



IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, COURT-1, AHMEDABAD

ITEM No.304
IA/889(AHM)2026

In
C.P.(IB)/97(AHM)2026

Under Sec 27, 60(5) of IBC 2016
IN THE MATTER OF:

Committee of Creditors of
M/s Harshil Agrotech Limited
Through its Sole Member
Cultiva Trade Enterprise Pvt. Ltd

Versus

...Applicant

Neeraj Kumar Bajaj

...Respondent

Order delivered on: 18/06/2026

CORAM:

MR. SHAMMI KHAN, HON'BLE MEMBER (J)
MR. SANJEEV SHARMA, HON'BLE MEMBER (T)

ORDER
(Hybrid Mode)

The case is fixed for pronouncement of order. The order is pronounced in the open court. vide separate sheet.

—SP—

SANJEEV SHARMA
MEMBER (TECHNICAL)

sd/-

SHAMMI KHAN
MEMBER (JUDICIAL)

**BEFORE THE ADJUDICATING AUTHORITY
NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, COURT- I, AHMEDABAD**

**IA No. 889 (AHM) 2026
In
CP (IB) No. 97 of 2026**

*(An application filed under Section 60(5) of the Insolvency and
Bankruptcy Code, 2016 r.w. Rule 11 of NCLT Rules, 2016)*

IN THE MATTER BETWEEN:

Committee of Creditors of
M/s. Harshil Agrotech Limited
Through its sole member
Cultiva Trade Enterprise Private Limited
A company incorporated under the
Companies Act, 2013, Having its registered office
At H-503, Smarana Co. Op.
Housing Survey No. 502/A/1/28,
Bakeri City, Vejalpur, Jivraj Park, Society,
Ahmedabad, Gujarat - 380051

.....Applicant

VERSUS

Mr. Neeraj Kumar Bajaj
Resolution Professional of
M/s. Harshil Agrotech Limited
A-502, Vastugram Residency, Vesu,
Near Prime Shoppers, Surat,
Gujarat -395007

.....Respondent

Order Pronounced On: 18.06.2026

CORAM:

**SH. SHAMMI KHAN, HON'BLE MEMBER (JUDICIAL)
SH.SANJEEV SHARMA, HON'BLE MEMBER (TECHNICAL)**



APPEARANCE:

For the Applicant : Mr. Ankit Shah, Adv. a.w. Ms. Prutha Bhavsar, Adv.
For the Applicant : Mr. Arjun Sheth, Adv. a.w. Mr. Rajiv Chawala, Adv.

ORDER
(Per: Bench)

1. This **IA No.889 of 2026 in CP(IB) 97 of 2026** was filed on 08.06.2026 vide inward dairy No. E- 1592 by the Applicant, under Sections 27 and Section 60(5) of the Insolvency and Bankruptcy Code, 2016, read with Rule 11 of the National Company Law Tribunal Rules, 2016 seeking following reliefs:

- a. Allow the present Application;
- b. Replace the Respondent, Mr. Neeraj Kumar Bajaj, as the Resolution Professional in Company Petition (IB) No. 97 of 2026;
- c. Appoint Mr. Malav Ajmera having registered no. IBBI/IPA-001-P-P01190/2018-2019/11908 with the Insolvency and Bankruptcy Board of India as the Resolution Professional in place of Mr. Neeraj Kumar Bajaj for conducting the CIRP of the Corporate Debtor in CP(IB) No. 97 of 2026;
- d. Pass such other and further orders as this Hon'ble Adjudicating Authority may deem fit and proper in the interest of justice.



