NATIONAL COMPANY LAW APPELLATE TRIBUNAL
PRINCIPAL BENCH, NEW DELHI

Comp. App. (AT) (Ins) No. 1114 of 2026

IN THE MATTER OF:

Amba Grains Pvt. Ltd. & Ors. **...Appellant(s)**

Versus

Amit Agrawal Resolution Professional of Mastana Foods Pvt. Ltd. & Ors. **...Respondent(s)**

Present:

For Appellant : Mr. Abhijeet Sinha Sr. Adv. with Ms. Anannya Ghosh, Ms. Doel Bose, Ms. Kashish Chhabra, Mr. Aridaman Raghav & Mr. Mukul Arya, Advocates

For Respondents : Ms. Archana Pathak Dave Ld. Addl Solicitor General of India with Mr. Siddharth Sangal, Mr. Vaibhav Dwivedi, Mr. Kashish & Ms. Richa Mishra, Advocates for R-2/CoC

Mr. Ramji Srinivasan Sr. Adv. with, Mr. Sumesh Dhawan, Mr. Jaskaran S. Bhatia, Mr. Shaurya Shyam, Ms. Kavya Tekriwal, Ms. Shefali Munde, Mr. Aryansh Tripathi & Mr. Rajat Choudhary, Advocates for R-3/SRA

With
Comp. App. (AT) (Ins) No. 1118 of 2026

IN THE MATTER OF:

Amba Grains Pvt. Ltd. & Ors. **...Appellant(s)**

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Amit Agrawal Resolution Professional of Mastana Foods Pvt. Ltd. & Ors. **...Respondent(s)**

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Mr. Ramji Srinivasan Sr. Adv. with, Mr. Sumesh Dhawan, Mr. Jaskaran S. Bhatia, Mr. Shaurya Shyam, Ms. Kavya Tekriwal, Ms. Shefali Munde, Mr. Aryansh Tripathi & Mr. Rajat Choudhary, Advocates for R-3/SRA

With
Comp. App. (AT) (Ins) No. 1169 of 2026
&
I.A. No. 4467 of 2026

IN THE MATTER OF:

Anil Khurana **...Appellant(s)**

Versus

Amit Agrawal & Ors.
...Respondent(s)

Present:

For Appellant : Mr. Bishwajit Dubey & Mr. Thakur Ankit Singh, Advocates

For Respondents : Ms. Archana Pathak Dave Ld. Addl Solicitor General of India with Mr. Siddharth Sangal, Mr. Vaibhav Dwivedi, Mr. Kashish & Ms. Richa Mishra, Advocates for R-2/CoC
Mr. Ramji Srinivasan Sr. Adv. with, Mr. Sumesh Dhawan, Mr. Jaskaran S. Bhatia, Mr. Shaurya Shyam, Ms. Kavya Tekriwal, Ms. Shefali Munde, Mr. Aryansh Tripathi & Mr. Rajat Choudhary, Advocates for R-3/SRA

With
Comp. App. (AT) (Ins) No. 1194 of 2026

IN THE MATTER OF:

Krishan Mohan Mendiratta **...Appellant(s)**

Versus

Amit Agrawal & Ors. **...Respondent(s)**

Present:

For Appellant : Mr. K. Datta Sr. Adv. with Ms. Udita Singh & Ms. Alina Mathew, Advocates

For Respondents : Ms. Archana Pathak Dave Ld. Addl Solicitor General of India with Mr. Siddharth Sangal, Mr. Vaibhav Dwivedi, Mr. Kashish & Ms. Richa Mishra, Advocates for R-2/CoC
Mr. Ramji Srinivasan Sr. Adv. with, Mr. Sumesh Dhawan, Mr. Jaskaran S. Bhatia, Mr. Shaurya Shyam, Ms. Kavya Tekriwal, Ms. Shefali Munde, Mr. Aryansh Tripathi & Mr. Rajat Choudhary, Advocates for R-3/SRA

With
Comp. App. (AT) (Ins) No. 1198 of 2026

IN THE MATTER OF:

Krishan Mohan Mendiratta **...Appellant(s)**

Versus

Amit Agrawal & Ors. **...Respondent(s)**
Present:

