member and Technical Member, on same day i.e. 30.04.2025 another order was passed making a reference to the President. Order dated 30.04.2025 making reference is as follows:-

“1. The matter was heard and kept for orders on 30.04.2025.

2. There is a difference of opinion between Member (Judicial) and Member (Technical) in regard to intervene in the CIRP of Corporate Debtor being CP (IB)No 369/KB/2020.

3. The point of issue on which the Members have differed is whether a party can seek a relief to intervene in the Company Petition which is already admitted vide admission order dated 21.10.2021. The difference of opinion is also on account of whether a party can seek various relief in the intervention application directly linking to the company petition vis a vis the entire CIRP and not linking his grievance/s to a particular application or by filing separate application, which defeats the whole purpose/nature of “intervention” types of application.

4. Let the matter be referred to the Hon’ble President, NCLT, Principal Bench, New Delhi for appropriate orders.”

17. A perusal of the order of reference indicate that only two points were noticed on which Members have differed they are (i) whether a party can seek a relief to intervene in the Company Petition which was already admitted vide admission order dated 21.10.2021 (ii) the difference of opinion is also on account of whether a party can seek various relief in the intervention application directly linking to the company petition vis a vis the entire CIRP and not linking his grievance/s to a particular application or by filing separate application, which defeats the whole purpose/nature of “intervention” types of application.

18. Under the order of the President, the matter was referred to Third Member for opinion. The Third Member after noticing the facts leading to reference, the order of the Hon’ble Supreme Court dated 29.01.2025,

noticed the order dated 30.04.2025 in which difference was noticed, has made following observation in paragraph 7 of the order:-

“7. Since the present reference made to me is only with respect to the issue of whether a party can seek intervention in the company petition which is already admitted by the Adjudicating Authority and whether a party can seek various reliefs qua the CIRP process directly in the intervention application, it is pertinent to make a reference to the separate orders authored by the Hon’ble Members of the Division Bench which deals with the issues on which they differed. The relevant excerpt of the order dated 30.04.2025 in which the points of difference between the Hon’ble Members has been recorded reads thus: -

“2. There is a difference of opinion between Member (Judicial) and Member (Technical) in regard to intervene in the CIRP of Corporate Debtor being CP (IB)No 369/KB/2020.

3. The point of issue on which the Members have differed is whether a party can seek a relief to intervene in the Company Petition which is already admitted vide admission order dated 21.10.2021. The difference of opinion is also on account of whether a party can seek various relief in the intervention application directly linking to the company petition vis a vis the entire CIRP and not linking his grievance/s to a particular application or by filing separate application, which defeats the whole

purpose/nature of “intervention” types of application.

4. Let the matter be referred to the Hon’ble President, NCLT, Principal Bench, New Delhi for appropriate orders.” (Emphasis Supplied)”

19. Hon’ble Third Member in paragraph 13 of the judgment noticed two points on which opinion of Third Member is sought. Paragraph 13 of the order is as follows:-

“13. However, as per the reference made to me by the Hon’ble President, the issues on which my opinion is sought is restricted to the following two points:

- i. Whether a party can seek a relief to intervene in the Company Petition which is already admitted vide admission order dated 21.10.2021;*
- ii. Whether a party can seek various relief in the intervention application directly linking to the company petition vis a vis the entire CIRP and not linking his grievance/s to a particular application or by filing separate application.”*

20. Both the above Points No.(i) and (ii), as noticed above, were answered by Learned Third Member in affirmative. Point No.(i) was answered in paragraph 24 in following manner:-

“24. In the wake, the issue (i) i.e. whether a party can seek a relief to intervene in the Company Petition which is already admitted vide admission

order dated 21.10.2021, is answered in the affirmative.”

21. With respect to Point No.(ii), Point No.(ii) was also answered in affirmative.

22. Learned Third Member has also observed that it would not be proper for Third Member to comment upon the maintainability of the application for the reliefs sought in clause (b) to (q) of the prayer clause of the intervention petition, the same needs to be examined separately and independently. In paragraph 34, following observation has been made by the Learned Third Member:-

“However, whether the plea raised by the stakeholders who should be accepted it or not or whether, the direction sought to be issued by him should be granted or not is question of merit and need to be examined with reference to the facts of the case. It would not be proper for me to comment upon the maintainability of the application for the reliefs sought in clause (b) to (q) of the prayer clause of the intervention petition. The same needs to be examined separately and independently. However as far as the locus to seek the direction is concerned, the applicant has such locus. Though no such question is referred to before my consideration, but during the course of hearing the parties could raise the issue as to whether the multiple reliefs can be sought in a single application or not. Nevertheless, it is stare decisis that connected and consequential relief can be sought in a single application.”

23. In paragraph 35 of the order, it is clearly observed that the Third Member is not expressing any comment on prayers contained in clauses (b) to (q). In paragraph 35 following has been observed:-

“Could Hon’ble Technical Member record finding on the relief sought in clause (b) to (q) contained in the application; to give finality to the controversy, I could have expressed my opinion thereon. However, since the Hon’ble Technical Member could express her view only qua locus of the applicant to make the prayers contained in clause (b) to (q) of the intervention petition and not qua admissibility of the relief as sought in the intervention petition, it is not open for me to comment on such prayers.”

24. It is useful to quote the concluding paragraphs 36 and 37 of the Learned Third Member which is as follows:-

“36. In the wake, the issue (ii) i.e., whether a party can seek various relief in the intervention application directly linking to the company petition vis a vis the entire CIRP, is answered in the affirmative.

37. It is made clear that I have only expressed my opinion on the two legal points to which the Hon’ble Members of the Division Bench have different views. I have not opined on the merits of the reliefs which have been sought by the Applicant in the captioned intervention application since the same are not the point of reference made to me. It is for the Hon’ble Members of the Division Bench to adjudicate on such reliefs. It goes without saying that due deference needs

to be shown to the Order dated 16.05.2025 passed by the Hon'ble Supreme Court in Review Petition no. 657 of 2025 in Civil Appeal No. 6071 of 2023."