2. The Applicant has placed the **facts** through this I.A. in the following manner: -

- 2.1 The present Application has been preferred by Cultiva Trade Enterprise Private Limited, being the sole member of the Committee of Creditors ("CoC") of the Corporate Debtor, M/s. Harshil Agrotech Limited, holding 100% voting share, under Sections 27 and 60(5) of the Insolvency and Bankruptcy Code, 2016 ("IBC") seeking replacement of Mr. Neeraj Kumar Bajaj, Resolution Professional ("RP"), and appointment of Mr. Malav Ajmera as the Resolution Professional in his place.
- 2.2 It is submitted that CIRP against the Corporate Debtor was initiated pursuant to admission of CP (IB) No. 97 of 2026 under Section 9 of the IBC vide order dated 17.04.2026, whereby Mr. Neeraj Kumar Bajaj was appointed as Interim Resolution Professional. Thereafter, the Applicant was admitted as the sole Financial Creditor and member of the CoC with 100% voting rights. In the first CoC meeting held on 21.05.2026, the CoC resolved to confirm the Respondent as the Resolution Professional and also approved ratification of CIRP expenses.
- 2.3 The Applicant submits that despite repeated requests seeking details of CIRP costs, quotations and fee structures of professionals proposed to be engaged for statutory compliances of the Corporate Debtor, the



Respondent failed to furnish the requisite information. It is further averred that the Applicant, through emails dated 30.05.2026, 01.06.2026 and 02.06.2026, requested the Respondent to convene a meeting of the CoC for consideration of various CIRP-related matters. However, the Respondent neither convened the meeting nor adequately responded to the requests, and instead stated that the meeting would be convened only after approval of the CoC constitution/reconstitution by this Adjudicating Authority.

- 2.4 The Applicant contends that the Respondent's refusal to convene the CoC meeting is contrary to Regulation 24 of the CIRP Regulations and has impeded the progress of the CIRP. It is further alleged that the Respondent failed to address various operational issues of the Corporate Debtor, including matters pertaining to the registered office premises, employee salaries and rent payments, despite being entrusted with management of the Corporate Debtor as a going concern under Section 20 of the Code.
- 2.5 The Applicant submits that, being the sole member of the CoC holding 100% voting share, it is entitled to invoke Section 27 of the IBC for replacement of the Resolution Professional. According to the Applicant, the Respondent's conduct demonstrates lack of diligence, non-cooperation with the CoC and failure to effectively



discharge statutory obligations, thereby necessitating his replacement in the interest of the CIRP.

2.6 It is further submitted that Mr. Malav Ajmera, Insolvency Professional bearing Registration No. IBBI/IPA-001/IP-P01190/2018-2019/11908, has furnished his written consent in Form AA and possesses the requisite qualifications and experience to conduct the CIRP. The Applicant asserts that appointment of the proposed Resolution Professional would facilitate efficient, transparent and time-bound completion of the CIRP without causing prejudice to any stakeholder.

2.7 Accordingly, the Applicant has prayed for replacement of Mr. Neeraj Kumar Bajaj as Resolution Professional and appointment of Mr. Malav Ajmera as Resolution Professional of the Corporate Debtor in terms of Section 27 of the Insolvency and Bankruptcy Code, 2016.

3. In compliance of order dated 09.06.2026 the **Affidavit in Reply** of Respondent Resolution Professional was filed through e-mode dated on 13.06.2026. Wherein made following submission:-

3.1 The Respondent has opposed the present Application and submitted that the same has been filed with unclean hands, suppression of material facts and mala fide intent, and therefore deserves to be dismissed in limine. It is contended that the Application is



misconceived, procedurally untenable and has been filed with the sole objective of removing an independent Resolution Professional and replacing him with a professional of the Applicant's choice.

- 3.2 The Respondent submits that the Applicant has deliberately suppressed material facts concerning the constitution and subsequent reconstitution of the Committee of Creditors ("CoC"). It is stated that upon commencement of CIRP vide order dated 17.04.2026, the Respondent made a public announcement on 19.04.2026 and invited claims from creditors. Pursuant thereto, claims were received from M/s. V.K. Trading, M/s. Cultivatrade Enterprise Private Limited and BSE Limited.
- 3.3 The Respondent submits that the claim of the Applicant was initially provisionally admitted at Re.1/- under Regulation 14 of the CIRP Regulations as the Form-B submitted by the Applicant indicated a possible related-party relationship with the Corporate Debtor, inasmuch as the Applicant's Director, Mr. Jigneshkumar Mansingbhai Pasaya, had described himself as a Director of the Corporate Debtor. Consequently, the Applicant was initially treated as a related party and was excluded from the CoC. Accordingly, the CoC was constituted on 09.05.2026 with BSE Limited as its sole member holding 100% voting share.