For Appellant : Mr. K. Datta Sr. Adv. with Ms. Udita Singh & Ms. Alina Mathew, Advocates
For Respondents : Ms. Archana Pathak Dave Ld. Addl Solicitor General of India with Mr. Siddharth Sangal, Mr. Vaibhav Dwivedi, Mr. Kashish & Ms. Richa Mishra, Advocates for R-2/CoC
Mr. Ramji Srinivasan Sr. Adv. with, Mr. Sumesh Dhawan, Mr. Jaskaran S. Bhatia, Mr. Shaurya Shyam, Ms. Kavya Tekriwal, Ms. Shefali Munde, Mr. Aryansh Tripathi & Mr. Rajat Choudhary, Advocates for R-3/SRA

O R D E R
(Hybrid Mode)

[Per: Justice Mohd. Faiz Alam Khan, Member (Judicial)]

CA (AT) (Ins) No. 1114 of 2026 has been filed by the appellant challenging the order dated 11th June 2026 passed in IA No. 3781 of 2025 in CP(IB) No. 630 of 2019 passed by the National Company Law Tribunal, New Delhi (NCLT), whereby the objections filed by the appellant through IA No.

3781 of 2025 has been rejected and the Resolution Plan submitted by the Successful Resolution Applicant has been approved.

2. CA (AT) (Ins) No. 1118 of 2026 has been filed by the Appellant Amba Grains Private Limited and Others against the same order of date 12th June 2026 passed in IA Plan No. 48 of 2025 whereby the application moved by the RP for the approval of the resolution plan has been accepted, and the Resolution Plan filed by SRA has been approved.

3. CA (AT) (Ins) No. 1169 of 2026 has been filed by Mr. Anil Khurana, suspended director and guarantor of the corporate debtor, being aggrieved by the impugned order dated 10th February 2026 passed by the Learned Adjudicating Authority in IA No. 4257 of 2025 in CP(IB) No. 630 of 2019. The application filed by the appellant seeking rejection of the resolution plan of the successful resolution applicant has been rejected, and the resolution plan submitted by the SRA has been approved.

4. CA (AT) (Ins) No. 1194 of 2026 and CA (AT) (Ins) No.1198 of 2026 has been moved by Krishan Mohan Mendiratta, a Prospective Resolution Applicant (PRA), suspended director, and personal guarantor of the corporate debtor, against the order dated 11th June 2026 passed by the Ld. Adjudicating Authority in IA No. 5148 of 2025 in CP(IB) No. 630 of 2019 and IA Plan No. 48 of 2025 whereby the application objections filed by the appellant challenging the resolution plan submitted by the consortium of HR Commercials Private Limited and Crown Steels has been dismissed, and the plan has been approved.

5. We recall that on 20.07.2026 we have passed following order with the consent of Ld. Counsel for the parties;

> *"Having regard to the identical issues involved in Comp. App. (AT) (Ins.) No. 1114 of 2026, Comp. App. (AT) (Ins.) No. 1118 of 2026, Comp. App. (AT) (Ins.) No. 1169 of 2026, Comp. App. (AT) (Ins.) No. 1194 of 2026 & Comp. App. (AT) (Ins.) No. 1198 of 2026, all aforesaid appeals are connected. All Respondents of these appeals are represented before us by their Counsels. Learned Counsel for the Appellants as well as Learned Counsel for the Respondents have very fairly consented that these appeals may be heard finally today itself and may be disposed of by-passing common judgement and after conclusion of the oral submissions some reasonable time may be granted to the parties for filing written submissions i.e., to say within two to three days and thus, the written submissions which may be filed by the Respondents may be taken as their replies.*
>
> *It is also consented by Learned Counsel for the Parties that they will not file any documentary evidence along with their written submissions unless indicated by this Appellate Tribunal.*
>
> *In this background we proceed to hear the aforesaid appeals finally."*

6. Thus, on the basis of consensus arrived at between parties and for convenience and similarity of issues to be adjudicated, all aforesaid Appeals are being disposed of by passing this common judgment.

7. Brief facts necessary for the disposal of these appeals are that the corporate debtor (CD) was admitted into the Corporate Insolvency Resolution Process (CIRP) vide order dated 18.09.2019 passed by the National Company Law Tribunal (Adjudicating Authority in CP(IB) No. 630/PB/2019 (impugned Order) under Section 7 of the Insolvency and Bankruptcy Code, 2016 (Code) by the State Bank of India and Mr. Ashok Kumar Juneja was appointed as

the Interim Resolution Professional (IRP), who in the first meeting of the CoC was also confirmed as RP.