25. The opinion given by Third Member dated 10.06.2025 was placed before the Adjudicating Authority and the Adjudicating Authority passed order on 13.06.2025 disposing of Intervention Petition No.5 of 2025. It is useful to extract the entire order dated 13.06.2025 which is as follows:-

“IVN.P(IBC)/5 /KB/2025

1. *We were having difference of opinion on the question framed by us in this instant intervention application no. IVN.(IB)/05/2025. In view of the difference of opinion between us, the matter was placed before Hon'ble President for hearing on point of difference by one or more Members of the Tribunal.*
2. *We have received the copy of order passed by Learned Third Member upon reference made to him on points of difference in the present IVN. (IB) No. 05 of 2025. We have gone through the decision of Learned Third Member on the points of difference referred to him.*
3. *Insofar as decision on Point no. (ii) on IVN No.05/KB/2025 in our order dated 30.4.2025 is concerned, with due respect to order dated May 16, 2025 passed by the Hon'ble Apex Court in a review petition bearing no. 657 of 2025 in Civil Appeal No. 6071 of 2023, Diary No. 11154 of 2025 in Civil Appeal No. 6071 of 2023, IA No. 383382 of 2025, IA No. 38386 of 2025 and IA No. 98414 of 2025 in Civil Appeal No. 6071 of 2023, it is observed that the order on Point no. (ii) has being infructuous as Hon'ble Apex Court*

has directed the CoC to reconsider the resolution plan after taking note of three aspects submitted by the INSCO. Thereafter, the CoC has been directed to consider for approval the Resolution Plan of INSCO with period of two weeks from the date of order passed by the Hon'ble Apex Court.

4. Therefore, in view of our majority view on point no.(i)and (iii), the present application stands disposed of with no order as to cost.

5. Registry is hereby directed to supply the certified copy of this order to the parties as per Rules.

6. Registry is further directed to forward a copy of this order to Insolvency and Bankruptcy Board of India.”

26. After noticing the sequence of the events and contents of the order dated 30.04.2025 of both Judicial Member and Technical Member, order of reference dated 30.04.2025, opinion of Third Member dated 10.06.2025 and ultimate order passed on 13.06.2025, the question to be answered is whether there was any majority opinion on Point No.(iii). The order dated 13.06.2025 indicates that the reference of Point Nos.(i), (ii) and (iii) in the order is reference of Point no.(i), (ii) and (iii) as was framed by Judicial Member in order dated 30.04.2025 and contained in paragraph 17 of the order which has been extracted above. In the order dated 13.06.2025, paragraph 4 mentions following:-

“4. Therefore, in view of our majority view on point no.(i)and (iii), the present application stands disposed of with no order as to cost.”

27. What has been held by the Adjudicating Authority is that “in view of our majority view on point no.(i) and (iii), the present application stands disposed of”.

28. On Point No.(i) i.e. “Whether the applicant has the right to intervene in the CIRP process of the Corporate Debtor”, there is a clear majority opinion i.e. opinion given by Learned Judicial Member in its order dated 30.04.2025 and opinion given by Third Member in order dated 10.06.2025 that applicant has right to intervene. In view of the aforesaid decision on Point No.(i) was in accordance with majority. However, the order dated 13.06.2025 proceeds on the premise that there is majority view on Point No.(iii). Point No.(iii), as noted above, was “Whether Resolution Professional is debarred to continue with pending/existing assignments and replacement of resolution professional is required?” On Point No.(iii), we have already noticed that in the reference order dated 30.04.2025, Point No.(iii) was not included as point of difference between the parties. Learned Technical Member has held that applicant had no locus to intervene in the matter and other prayers were held to become infructuous, thus, there was negative opinion expressed on Point No.(iii) by Technical Member. The Third Member vide its opinion dated 10.06.2025 has noted two points of difference on which opinion of Third Member has been sought. Point of difference as has been noticed by Third Member itself in paragraph 13 does not include Point No.(iii) which is referred in Paragraph 4 of the order dated 13.06.2025. Third Member has clearly expressed that he is not expressing any opinion on the merits of the prayers (b) to (q) and his answer is only with regard to locus of

applicant and Point Nos. (i) and (ii) were answered in affirmative. Thus, Point No.(iii) as framed by Judicial Member in its order dated 30.04.2025 was neither subject of reference to Third Member nor any opinion was given by Learned Third Member on Point No.(iii). Thus, there is no question of any majority opinion on Point No.(iii) and the Adjudicating Authority in its order dated 13.06.2025 has erroneously held that in view of the majority view on Point No.(i) and (iii), the application is disposed of. We, thus, hold that there was no majority view on Point No.(iii) and Intervention Petition could not have been disposed of accordingly. The substance of the order of Adjudicating Authority dated 13.06.2025 is that both Point Nos.(i) and (iii) have been decided in favour of the Applicant. There being no majority opinion on Point No.(iii), the order passed in paragraph 4 for disposing of the application on Point No. (iii) is not sustainable. The majority opinion of Judicial Member and Third Member was only on the locus of the applicant which was affirmatively decided. No other prayers were considered by Third Member except prayer (a) in the application which was only seeking intervention in the application. It is useful to notice prayers (a) and (b) in the Intervention Petition No.5 of 2025 filed by the Respondent No.1 which prayers (a) and (b) are as follows:-

“a. Leave be granted to intervene in this CIRP of HNGIL being C.P. (1B) No. 369/KB/2020;

b. Mr. Girish Siriram Juneja, Insolvency Professional [IBBI/IPA-001/IPP00999/2017-2018/11646], being Respondent No. 1, be removed with immediate effect for his alleged misconduct and the CoC be directed, or alternatively, this Learned Tribunal be pleased to

appoint an independent and qualified Resolution Professional, having no connection with E& Y Restructuring LLP or any of the CoC Members, in place of Mr. Girish Siriram Juneja.”