- 3.4 It is further submitted that the first CoC meeting scheduled on 14.05.2026 could not be held as BSE Limited communicated its inability to participate in the CoC. Thereafter, the Applicant submitted a revised Form-B along with a declaration dated 15.05.2026 clarifying that it was not a related party of the Corporate Debtor. Upon verification of the revised documents, the Respondent accepted the clarification and reconstituted the CoC on 16.05.2026, wherein the Applicant became the sole member of the CoC holding 100% voting rights. Subsequently, after completion of verification, the Applicant's claim was admitted in full at Rs. 7,53,84,258.08/- and the revised list of creditors was uploaded on the IBBI portal.
- 3.5 The Respondent further submits that he is an independent Insolvency Professional appointed by this Adjudicating Authority from the panel maintained by the Insolvency and Bankruptcy Board of India and not a nominee of the Applicant. It is pointed out that although the Applicant had originally preferred a professional of its own choice at the admission stage, this Adjudicating Authority appointed the Respondent independently. It is therefore contended that the Applicant has, since inception of the CIRP, sought to install a Resolution Professional of its own choice and the present Application is merely an attempt to achieve that



objective by making unfounded allegations against the Respondent.

- 3.6 The Respondent submits that the Applicant itself, in the first CoC meeting held on 21.05.2026, resolved with 100% voting share to confirm the Respondent as the Resolution Professional of the Corporate Debtor. Having voluntarily approved and confirmed the Respondent's appointment, the Applicant cannot, within a short span thereafter, seek his removal on baseless grounds.
- 3.7 The Respondent further contends that the present Application is not maintainable under Section 27 of the Insolvency and Bankruptcy Code, 2016, as the mandatory procedure prescribed therein has not been followed. It is submitted that Section 27 requires the Committee of Creditors, in a duly convened meeting, to pass a resolution with not less than 66% voting share for replacement of the Resolution Professional and thereafter move the Adjudicating Authority for appointment of the proposed professional. According to the Respondent, no such CoC meeting was convened, no resolution under Section 27 was passed, and therefore the Applicant has sought to bypass the statutory mechanism by directly approaching this Adjudicating Authority.
- 3.8 Accordingly, the Respondent submits that the present Application is contrary to the provisions of the Code, suffers from procedural infirmities and is liable to be



dismissed. The Respondent further maintains that his actions throughout the CIRP have been transparent, diligent and in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016 and the regulations framed thereunder.



Date	Event / Step taken by the IRP / RP	Reference / Source
17.04.2026	Hon'ble NCLT, Ahmedabad admitted CP(IB)/97(AHM)2026 (ivs 9) and appointed the Respondent as Interim Resolution Professional (IRP) of the Corporate Debtor. CIRP commenced	Admission Order dt. 17.04.2026 (Annexure-A to the IA)
Apr ~ May 2026	IRP made public announcement (Form A); intimated NeSI, banks, GST and BSE; called for and collated claims; issued letters to the suspended Board demanding cooperation and handover.	Public Announcement; IRP correspondence on record
29.04.2026	M/s. V K Trading filed Proof of Claim in Form C (Financial Creditor) for Rs. 6,53,50,000.	Form C of V K Trading
08.05.2026	IRP issued a detailed Deficiency Notice to V K Trading (10 deficiencies - 12 categories of documents), claim provisionally admitted at Rs. 1/- (Reg. 14) pending verification; related-party status placed under examination u/s 5(24).	IRP Deficiency Notice dt. 08.05.2026
09.05.2026	IRP filed Report on Constitution of CoC (Reg. 17(1)). CoC initially constituted with BSE Limited as sole member, V K Trading (sole FC) excluded as related party under investigation; Cultiva Trade also classified as related party and excluded	Report on Constitution of CoC dt. 09.05.2026
14.05.2026	BSE Limited declined CoC membership ("we cannot be part of the Committee of Creditors") and stated annual listing fees are CIRP costs u/s 5(13).	BSE email dt. 14.05.2026 (Ms. Reena Raphael)
15.05.2026	Cultiva Trade submitted Revised Form B (Operational Creditor) with supporting documents and clarifications, asserting non-related-party status.	Cultiva Trade email dt. 15.05.2026
16.05.2026	Upon verification, IRP reconstituted the CoC (Reg. 17(1)); Cultiva Trade re-classified as non-related-party Operational Creditor; BSE having declined; V K Trading remaining excluded (related-party	CoC Reconstitution Report dt. 21.05.2026; Intimation email dt. 16.05.2026