8. The IRP made public announcement on 21st September 2019 calling upon the creditors to submit their claims along with proof on or before 3rd October 2019. IRP received claims from various creditors, including secured financial creditor being the State Bank of India. The CoC of the CD was constituted with State Bank of India as the 100% CoC.

9. During the course of the CIRP, the erstwhile RP was changed, and respondent No. 1, Mr. Amit Agarwal, was appointed as the RP of the CD by order dated 20.11.2023 passed in IA No. 6065 of 2023 by the Ld. Adjudicating Authority.

10. During the course of the CIRP, the fair value of the CD was assessed as 70,16,94,723/- and the liquidation value was assessed as ₹48,95,06,043/-. In accordance with the provisions contained under Section 25(2)(h) of the Code and the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (CIRP Regulations), the RP issued Form G on 3rd December 2019 inviting EOI from PRAs. Out of eight PRAs, only a consortium of individuals consisting of Dr. Rajender Singh, Mr. Rajender Pal Singh, and Mrs. Amarjeet Kaur submitted the resolution plan, and the same was put to vote in the fifth meeting of the CoC, however, the same was rejected.

11. The Form G was again published on 18thFebruary 2020, and the last date of submission of the resolution plan was fixed as 12th April 2020. However, due to the nationwide lockdown, the date was extended from time

to time, and finally, the last date for submission of the resolution plan was fixed as 23rd June 2020. Three PRAs, namely: 1. Consortium of individuals: Dr. Rajender Singh, Dr. Rajender Pal Singh, and Mrs. Amarjeet Kaur, 2. Bharat Gupta, 3. Anil Rungta, submitted their resolution plans, which were placed before the CoC in its sixth meeting held on 6 July 2020. However, the CoC took a decision to get the fresh valuation. In the seventh CC meeting held on 11th August 2020, the revised resolution plan received from H1 was placed, which, in the view of the sole CoC, was much below the valuation undertaken by the valuer. A decision was taken to republish the Form G again and to invite the expression of interest from more resolution applicants.

12. The third form G was published on 18th August 2020, and in pursuance of the same, two resolution plans were received. However, in the 10th CoC meeting held on 7th November 2020, the CoC resolved to approve the resolution plan submitted by Ms. Minakshi and Mr. Kushal Goel for 30.10 crores payable in 9 months. In pursuance of the same, the RP filed an application bearing IA No. 5283 of 2020 for the approval of the resolution plan before the Learned Adjudicating Authority.

13. In the meantime, an application bearing number IA 961 of 2024 was filed by the RP, bringing on record the judgment of the Hon'ble Supreme Court in the matter of ***Excise and Taxation Officer of the State versus Ashok Kumar Juneja, Civil Appeal No. 7514-7515 of 2022***, whereby the Hon'ble Supreme Court allowed the appeal. In view of the judgment passed by the Hon'ble Supreme Court in *State Tax Officer versus Rainbow Papers Limited,* IA No. 961 of 2024 was allowed by the Adjudicating Authority. An appeal was

preferred by Mrs. Minakshi Goyal and Kushal Goyal before this Appellate Tribunal, challenging the order dated 1st May 2024 and the order dated 18th November 2024. This Appellate Tribunal disposed of the appeal, permitting the RP to place an agenda before the CoC with regard to the necessary steps required to be taken in the CIRP of the CD (in pursuance of the directions of the Hon'ble Supreme Court passed in Civil Appeal No. 7514-7515 of 2022).

14. In view of the directions passed by the Appellate Tribunal, the CoC took a decision in the 18th meeting of the CoC held on 22nd November 2024 to issue a fresh Form G.