29. As per the majority opinion i.e. opinion by Judicial Member and Third Member the only prayer (a) was allowed. There was no majority opinion on prayer (b) which is Point No.(iii). Thus, it is held that there is no majority opinion with respect to Point No.(iii) i.e. on prayer (b). The order of the Adjudicating Authority dated 13.06.2025, thus, has to be held to confine to prayer (a) i.e. grant of leave to Respondent No.1 to intervene. Prayer (b) cannot be held to be granted. We, thus, answer Question No.(i) in the following effect:-

There was no majority opinion on Point No.(iii) (*Whether Resolution Professional is debarred to continue with pending/existing assignments and replacement of resolution professional is required?*), hence, the Intervention Petition No.5 of 2025 could not have been disposed of on any majority opinion on Point No.(iii).

Question No.(II)

30. Learned Judicial Member in its opinion dated 30.04.2025 has held that suspension of authorization for assignment of the RP shall debar the RP to continue with pending/ existing assignments, hence, direction was issued by learned Judicial Member in paragraph-48, directing the IBBI to replace the present RP, by another RP to conduct CIRP as per provisions of law. The directions in paragraph-48 are as follows:

“48. Therefore, in view of the above, we direct the Insolvency and Bankruptcy Board of India (IBBI) to replace the present Resolution Professional by another Resolution Professional to conduct CIRP process as per provision of law.”

31. Learned Counsel for Respondent No.1 has placed reliance on Bye-Law of 23A of the IBBI (Model Bye-Laws and Governing Board of Insolvency Professional Agencies) to support his submission that suspension of Authorization for Assignment (“**AFA**”) of the RP, the RP cannot continue in the CIRP of the CD and had to be replaced. Learned Counsel for Respondent No.1 has supported the opinion of the learned Judicial Member dated 30.04.2025, relying on Bye-Law of 23A and the judgment of the Madras High Court in **CA V. Venkata Sivakumar** (supra). Learned Counsel for the Appellant on the other hand has placed reliance on Regulations framed under the IBC as well as the judgment of the Bombay High Court **Kairav Anil Trivedi** (supra) and Delhi High Court judgment in **HNG Industries Thozhilalar Nala Sangam**.

32. We need to first notice the relevant statutory provisions governing the subject. The relevant statutory provisions framed under the IBC, Bye-Law 23A of Model Bye-Laws are the Bye-Laws, which are part of Schedule to the IBBI (Model Bye – Laws, and Governing Board of Insolvency Professional Agencies) Regulations, 2016. The above Regulations are framed under Sections 196, 203 and 205 read with Section 240 of the IBC. Section 196 of the IBC deals with ‘Powers and functions of Board’. Sections 203 and 205 of the IBC are as follows:

“203. Governing Board of insolvency professional agency. –

The Board may, for the purposes of ensuring that every insolvency professional agency takes into account the objectives sought to be achieved under this Code, make regulations to specify–

- (a) the setting up of a governing board of an insolvency professional agency;
- (b) the minimum number of independent members to be on the governing board of the insolvency professional agency; and
- (c) the number of the insolvency professionals being its members who shall be on the governing board of the insolvency professional agency.

205. Insolvency professional agencies to make bye-laws. –

Subject to the provisions of this Code and any rules or regulations made thereunder and after obtaining the approval of the Board, every insolvency professional agency shall make bye-laws consistent with the model bye-laws specified by the Board under sub-section (2) of section 196.”

33. Section 205 of the IBC mandates the Insolvency Professional Agency to make bye-laws consistent with the model bye-laws specified by the Board under sub-section (2) of Section 196. Section 196, sub-section (2) provides as follows:

“196(2) The Board may make a model bye-laws to be adopted by the insolvency professional agency which may provide for –

- (a) the minimum standards of professional competence of the members of insolvency professional agencies;
- (b) the standard for professional and ethical conduct of the members of insolvency professional agencies;
- (c) requirements for enrolment of person as members of insolvency professional agency which shall be non-discriminatory; Explanation. - For the purposes of this clause, the term “non-discriminatory” means lack of discrimination on the ground of religion, caste, gender or place of birth and such other grounds as may be specified;
- (d) the manner of granting membership;

- (e) setting up of a governing board for the internal governance and management of insolvency professional agency in accordance with the regulations specified by the Board;
- (f) the information required to be submitted by members including the form and the time for submitting such information;
- (g) the specific classes of persons to whom services shall be provided at concessional rates or for no remuneration by members;
- (h) the grounds on which penalties may be levied upon the members of insolvency professional agencies and the manner thereof;
- (i) a fair and transparent mechanism for redressal of grievances against the members of insolvency professional agencies;
- (j) the grounds under which the insolvency professionals may be expelled from the membership of insolvency professional agencies;
- (k) the quantum of fee and the manner of collecting fee for inducting persons as its members;
- (l) the procedure for enrolment of persons as members of insolvency professional agency;
- (m) the manner of conducting examination for enrolment of insolvency professionals;
- (n) the manner of monitoring and reviewing the working of insolvency professional who are members;
- (o) the duties and other activities to be performed by members;
- (p) the manner of conducting disciplinary proceedings against its members and imposing penalties;
- (q) the manner of utilising the amount received as penalty imposed against any insolvency professional.”

34. Schedule-X to the above Regulations of Model Bye-Laws under the heading ‘Disciplinary Proceedings’ contains Bye-Law 23, which provides as follows:

“X. DISCIPLINARY PROCEEDINGS

23. The Agency may initiate disciplinary proceedings by issuing a show-cause notice against professional members-

- (a) based on a reference made by the Grievances Redressal Committee;
- (b) based on monitoring of professional members;

(c) following the directions given by the Board or any court of law; or

(d) suo moto, based on any information received by it.”

35. Bye-law 23A is as follows:

“**23A.** The authorisation for assignment shall stand suspended upon initiation of disciplinary proceedings by the Agency or by the Board, as the case may be.

Explanation.- A disciplinary proceeding shall be considered as pending against the professional member from the date he has been issued a show cause notice by the Agency or the Board, as the case may be, till its disposal by the Disciplinary Committee of the Agency or the Board, as the case may be.”