Date	Event / Step taken by the IRP / RP	Reference / Source
	investigation continuing). CoC constituted under Reg 16 with Cultiva Trade as sole member, 100% voting, initiative issued.	
18.05.2026	Notice (with agenda) of the 1st CoC Meeting for 21.05.2026 issued in terms of Reg. 19	Notice dt 18.05.2026 (Annexure D to the LA)
21.05.2026	1st Meeting of the CoC held virtually. The CoC was 22(2), unanimously (100%) resolved to CONFIRM the Respondent as Resolution Professional (Agenda Item No. 18), facilitation of CRP costs as proposed by the RP was approved. Cultiva Trade's claim admitted in full at Rs. 2,53,94,58.98.	Minutes & Voting Record of 1st CoC Meeting (Annexure D to the LA) RP's dt 22.05.2026 application
21.05.2026	V. K. Trading addressed a verbatim objection to its related-party classification, alleging manipulation of CoC composition and threatening proceedings before the NCLT and the IBBI.	V. K. Trading email dt 21.05.2026
22.05.2026	RP issued a comprehensive, reasoned reply to V. K. Trading setting out the written basis for the related-party classification and the outstanding deficiencies. Minutes of the 1st CoC Meeting circulated.	RP email dt 22.05.2026 Minutes circulation dt 22.05.2026
23.05.2026	Summary of Decisions of the 1st CoC Meeting circulated, signed voting sheet received from Cultiva Trade.	Summary of Decisions dt 23.05.2026
27.05.2026	RP floated Requests for Quotation for appointment of Registered Valuer(s), Forensic Auditor and Legal Counsel, reminders issued, responded to CoC on agenda queries.	RP RFQ emails dt 27.05.2026
28.05.2026	RP took steps for statutory compliances of the listed UD (engagement of Company Secretary, handover from M/s SCS & Co. LLP). Suspended management addressed "non-cooperation" correspondence.	RP email dt 28.05.2026
29.05.2026	RP replied to the suspended management addressing its allegations of non-cooperation.	RP email dt 29.05.2026
30.05.2026	Cultiva Trade emailed (5:24 p.m.) requesting the RP to convene a "2nd CoC Meeting" on 01.06.2026 with a draft agenda. RP simultaneously continued the RFQ process for Valuer / Forensic Auditor.	Cultiva Trade request email dt 30.05.2026
01.06.2026	Reminder-1 from Cultiva Trade. RP issued appointment for Forensic Audit and continued the valuation process.	Reminder email dt 01.06.2026 Forensic audit appointment dt 01.06.2026
02.06.2026	RP appointed Registered Valuers (PAM and SEAs), sought a written legal opinion on CoC constitution/reconstitution/reformation, classified on, faxed legal counsel RFQ. Reminder-2 from Cultiva Trade. RP RESPONDED (6:30 p.m.) stating that the applications regarding constitution/reconstitution of the CoC are pending before the Hon'ble NCLT and the next CoC meeting shall be convened upon the Tribunal's order, with due notice.	RP appointment emails dt 02.06.2026, RP reply dt 02.06.2026 (Annexure E to the LA)
03.06.2026 (11:38 a.m.)	Cultiva Trade emailed seeking details of the pending application (LA number, copy status).	Cultiva Trade email dt 03.06.2026 (Annexure F to the LA)