15. In this background, the 4th Form G was published on 7th December 2024, with the last date of receipt of expression of interest fixed as 23rd December 2024, and for submission of resolution plan as 16th February 2025. In pursuance of the same, the RP received expression of interest from 14 PRAs. In view of the approval taken in the 21st CoC meeting held on 15th January 2025, the RP, on 16th January 2025, issued and circulated the information memorandum (IM) and the request for resolution plan (RFRP), along with the evaluation matrix, for the corporate debtor to all PRAs requiring resolution plan to be submitted on or before 17th February 2025. Till the last date of submission of the resolution plan, the RP received 8 resolution plans from the following PRAs;

S. No	Name of Prospective Resolution Applicant(s)
1	M/s. Amba Grains Private Limited and Mr. Amarjeet Kaur and Mr. Rajender Pal Singh (As Consortium)
2	Mr. Anand Pal Jain & Mr. Sahil Jain & Mrs. Sudha Jain (As Consortium)
3	M/s. Aqua Vitoe Laboratories
4	**M/s. HR Commercials Private Limited & M/s. Crown Steels (As Consortium)**
5	Mr. Krishan Mohan Mendiratta (Erstwhile Promoter & Director)
6	M/s. Noida Holdings Private Limited & M/s. Suraj Udyog Gujarat & Mr. Munish Dhingra (As Consortium)
7	M/s. Nokha Agrotech Private Limited
8	M/s. Sapphire Media Limited

16. On 7th March 2025 and 10th March 2025, the 25th meeting of the CoC was held, wherein the aforesaid 8 PRAs were invited to present their resolution plans before the CoC. In view of the directions given by the CoC, the RP, on 15th April 2025, conducted the online e-challenge mechanism/e-bidding, wherein all the above-mentioned 8 PRAs participated, and SRA emerged as the highest bidder of the value of Rs. 131.91Cr.

17. The Resolution Professional convened the 28th meeting of the CoC on 1st July 2025 and 5th July 2025 and placed the affidavits submitted by the PRAs, along with the compliance report pertaining to the eligibility under Section 29A of the Code. This reflects that all the PRAs were found eligible under Section 29A of the Code to submit their dissolution plans.

18. The process advisor submitted the evaluation ranking and net present value (NPV) ranking, which is produced in the plan approval order of the Ld. Adjudicating Authority and is also reproduced as under:

Sl No	Name of PRA	EM score	EM Ranking	NPV of the Resolution Amount (Rs.)	NPV Ranking
1	Consortium of M/s. HR Commercials Private Limited & Crown Steels	42	1	1,27,52,68,440	1
2	Consortium of M/s. Amba Grains Pvt Ltd, Mr. Amarjeet Kaur and Mr. Rajendra Pal Singh	28	2	90,40,42,982	2
3	Consortium of Anand Pal Jain, Mrs Sudha Jain and Mr Sahil Jain	26	3	80,94,79,629	3
4	M/s. Nokha Agrotech Pvt Ltd.	25	4	46,97,69,598	6
5	Krishan Mohan Mendiratta	24	5	77,91,71,467	4
6	Consortium of M/s. Noida Holdings Private Limited; M/s Suraj Udyog Gujarat & Mr Munish Dhingra	16	6	53,08,11,253	5
7	M/s. Sapphire Media Limited	15	7	32,19,00,000	8
8	Aqua Vitoe Laboratories	15	8	37,46,36,896	7

19. On 15th July 2025, the CoC, comprising the sole secured financial creditor, SBI, having 100% voting share, completed the voting process and approved the revised resolution plan dated 19th June 2025, along with the addendum to the resolution plan dated 2nd July 2025, submitted by M/s HR Commercial Private Limited and M/s Crown Steels (in consortium).

20. The RP issued a letter of intent to the SRA to deposit a performance bank guarantee/performance security of Rs. 8 crores, which was accordingly deposited on 16th July 2025. Thereafter, the RP filed an application bearing IA No. 48 of 2025 for approval of the plan. The Ld. Adjudicating Authority approved the resolution plan submitted by the SRA, HR Commercials Consortium, and the same has been assailed by the appellant Amba Grains Private Limited and Others by filing CA (AT) (Ins) Nos. 1114 of 2026 and CA (AT) (Ins) No. 1118 of 2026, by appellant Krishan Mohan Mendiratta by filing

CA (AT) (Ins) No.1194 of 2026 and CA (AT) (Ins) No. 1198 of 2026 and by appellant Anil Khurana by filing CA (AT) (Ins) No. 1169 of 2026.