36. The Authorisation for assignment under the Bye-Laws is defined by Bye-Law 4 (aa), which is as follows:

“**4(aa)** “authorisation for assignment” means an authorisation to undertake an assignment, issued by an insolvency professional agency to an insolvency professional, who is its professional member, in accordance with its bye-laws;”

37. There can be no two opinions about the consequences provided in Bye-Law 23A regarding suspension of the Authorisation for assignment upon initiation of disciplinary proceedings. In the present case, authorisation for assignment of RP Shri Girish Siriram Juneja, stands suspended with effect from 30.01.2025, when show-cause notice was issued by the IBBI. The question to be answered is, whether the suspension of authorisation for assignment would debar the RP from taking any fresh assignments or by virtue of Bye-Laws 23A, the RP is statutorily debarred

from continuing with pending/ existing assignments also. Learned Counsel for the RP and CoC have relied on IBBI (Insolvency Professionals) Regulations, 2016 and IBBI (Inspection and Investigation) Regulations, 2017, relevant provisions of which need to be noticed to discern the statutory scheme on the above subject.

38. The IBBI (Insolvency Professionals) Regulations 2016 has been framed by the IBBI in exercise of powers conferred by Sections 196, 207, 208 read with Section 240 of the IBC. Section 207 of IBC provides for 'Registration of insolvency professionals'. Section 208, deals with 'functions and obligations of insolvency professionals'. Thus, the above Regulations, which have been framed under Section 207 and 208 are Regulations directly on the subject (Functions and obligations of insolvency professionals). Reliance has been placed on Regulation 7A of IBBI (Insolvency Professionals) Regulations, 2016, which deals with 'Authorisation for assignment'. The said Regulation 7A has been inserted by Notification dated 23.07.2019 with effect from 23.07.2019. Regulation 7A provides as follows:

“Authorisation for assignment.

7A. An insolvency professional shall not accept or undertake an assignment after 31st December, 2019 unless it holds a valid authorisation for assignment on the date of such acceptance or commencement of such assignment, as the case may be:”

39. Regulation 7A clearly prohibits Insolvency Professional not to accept or undertake an assignment after 31st December, 2019, unless he holds a valid authorisation for assignment on the date of such acceptance or

commencement of such assignment, as the case may be. The Proviso of Regulation 7A carves an exception, which is as follows:

“7A x x x

Provided that provisions of this regulation shall not apply to an assignment which an insolvency professional is undertaking as on-

(a) 31st December, 2019; or

(b) the date of expiry of his authorisation for assignment.”

40. One of the exception carved out by the above Proviso is that the provision of Regulation 7A, shall not be applicable on the date of expiry of his authorisation for assignment. Thus, the Proviso carves a clear exception that an assignment, which an Insolvency Professional is undertaking shall not be affected by expiry of his Authorisation for assignment. Thus, Regulation clearly contemplates that existing assignment, shall not be affected by expiry of authorisation of assignment. The authorisation of assignment has been defined in Regulation 2(aa), which is as follows:

“2(aa) “authorisation for assignment” means an authorisation to undertake an assignment, issued by an insolvency professional agency to an insolvency professional, who is its professional member, in accordance with its bye-laws;”

41. Learned Counsel for Respondent No.1 submitted that Regulation 7A has no relevance, since it is completely silent about the authority of the RP to continue with existing assignment. The legislative scheme apparent from Regulation 7A provides that expiry of authorisation shall not affect the assignment, which RP is undertaking, i.e. on the date of expiry of the

authorisation. Thus, the existing assignment shall not be affected by expiry of authorisation, which is clear intendment of the above Regulation.

42. Another Regulation, which learned Counsel for the RP and learned Counsel for the CoC has placed reliance is the IBBI (Inspection and Investigation) Regulations, 2017. The above Regulations provides for inspection, investigation and consideration of Report. Regulation 13(3) deals with 'Disposal of show cause notice'. Regulation 13(3) contemplates various kinds of order, which will be passed while disposing of the show-cause notice. Regulation 13(3) is as follows:

“13. Disposal of show cause notice.

(3) The order under sub-regulation (1) may provide for-

- (a) closure of show cause notice without any direction;
- (b) warning;
- (ba) suspension or cancellation of authorisation for assignment of an Insolvency Professional;
- (c) any of the actions under section 220(2) to (4);
- (d) a reference to the Board to take any action under section 220(5) or 236(2), or
- (e) any other action or direction as may be considered appropriate.”

43. The above Regulation indicates that suspension or cancellation for assignment of an Insolvency Professional is contemplated as an order passed while disposing the show-cause notice by the Board. Thus, suspension for Authorisation for assignment is also one of the penalty, which can be finally imposed on service provider (Insolvency Professional)

while disposing the show-cause notice. Sub-regulation (6) of Regulation 13, provides as follows:

“13(6) If the order under sub-regulation (1) suspends or cancels the registration of a service provider, the Disciplinary Committee may, if it considers fit, require the service provider to-

- (a) discharge pending obligations, if any;
- (b) continue its functions till such time as may be directed, only to enable clients to shift to another service provider; and
- (c) comply with any other directions.”

44. Thus, while passing a final order imposing penalty of suspension, or cancellation of authorisation, the Board may discharge pending obligations or continue its function till such time as may be directed, only to enable stakeholders to shift to another service provider. The provision of sub-regulation (6) of Regulation 13, thus militate against the submission that on suspension of authorisation of assignment, the RP is statutorily debarred from continuing its existing functions. Had the consequence of suspension of authorisation for assignment is to statutorily debar the Insolvency Professional to continue with its existing assignment, there is no occasion for providing for requirement as contained in Regulation 13, sub-regulation (6). Thus, the statutory scheme as contained in Regulation 13(6) also indicates that there is no automatic statutory debar of RP to continue with existing assignment, merely because of suspension of authorisation of assignment that too when such suspension is in a manner of penalty by a final order under Regulation 13, sub-regulations (1) and (3).