Date	Event / Step taken by the IRP / RP	Reference / Source
03.06.2026	RP moved/placed before the Hon'ble NCLT his application u/s 60(5) r/w s.22(2) & s.22(3)(a) to take on record and confirm his appointment as RP and to place the constitution of the CoC on record.	RP's Application (s.22(2)/22(3)(a)-60(5))
03.06.2026	Without any CoC meeting being convened or held, without awaiting the RP's response to its own 3.38 a.m. email, and with the written consent (Form AA) of the proposed RP arranged in advance, Cultiva Trade executed, notarised and filed the present IA/889(AHM)2026 u/s 27 & 60(5) seeking replacement of the RP.	IA/889(AHM)2026 (notarised 03.06.2026)
04.06.2026	RP appointed Legal Counsel (after due RFQ) and progressed CS handover for statutory compliances	Appointment letter dt. 04.06.2026
05.06.2026	Advance copy of IA/889(AHM)2026 served on the RP by the Applicant's counsel.	Counsel email dt. 05.06.2026
09.06.2026	Hon'ble NCLT issued notice in IA 889(AHM)2026; Respondent's counsel waived notice; Respondent directed to file reply within 3 days; matter listed on 15.06.2026.	Order dt. 09.06.2026 in IA/889(AHM)2026

3.9 The Respondent further submits that the record of the CIRP proceedings clearly demonstrates continuous, diligent, transparent and even-handed discharge of duties by the Respondent. It is stated that the Respondent duly constituted and subsequently reconstituted the Committee of Creditors after verification of claims, conducted the first CoC meeting wherein his appointment as Resolution Professional was confirmed by the sole CoC member with 100% voting share, undertook a transparent process for appointment of registered valuers, forensic auditor, legal counsel and company secretary, made a reasoned determination regarding the related-party status of the Applicant, and placed the issue concerning constitution and reconstitution of the CoC before this Adjudicating



Authority for appropriate directions. The Respondent has further relied upon various email communications evidencing requests for quotations from professionals proposed to be engaged during the CIRP.

- 3.10 The Respondent denies the allegation of non-cooperation and submits that the second CoC meeting was not convened only as a matter of abundant caution and in the interest of maintaining procedural propriety. It is stated that applications concerning the constitution and reconstitution of the CoC had already been filed before this Adjudicating Authority and were pending consideration. In such circumstances, the Respondent had merely requested the Applicant to await the outcome of the said applications before proceeding with further meetings of the CoC.
- 3.11 The Respondent submits that the Applicant, vide email dated 30.05.2026, requested convening of a CoC meeting on 03.06.2026. However, even before receiving any response from the Respondent, the Applicant issued a reminder email on 01.06.2026. The Respondent contends that the Applicant displayed undue haste by issuing repeated reminders without affording reasonable time for a response to the original request.
- 3.12 The Respondent further states that the email dated 01.06.2026, relied upon by the Applicant, was issued by the suspended management of the Corporate Debtor directly to the CoC and not to the Respondent. Through



the said email, the suspended management raised allegations regarding locking and seizure of the registered office and attempted to justify its own alleged non-cooperation with the Respondent. According to the Respondent, the Applicant relied upon the contents of the said communication to allege dereliction of duty on the part of the Respondent in managing the affairs of the Corporate Debtor.

3.13 It is the Respondent's case that the Applicant neither sought any clarification from nor discussed the contents of the said email with the Respondent before forming an adverse opinion regarding his conduct. The Respondent has categorically denied and objected to the allegations made by the suspended management and submits that the sole CoC member's adoption of the grievances raised by the suspended management against the Resolution Professional is indicative of possible collusion between them.

3.14 The Respondent further submits that upon commencement of CIRP, the powers of the suspended management stood suspended by operation of Section 17 of the Insolvency and Bankruptcy Code, 2016, and it became the statutory duty of the Resolution Professional to assume control and custody of the assets, records and registered office of the Corporate Debtor. Therefore, the actions undertaken by the Respondent with respect



to the registered office were in discharge of his statutory obligations under the Code.

- 3.15 The Respondent states that upon receipt of the Applicant's further reminder email dated 02.06.2026 seeking convening of the CoC meeting, he immediately responded on the same day and informed the Applicant that the applications concerning constitution and reconstitution of the CoC were pending adjudication before this Hon'ble Adjudicating Authority.
- 3.16 The Respondent further submits that, in order to ensure compliance with law and avoid any procedural irregularity, he obtained an independent legal opinion from M/s. Maloo & Co. regarding the propriety of convening the second CoC meeting in view of the pending issues concerning reconstitution of the CoC. According to the Respondent, the legal opinion dated 02.06.2026 advised that it would be appropriate to await directions from the Adjudicating Authority regarding the correct constitution of the CoC and the legal effect of the first CoC meeting already conducted. The Respondent therefore contends that the decision not to convene the second CoC meeting immediately was taken bona fide, based on legal advice and with a view to preserving the sanctity of the CIRP process, and cannot be construed as non-cooperation or failure to discharge his statutory duties.



- 3.17 The Respondent further submitted that certain discrepancies have emerged during the CIRP regarding the Applicant's claim and affairs of the Corporate Debtor, which are presently under forensic examination. According to the Respondent, the present Application for replacement of the Resolution Professional is premature and may impede the ongoing investigation.
- 3.18 It is further submitted that the present Application has been instituted without adherence to the procedure prescribed under the Insolvency and Bankruptcy Code, 2016 and constitutes an abuse of the process of law. The Respondent points out that the Applicant itself had, in the first CoC meeting, approved and confirmed his appointment as Resolution Professional and, within a period of approximately ten days thereafter, has sought his replacement without any cogent, substantiated or legally sustainable grounds. The Respondent maintains that he has at all times acted bona fide and discharged his duties strictly in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016 and the rules and regulations framed thereunder.
- 3.19 Accordingly, the Respondent submits that the present Application is premature, devoid of merit and appears to have been filed for ulterior purposes unrelated to the objectives of the Insolvency and Bankruptcy Code. The Respondent therefore prays that the present Application



be dismissed and that no relief, as sought by the Applicant, be granted.

4. That the **Affidavit in Rejoinder on behalf of the Applicant** was received dated on 15.06.2026 vide inward dairy No. D - 4803. Wherein made following submission:-

- 4.1 The Applicant has denied the allegations of suppression of facts, mala fides, collusion and abuse of process levelled by the Respondent and submits that the present Application is a bona fide exercise of its statutory rights under Section 27 of the Insolvency and Bankruptcy Code, 2016. It is contended that, being the sole member of the reconstituted Committee of Creditors holding 100% voting share, the Applicant is fully entitled to seek replacement of the Resolution Professional and that exercise of such statutory right cannot be construed as an abuse of process.
- 4.2 The Applicant submits that there has been no suppression of material facts and that the constitution and reconstitution of the CoC are matters of record arising from the Respondent's own reports. It is further contended that the Respondent initially treated the Applicant as a related party and provisionally admitted its claim at Re.1/- solely on account of an inadvertent clerical error in Form-B, without conducting proper verification under Regulation 13 of the CIRP Regulations



or examining records available on the MCA portal. Upon submission of a revised Form-B and supporting documents, the Respondent ultimately accepted that the Applicant was not a related party, reconstituted the CoC on 16.05.2026 and admitted the Applicant's claim in full at Rs.7,53,84,258.08 on 21.05.2026.

- 4.3 The Applicant submits that although it had confirmed the Respondent as Resolution Professional in the first CoC meeting held on 21.05.2026, such confirmation was granted in good faith. However, owing to the Respondent's subsequent failure to engage with the CoC, respond to communications, convene the second CoC meeting, seek CoC approval on important matters, and his unilateral conduct in obtaining legal opinions and taking positions adverse to the sole CoC member, the Applicant lost confidence in the Respondent and was constrained to seek his replacement.
- 4.4 The Applicant further submits that replacement of a Resolution Professional under Section 27 falls within the commercial wisdom of the CoC and does not require assignment or proof of reasons. It is contended that prior confirmation of the Respondent as RP does not extinguish the CoC's continuing right to replace him under Section 27 and that the Respondent's insistence on justification for such replacement is contrary to the scheme of the Code.