45. We in the present case, are dealing with suspension, which is consequent to initiation of disciplinary proceedings by issuance of show-cause notice. Thus, when the suspension by way of penalty, does not contemplate automatic debarment from existing assignments, suspension under Bye-Law 23A, cannot be read to mean that suspension under Bye-Law 23A, shall automatically debar the RP from continuing with existing assignments. The statutory scheme reflected by the above Regulations as noticed above, thus, indicate that Bye-Law 23A has to be read to mean that on suspension of authorisation of assignment, no fresh assignment can be taken by the RP.

46. Now, we come to the three judgments of Madras High Court, Bombay High Court and Delhi High Court relied on by learned Counsel for the parties. The judgment of Madras High Court, which is first in point of time, which is reported in **(2024) SCC OnLine Mad 158 – CA V. Venkata Sivakumar vs. Insolvency and Bankruptcy Board of India and Ors..** The above was a Writ Petition filed by CA V. Venkata Sivakumar seeking a declaration that provisions of Section 204 (a), (b), (c), (d) and (e) of the IBC are ultra vires with the Constitution. Another Writ Petition was filed for declaring the Bye-Law 23A of the IBBI (Model Bye-Laws and Governing Board of Insolvency Professional Agencies) Regulations, 2016 as ultra vires to the Constitution. The Madras High Court in the judgment after noticing the submissions of Writ Petitioner and submissions made on behalf of the IBBI as well as Union of India has framed questions in paragraph 5.1, which arose for consideration. Paragraph 5.1 of the judgment is as follows:

“5.1. The following questions arise for consideration:

- (i) Whether bye-law 23A is liable to be struck down as (a) manifestly arbitrary; (b) conferring unbridled, excessive power on insolvency professional agencies, and (c) for violation of principles of natural justice ?
- (ii) Whether section 204 of the Insolvency and Bankruptcy Code is : (a) violative of article 20(2) of the Constitution of India, inasmuch as it provides for disciplinary proceedings by two agencies; (b) is manifestly arbitrary and prevents access to justice and (c) is illegal for confirming unbridled and excessive powers to the agencies ?
- (iii) Whether the present writ petitions are maintainable in law ?”

47. The Madras High Court after considering the submissions of the parties, upheld the constitutional validity of Bye-Law 23A. The Madras High Court held that suspension is automatic once the disciplinary proceedings are initiated. Paragraphs 6.1, 6.2, 6.3 and 6.4 of the judgment of Madras High Court dealing with Bye-Law 23A state as follows:

“6.1. There is no discretion vested with the insolvency professional agencies and the suspension is automatic, once the disciplinary proceedings are initiated. Therefore, it can neither be termed as manifestly arbitrary nor be challenged on the ground of any confirmation of unguided/unbridled power.

6.2. The power of suspension is not a punishment and is an ad interim measure and if one has to be issued with show-cause notice, then the very purpose of ad interim suspension is lost. Inasmuch as ultimate punishment is imposed only on the conclusion of the disciplinary proceedings it cannot be said that any substantial or vested right of the resolution professional is violated. On the contrary, the purpose of suspension is to immediately keep the erring person away from the office, so that the relevant materials and evidence which are on record be properly collected and that there is an

impartial and fair enquiry in the issue. Therefore, the requirement of issuance of showcause notice cannot be read into a provision of ad interim suspension.

6.3. Of course, any suspension, if prolonged, without any inquiry being proceeded with, would cause stigma. But the larger public interest and the laudable purpose behind the rule of suspension and the relative hardship had to be balanced. Only to avoid hardships, normally swift and prompt completion of the process of disciplinary proceedings is insisted upon. Therefore, the petitioner or any other aggrieved professional can only insist upon prompt completion of the proceedings and the hardship cannot be a ground for challenging the very regulation itself.

6.4. Accordingly, finding no infirmity, we uphold the constitutional validity of bye-law 23A of the Insolvency and Bankruptcy Board of India (Model Bye-Laws and Governing Board of Insolvency Professional Agencies) Regulations, 2016.”

48. Learned Counsel for the Respondent has placed much reliance on observation made in paragraph 6.2, where the High Court has stated that purpose of suspension is to immediately keep the erring person away from the office, so that the relevant materials and evidence which are on record be properly collected and that there is an impartial and fair enquiry on the issue. When we look into the aforesaid observation, they were made in the context of requirements of issuance of show-cause notice before suspension. What has been observed by the Madras High Court in paragraph 6.2 that suspension under Bye-Law 23A is an ad interim measures and if show-cause notice is to be issued, then the very purpose of ad interim suspension is lost. The above observation, on which reliance has been placed by learned Counsel for Respondent No.1 has to be confined to the issue, which fell for consideration, that is, whether Bye-Law is liable to be struck down.

The question, which has come for consideration in the present case, that is, whether Bye-Law 23A, debars the RP from taking only fresh assignments or from continuing with the existing assignment, was not the subject matter of the Writ Petition filed in the above case. Hence, the said judgment has not laid down any ratio that under Bye-Law 23A, the RP is also debarred from continuing its existing assignments.

49. We now notice the judgment of Bombay High Court in ***Kairav Anil Trivedi vs. Insolvency and Bankruptcy Board of India and Ors. – (2024) SCC OnLine Bom 2572***. In the above case, challenge was made to the show-cause notice dated 26.10.2023, which was issued to the petitioner by the IBBI, proposing to take action for violations under the IBC. The Petitioner in the Writ Petition sought restoration of his authorisation of assignment and has also challenged the validity of Clause 23A as provided in the Schedule. Paragraphs 2 and 3 of the judgment, noticed the facts, which are as follows:

“2. The challenge raised in this writ petition is to the show-cause notices dated October 26, 2023 and April 10, 2024 that have been issued to the petitioner by the Insolvency and Bankruptcy Board of India proposing to take action against him for violations under the Insolvency and Bankruptcy Code, 2016 and Regulations framed thereunder. The petitioner besides seeking restoration of his authorization for assignment also challenges the validity of clause 23A provided in the Schedule to the Insolvency and Bankruptcy Board of India (Model Bye-Laws and Governing Board of Insolvency Professional Agencies) Regulations, 2016 (“2016 Regulations”) as well as clause 23A of the Bye-Laws of ICSI Institute of Insolvency Professionals by urging the same to be ultra vires.