- 4.5 The Applicant denies the Respondent's contention regarding non-compliance with Section 27 and states that, by email dated 30.05.2026, it requested the Respondent to convene a CoC meeting with an agenda for replacement of the RP. Despite repeated reminders, the Respondent failed to convene the meeting, compelling the Applicant to approach this Adjudicating Authority directly. The Applicant also points out that while the Respondent cited pendency of CoC reconstitution proceedings as a reason for not convening the meeting on 02.06.2026, the report regarding reconstitution was itself filed before this Adjudicating Authority only on 04.06.2026.
- 4.6 The Applicant disputes the Respondent's claim of diligent conduct and submits that the Respondent failed to provide details of CIRP costs, quotations, appointments and expenses despite repeated requests from the sole CoC member. It is alleged that although quotations were obtained from valuers, forensic auditors, legal counsel and company secretaries, the same were never placed before the CoC for approval or ratification. The Applicant further questions the Respondent's demand of Rs. 3,00,000/- per month as professional fees, contending that the same is excessive and disproportionate considering the scale of the CIRP. It is pointed out that the admission order dated 17.04.2026 directed payment of only Rs. 3,00,000/- in



advance towards CIRP costs until the CoC determined the RP's fees and expenses.

- 4.7 The Applicant denies any collusion with the suspended management and submits that, on the contrary, it had proposed discussion regarding non-cooperation of the suspended management in the agenda for the second CoC meeting. It is contended that the Respondent's allegations of collusion are unsupported by evidence, retaliatory in nature and reflective of unprofessional conduct.
- 4.8 The Applicant further disputes the Respondent's allegations regarding the genuineness of its claim and alleged irregularities in underlying transactions. It is submitted that the operational debt, supply of goods, default and absence of any pre-existing dispute were conclusively determined by this Adjudicating Authority in the admission order dated 17.04.2026. The Applicant contends that the Respondent, whose authority flows from the said order, cannot reopen or challenge findings already rendered by this Adjudicating Authority. It is further submitted that the Respondent himself independently verified the claim, sought clarifications, and thereafter admitted the claim in full on 21.05.2026, and is therefore estopped from questioning the same at a later stage.
- 4.9 The Applicant submits that any issue relating to avoidance transactions, forensic investigation or



transactions under Sections 43, 45, 49, 50 or 66 of the Code must be dealt with in separate proceedings and cannot be imported into the present proceedings under Section 27. The allegations regarding collusion and doubtful transactions, raised for the first time in the Respondent's reply, are described as an afterthought intended to deflect attention from the Respondent's conduct and to frustrate the Applicant's statutory right to seek replacement of the Resolution Professional.

4.10 The Applicant further states that it had itself approved the appointment of a Forensic Auditor in the first CoC meeting held on 21.05.2026 and therefore has no reason to oppose any genuine investigation into the affairs of the Corporate Debtor. According to the Applicant, the Respondent's allegations surfaced only after initiation of the present proceedings and are therefore retaliatory and devoid of merit.

4.11 Accordingly, the Applicant reiterates its prayer for replacement of the Respondent as Resolution Professional and appointment of Mr. Malav Ajmera, whose Authorisation for Assignment (AFA) stands renewed and who is stated to be an independent Insolvency Professional empanelled with this Adjudicating Authority.

5. In compliance of order dated 15.06.2026, the Applicant filed written submissions on 16.06.2026 and placed reliance upon



the judgment in *Subrata Roy v. Rajiv Mohan, Company Appeal (AT) (Ins.) Nos. 541 & 542 of 2026* decided on 22.04.2026.

OBSERVATIONS OF THE TRIBUNAL -

6. Section 27 of the code is been reproduce as :-

Sec. 27 - Replacement of resolution professional by committee of creditors.

(1) Where, at any time during the corporate insolvency resolution process, the committee of creditors is of the opinion that a resolution professional appointed under section 22 is required to be replaced, it may replace him with another resolution professional in the manner provided under this section.