3. Facts relevant for considering the challenge as raised in the writ petition are that the petitioner is presently registered with the Insolvency and Bankruptcy Board of India (“IBBI”) as an insolvency professional (“IP”). This registration is granted under the Insolvency and Bankruptcy Code, 2016 (“Code”) read with the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016. The Insolvency and Bankruptcy Board of India, through its deputy general manager issued a show-cause notice to the petitioner on October 26, 2023 under section 219 of the Code read with regulations 11 and 12 of the Insolvency and Bankruptcy Board of India (Inspection and Investigation) Regulations, 2017 (“2017 Regulations”). In the show-cause notice, reference was made to an investigation report that was submitted by the investigating authority. On the basis of the said investigation report, the petitioner was called upon to show cause why action should not be taken to cancel the petitioner's registration as an insolvency professional. The petitioner submitted his reply to the said show-cause notice and denied the allegations made therein. Further proceedings in that regard are pending.”

50. The Bombay High Court also has noticed the judgment of Madras High Court in CA V. Venkata Sivakumar, which judgment was noticed in paragraph-13 of the judgment, which is as follows:

“13. The validity of clause 23A was questioned before the Madras High Court in CA.V. Venkata Sivakumar¹³. After considering the challenge in detail, the Division Bench held that clause 23A of the 2016 Regulations was valid and there was no illegality in providing for suspension of an authorisation for assignment on initiation of disciplinary proceedings. Paragraphs 6 to 6.4 of the said decision being relevant, they are reproduced hereunder (page 331 of 244 Comp Cas):

“Bye-law 23A has already been extracted supra. It can be seen that it only lays down that the authorisation for assignment shall remain suspended once the disciplinary

proceedings are initiated. As a matter of fact, regulation 12A of the Insolvency and Bankruptcy Board of India (Model Bye-Laws and Governing Board of Insolvency Professional Agencies) Regulations, 2016, categorically provides that the resolution professionals should not have any disciplinary proceedings pending against them. If that be the case, it is only logical that there is an ad interim suspension of the authorisation for assignment if any disciplinary proceedings are initiated subsequently also. The power of ad interim suspension has always been held to be a valid and natural exercise of power and that the only requirement there must be an express rule enabling the same.

There is no discretion vested with the insolvency professional agencies and the suspension is automatic, once the disciplinary proceedings are initiated. Therefore, it can neither be termed as manifestly arbitrary nor be challenged on the ground of any confirmation of unguided/unbridled power.

The power of suspension is not a punishment and is an ad interim measure and if one has to be issued with show-cause notice, then the very purpose of ad interim suspension is lost. Inasmuch as ultimate punishment is imposed only on the conclusion of the disciplinary proceedings it cannot be said that any substantial or vested right of the resolution professional is violated. On the contrary, the purpose of suspension is to immediately keep the erring person away from the office, so that the relevant materials and evidences which are on record be properly collected and that there is an impartial and fair enquiry in the issue. Therefore, the requirement of issuance of show-cause notice cannot be read into a provision of ad interim suspension.

Of course, any suspension, if prolonged, without any inquiry being proceeded with, would cause stigma. But the larger public interest and the laudable purpose behind the rule of suspension and the relative hardship had to be balanced. Only to avoid hardships, normally swift and prompt completion

of the process of disciplinary proceedings is insisted upon. Therefore, the petitioner or any other aggrieved professional can only insist upon prompt completion of the proceedings and the hardship cannot be a ground for challenging the very regulation itself.

Accordingly, finding no infirmity, we uphold the constitutional validity of bye-law 23A of the Insolvency and Bankruptcy Board of India (Model Bye-Laws and Governing Board of Insolvency Professional Agencies) Regulations, 2016.”

51. The Bombay High Court has expressed its agreement with the judgment of Madras High Court in CA V. Vankata Sivakumar. The Bombay High Court ultimately held that Regulation 23A is valid and show-cause notice issued to Writ Petitioner, does not suffer from any jurisdictional infirmity. The Bombay High Court has also noticed in paragraph-14 that stand of the IBBI that suspension on account of Clause 23A of the Bye-Law would not bar the Petitioner from continuing with pending assignment and the same would only bar the Petitioner from accepting new assignments pending disposal of the show-cause notice. Paragraph-14 of the judgment is as follows:

“**14.** We are inclined to agree with the view taken by the Division Bench of the Madras High Court in CA.V. Venkata Sivakumar¹⁴. It has been found in the said decision that suspension by itself cannot be treated as a penalty and it is only an ad interim measure that is to operate till the disciplinary proceedings are concluded. There is also no question of the principles of natural justice being attracted in such case as urged on behalf of the petitioner. According to the Insolvency and Bankruptcy Board of India, the suspension on account of the operation of clause 23A of the bye-laws would not bar the petitioner from continuing with pending assignments but the same would only

bar the petitioner from accepting new assignments pending disposal of the show-cause notices. Such stand has been taken in paragraph 16 of its affidavit-in-reply dated July 8, 2024. We therefore do not find that the suspension of the authorisation for assignment pending consideration of the show-cause notices is in any manner contrary to law or unwarranted in the facts of the present case. The contention raised by the petitioner in this regard therefore cannot be accepted.”

52. The above reason was also taken note by Bombay High Court while refusing to interfere with the show-cause notice. The agreement, which has been expressed by the Bombay High Court with the judgment of Madras High Court as noted in paragraph-14, is agreement to the view expressed by the Madras High Court that Bye-Law 23A is constitutionally valid and does not suffer from any constitutional infirmity. Learned Counsel for the RP and CoC has relied on the observation made in paragraph-14 by the Bombay High Court that suspension on account of operation of Bye-Law 23A, does not bar the Insolvency Professional from continuing with pending assignments, but would only bar from accepting new assignments.

53. Judgment of the Delhi High Court in ***HNG Industries Thozhilalar Nala Sangam vs. Insolvency and Bankruptcy Board of India and Ors. – W.P. © No.3065 of 2025*** has been relied by learned Counsel for the RP and the CoC is relevant to be noticed. The judgment of the Delhi High Court was delivered in the Writ Petition filed by HNG Industries Thozhilalar Nala Sangam, which is a registered Union of the workers of the CD, who had filed the Writ Petition assailing a communication dated 30.01.2025, by which the disciplinary proceedings were initiated against Insolvency Professional – Girish Siriram Junega and authorisation for assignment had been

suspended. In the Writ Petition filed by HNG Industries Thozhilalar Nala Sangam, the High Court also heard the Counsel for the IBBI. The judgment of the Delhi High Court is a short judgment running in six paragraphs. It is useful to notice the entire judgment, which was delivered by the Delhi High Court on 12.03.2025, which is to the following effect:

“1. The present petition has been filed by the petitioner assailing a communication dated 30.01.2025 in terms of which the respondent no.1/ IBBI has, inter alia, directed as under:

“2. *However, in view of the prima facie observation in the matter, disciplinary proceedings under section 219 of the Insolvency and Bankruptcy Code, 2016 read with Regulations 1 OA, 11 and 12 of the Insolvency and Bankruptcy Board of India (Inspection and Investigation) Regulations, 2017 has been initiated against the IP. Upon initiation of such disciplinary proceeding, the authorization for assignment (AFA) issued to the IP has also been suspended.*”

2. It is the case of the petitioner that suspension of the Authorization for Assignment (AFA) of the Resolution Professional (RP) does not preclude him from continuing with his existing assignment as the RP in the Corporate Insolvency Resolution Process (CIRP) of the petitioner

3. According to the petitioner, the same only precludes the RP from undertaking any new assignment. In this regard reliance has been placed by the petitioner on the Division Bench judgment of the Bombay High Court in case of ***Kairav Anil Trivedi vs. IBBI & Ors.***, 2024 SCC Online Mom 2572, particularly on paragraph 14 thereof.

4. When the matter came up for hearing yesterday, learned counsel for the IBBI sought time to take instructions. Today, it is submitted by learned counsel for the IBBI that in line with the judgment of Bombay High Court, the order dated 30.01.2025 precludes the concerned RP from undertaking any new assignment/s; the same does not prevent him from continuing with any existing assignment/s. The said statement is taken on record.

5. In the circumstances, the learned counsel for the petitioner does not seek to press the present petition; the same is, accordingly, dismissed as withdrawn.

6. Intervention application/s have been filed by certain parties seeking to intervene in the present petition. However, in view of the withdrawal of the present petition in the above terms, there is no scope for entertaining the said application/s. The same are also, consequently, disposed of.”

54. The case of Writ Petitioner was noticed in paragraph-2 that suspension of the authorization for assignment of the RP does not preclude him from continuing with his existing assignment, as the RP in the CIRP of the CD. Reliance on the judgment of Bombay High Court in **Kairav Anil Trivedi** has also been noticed in paragraph-3 of the judgment. The Delhi High Court in paragraph-4 noticed the stand of the IBBI, where learned Counsel stated before the High Court that order dated 30.01.2025 (by which show-cause notice was issued to Shri Girish Siriram Junega by the IBBI) precludes the RP from undertaking any new assignments; the same does not prevent him from continuing with any existing assignments. The said statement of the learned Counsel was taken on record. In view of the above statement of the IBBI recorded by the Court, the Writ Petition was withdrawn.

55. Against the order passed by Madras High Court dismissing the Writ Petition of CA V. Venkata Sivakumar, a SLP was filed before the Hon'ble Supreme Court and the Hon'ble Supreme Court dismissed the SLP, upholding the order of the Madras High Court. The Hon'ble Supreme Court has also held that Bye-Law 23A is constitutionally valid. As noted above,

the judgment of the Madras High Court was not on the issue, which has arisen for consideration in the present Appeal. Hence, no such ratio was laid down in the said judgment, which is sought to be relied by learned Counsel for Respondent No.1 in support of his submission. It is further relevant to notice that learned Judicial Member in its opinion dated 30.04.2025 has relied on Sections 97 and 98 of the IBC for issuing directions to remove the RP. Sections 97 and 98 are Part-III of the IBC and are not applicable with regard to CIRP under Part-II. The present is a case of CIRP under Part-II, hence, the learned Judicial Member was undoubtedly influenced by provisions of Sections 97 and 98, which have no application and fell in error in issuing a direction for replacement of the RP.

56. Learned Counsel for Respondent No.1 has submitted that the judgment of Delhi High Court cannot be relied, since it has permitted withdrawal of the Writ Petition. The statement of IBBI as recorded in paragraph-4 of the judgment, cannot be ignored, where the Counsel for the IBBI categorically stated before the Delhi High Court that suspension order dated 30.01.2025 precludes the concerned RP (Appellant in Company Appeal (AT) (Ins.) No.890 of 2025) from undertaking any new assignment/s; and the same does not preclude him with continuing with any existing assignment/s. The said statement was taken on record. Hence, it cannot be said that the stand taken by the IBBI, who had issued the show-cause notice dated 30.01.2025 is irrelevant, with the issue which has arisen for consideration in the present Appeal. The show-cause notice dated 30.01.2025, which was issued to the Appellant in Company Appeal (AT)

(Ins.) No.890 of 2025, which is the basis of Intervention Petition No.05/KB/2025 and is the basis for submissions advanced by Respondent No.1. We, thus, are of the view that judgment of the Madras High Court in CA V. Venkata Sivakumar, does not lay down any ratio as is sought to be relied by learned Counsel for Respondent No.1. Judgment of Bombay High Court as well as Judgment of Delhi High Court, clearly noticed the stand of the IBBI that suspension under the Bye-Law 23A, preclude the concerned RP from undertaking any new assignment, but the same does not preclude the RP to continue with the existing assignments. The judgment of the Delhi High Court has rightly been relied by learned Counsel for the RP and the CoC, which clearly support their submissions.