[(2) The committee of creditors may, at a meeting, by a vote of sixty-six per cent. of voting shares, resolve to replace the resolution professional appointed under section 22 with another resolution professional, subject to a written consent from the proposed resolution professional in the specified form.]

(3) The committee of creditors shall forward the name of the insolvency professional proposed by them to the Adjudicating Authority.

(4) The Adjudicating Authority shall forward the name of the proposed resolution professional to the Board for its confirmation and a resolution professional shall be appointed in the same manner as laid down in section 16.

(5) where any disciplinary proceeding are pending against the proposed resolution professional under sub-section (3), the resolution professional appointed under section 22 shall continue till the appointment of another professional under the section.

7. We have heard the Learned Counsel appearing for the Applicant and the Learned Counsel appearing for the



Respondent. We have also perused the pleadings and documents placed on record.

8. The issue for consideration is whether the Applicant is entitled to seek replacement of the Resolution Professional in the absence of compliance with the procedure prescribed under Section 27 of the Insolvency and Bankruptcy Code, 2016.
9. Section 27 of the Insolvency and Bankruptcy Code, 2016 provides that where the Committee of Creditors is of the opinion that the Resolution Professional is required to be replaced, the Committee of Creditors may, at a meeting, by a vote of not less than 66% voting share, resolve to replace the Resolution Professional and forward the name of the proposed Insolvency Professional to the Adjudicating Authority.
10. The statutory scheme makes it evident that replacement of the Resolution Professional is a commercial decision of the Committee of Creditors. However, such commercial decision is required to be exercised in accordance with the procedure prescribed under Section 27 of the Code.
11. In the present case, admittedly no meeting of the Committee of Creditors was convened and no resolution under Section



27(2) of the Code was passed recommending replacement of the Resolution Professional.

- 12.** Though the Applicant has contended that repeated requests were made to the Respondent to convene a meeting of the Committee of Creditors and that the Respondent failed to do so, such circumstances cannot dispense with the mandatory requirement prescribed under Section 27 of the Code. The present Application, insofar as it seeks direct substitution of the Resolution Professional without a recommendation from the Committee of Creditors, is not maintainable in its present form.
- 13.** The allegations and counter-allegations made by the parties regarding conduct of the Resolution Professional, genuineness of claims, alleged collusion, forensic investigation and disputed transactions are not required to be adjudicated in the present proceedings since the issue involved herein is confined to compliance with Section 27 of the Code.
- 14.** The Hon'ble Supreme Court and the Hon'ble National Company Law Appellate Tribunal have consistently held that while the Committee of Creditors has primacy in matters



falling within its commercial wisdom, such powers are required to be exercised in accordance with the statutory framework prescribed under the Insolvency and Bankruptcy Code, 2016.

- 15.** The judgment relied upon by the Applicant reiterates that replacement of the Resolution Professional falls within the commercial wisdom of the Committee of Creditors. However, such commercial wisdom is required to be exercised in accordance with the procedure prescribed under Section 27 of the Code.
- 16.** In the absence of a resolution passed by the Committee of Creditors in a duly convened meeting, this Adjudicating Authority cannot directly substitute the Resolution Professional, as the statutory mechanism prescribed under Section 27 of the Code has not been complied with.
- 17.** Accordingly, without expressing any opinion on the allegations and counter-allegations raised by the parties, the Respondent is directed to convene a meeting of the Committee of Creditors within 07 days from the date of this order and place the agenda relating to replacement of the Resolution Professional, if requisitioned by the sole member of the Committee of



Creditors, for consideration in accordance with Section 27 of the Insolvency and Bankruptcy Code, 2016 and applicable regulations.

18. If the Committee of Creditors passes any resolution under Section 27 of the Code, the same shall be placed before this Adjudicating Authority for appropriate orders. The Resolution Professional shall also place on record the minutes of the meeting and the outcome thereof within 07 days from the date of such meeting.

19. Accordingly, **IA No. 889 (AHM) of 2026** is disposed of with the aforesaid directions. No order as to costs

SD

SANJEEV SHARMA
MEMBER (TECHNICAL)
SS

SD

SHAMMI KHAN
MEMBER (JUDICIAL)