57. In view of the foregoing discussions, we are of the view that learned Judicial Member in its opinion dated 30.04.2025 fell in error in opining that by virtue of Bye-Law 23A, authorisation for assignment, the RP is debarred from continuing with pending or existing assignments, is incorrect view of law and cannot be supported.

58. There is one more aspect of the matter, which needs consideration. We have noticed above that after judgment of the Hon'ble Supreme Court dated 29.01.2025, large number of Review Petitions were filed before the Hon'ble Supreme Court to review the judgment. A Review Petition was filed by AGI Grrenpac Ltd. (Review Petition No.657 of 2025) including Review Petition by Exclusive Capital Ltd. (Diary No.11154 of 2025 in Civil Appeal No.6071 of 2023) – one of the Financial Creditor, who had also filed Review Petition, raising the issue of suspension of the RP, were dismissed on

16.05.2025. It is useful to extract paragraphs 3, 4 and 5 of the judgment of the Hon'ble Supreme Court dated 16.05.2025 passed in Review Petition No.657 of 2025, which are as follows:

3. The Majority Judgement under review in paragraph no. 155.3 issued direction in the following terms:

“Consequently, the CoC shall reconsider the Appellant’s Resolution Plan and any other Resolution Plans which possessed the requisite CCI approval as on 28.10.2022 i.e., the date on which the CoC voted upon the submitted Resolution Plans.”

4. We have taken note of the submissions made by all the learned senior counsel appearing in the matter. We propose to place on record the statement of Dr. Abhishek Manu Singhvi, learned senior counsel, that Independent Sugar Corporation Limited (‘INSCO’) is bound by the commitment made to the Committee of Creditors (‘CoC’) vide letter dated 24.02.2024. In furtherance of the same, (i) cash payment by INSCO to the CoC is to match AGI’s commercial offering, (ii) INSCO adheres to its original payment to the Operational Creditors and Workmen of Rs. 50 crores, and (iii) Equity to the CoC would remain. The reconsideration of the Resolution Plan by the CoC shall take note of these three aspects submitted by INSCO, and proceed accordingly.

5. Keeping in perspective the above modification, the reconsideration is undertaken accordingly to paragraph no. 155.3 of the Majority Judgement, and the CoC shall consider for approval, the Resolution Plan of INSCO, within a period of two weeks from today. The CoC and the Adjudicating Authority are directed to complete the Corporate Insolvency Resolution Process both under Sections 30(4) and 31 of the IBC, 2016 within a period of six weeks from today.”

59. The Hon'ble Supreme Court vide its judgment dated 16.05.2025 directed the CoC to consider for approval of Resolution Plan of Independent Sugar Corporation Ltd. within a period of two weeks from 16.05.2025 and CoC and Adjudicating Authority were directed to complete the CIRP under

Section 30(4) and 31, within a period of six weeks from 16.05.2025. After 16.05.2025, the approval of Resolution Plan was to be considered by the CoC and Adjudicating Authority was directed to complete the process. The judgment dated 16.05.2025 has been taken note of by the Adjudicating Authority in order dated 13.06.2025 and even after noticing the judgment of Hon'ble Supreme Court dated 16.05.2025, the Adjudicating Authority proceeded to dispose of the Intervention Application No.5 of 2025 on alleged majority opinion, on Point No.1 and Point No.3. We have already held that there was no majority opinion on Point No.3, i.e. replacement of the RP. The order dated 13.06.2025 passed by Adjudicating Authority, which in essence directed for removal of the RP, the CoC having already approved the Resolution Plan of Independent Sugar Corporation Ltd. on 10.06.2025 and application for approval having been filed, nothing was to be done by the RP and it was for the Adjudicating Authority to consider the application and take a decision. The Adjudicating Authority instead of proceeding to consider the application for approval of Resolution Plan has unduly directed the replacement of the RP, which is not in accordance with the law, as we have already held in the foregoing paragraphs of this judgment.

60. We may notice one more aspect at this stage. It has been pointed out by learned Counsel appearing for Independent Sugar Corporation Ltd. and is also not denied by learned Counsel for Respondent No.1 that learned Judicial member has recused himself from proceedings on 24.06.2025. We fail to see any justification by learned Judicial Member in recusing himself from proceedings at a stage when under the order dated 16.05.2025 of the

Hon'ble Supreme Court, the Adjudicating Authority was obliged to consider the application for approval of Resolution Plan and decide the same. However, recusal and attending circumstances being not before us, we need not say anything more except that on account of recusal of learned Judicial Member, the President has to constitute an appropriate Bench for considering the application for approval of Resolution Plan, as directed by Hon'ble Supreme Court on 16.05.2025, if not already constituted, forthwith.

61. Question No.(II) is answered in following manner:

Suspension of authorisation for assignment by Bye-Law of 23A shall not debar the RP to continue with pending/ obligatory assignments and the RP is only prohibited to take new assignments.

Question No.(III).

62. In view of our answer to Question No.2, we hold that part of the order dated 13.06.2025 passed by Adjudicating Authority, disposing the Intervention Petition No.05 of 2025, referring to majority opinion on Point No.3, is unsustainable, as held above. The application could not have been disposed of on Point No.3 as was framed by learned Judicial Member in its order dated 30.04.2025. The directions issued by learned Judicial member in order dated 30.04.2025, which directions have been virtually affirmed while observing the majority view on Point No.3, is unsustainable.

63. In view of our foregoing discussions and conclusions, we partly allow all the Appeal(s) in following manner:

- (1) The order dated 13.06.2025 insofar as it disposed of the Intervention Application No.05/KB/2025 on Point No.3, referring to majority opinion, is set aside. It is held that there was no majority opinion on Point No.3, i.e. replacement of the RP. Hence, the directions issued by learned Judicial Member to IBBI to replace the RP is unsustainable and is set aside.
- (2) The Adjudicating Authority may proceed to hear and decide the Plan approval application, as per the directions of Hon'ble Supreme Court dated 16.05.2025, extracted above, forthwith.

The parties shall bear their own costs.

**[Justice Ashok Bhushan]
Chairperson**

**[Justice N Seshasayee]
Member (Judicial)**

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

New Delhi

Anjali/ Ashwani