21. Ld. Senior Counsel, appearing for the appellant, submits that material irregularities have been committed by the RP, as well as by the CoC, and consequently by the Ld. Adjudicating Authority in the plan approval process. It is highlighted that a non-compliant plan was placed by the RP before the CoC in violation of Section 30(2)(e) and (3) of the Code and Regulation 39(1B)(c), (2) and (3)(a) of the CIRP Regulations.

22. It is submitted that the RP is required to examine every resolution plan in view of section 30(2) (e) and 30(3) of the Code, and to place only those resolution plans which are in compliance with the requirement of section 30(2) of the Code. Similarly, clauses 10.2 and 10.2.2 of the RFRP require the RP to refer only compliant resolution plans to the CoC for consideration and further restrict the negotiation and consideration by the CoC to only compliant resolution plans.

23. It is vehemently submitted that SRA's bid on 15th April 2025 and plan submitted on 22nd April 2025 were non-compliant with Section 30(2) (e) of the Code, since unequal treatment was given to secured operational creditors (contrary to the judgment passed by the Hon'ble Supreme Court in Rainbow Papers). Such a non-compliant plan should have been rejected by the RP before its production before the CoC, as the same was non-compliant.

24. It is also submitted that the emails dated 13th June 2025 and 14th June 2025 are clear admission by the SRA itself that its bid was non-compliant as on 15th April 2025. Later on, the sum given to the HVAT in the addendum is

over and above the financial bid, which is not permissible and contrary to the e-bidding terms and the CoC meeting scheduled on 1st July 2025 was adjourned only to permit the SRA to increase its financial bid in the guise of ensuring compliance with the Rainbow and this has resulted in an increase in the plan over and above the e-bidding value submitted by the SRA during the e bidding process, which was not permissible as the e-bidding terms and conditions were already circulated, clarifying that the bids have to be submitted separately for each category of the creditors, wherein HVAT had to be treated as a secured operational creditor and except the SRA, the bids submitted by the other PRAs were Rainbow compliant.

25. It is further submitted that in e-bidding terms circulated by the RP on 8 April 2025, it was clearly stated that no deviation from the financial bid would be permitted. Therefore, there was no occasion to permit the SRA to increase its financial bid from ₹131.91 crore with an NPV of ₹124.43 crore as on 15 April 2025 to ₹135.24 crore with an NPV of ₹127.52 crore through revision by submitting an addendum dated 3 July 2025 as the SRA had already been granted an opportunity to modify its resolution plan after 22 April 2025, when it was permitted to submit a revised plan on 3 May 2025, incorporating its e-bidding value. Therefore, no modification of the plan should have been permitted to SRA alone under the garb of negotiations only with one resolution applicant.

26. It is further submitted that the appellant had submitted an increased financial bid of Rs. 133.91 crores on 22 April 2025, which was well within the time granted to all PRAs to submit revised plans in the interest of value

maximization. However, the RP, despite assuring in his email dated 2nd May 2025 persuaded the CoC not to consider it by misplacing reliance on ***Jindal Power Limited v. Dhiren Shantilal Shah, 2024 SCC Online NCLAT 46.***

27. It is also submitted that the SRA was permitted to increase its financial bid even after 22 April 2025 and up to 3 July 2025, but the similar treatment was not given to the other PRAs and so much so that the revised plan of the SRA was considered by the CoC, while the revised plan of the appellant with a higher value was not considered.

28. It is also submitted that the CoC's right to negotiate under the RFRP cannot be exercised discriminatorily and in an arbitrary manner, and therefore the opportunity to increase the amount of the plan should have been provided to all the PRAs. Reliance in this regard has been placed on ***Ajay Gupta v. Pramod Kumar Sharma (2022) 6 SCC 86***.

29. It is further submitted that another irregularity which has been committed by the RP is violation of Regulation 36A (8) regarding compliance with Section 29A and Regulation 36A (12) of CIRP Regulations, 2016 and Section 29A compliance was made after the submission of the plans, as is evident from the fact that vide email dated 8th April 2025 RP indicated that e-bidding process would be conducted subject to Section 29A compliance and section 29A compliance was done/confirmed on 22nd April 2025 after the e-bidding process.

30. It is further submitted that the resolution plan of the SRA has been approved in haste, where subsequent revisions were permitted. However, in a

hurried manner, the plan has been approved by the CoC and letter of intent has also been issued.

31. It is further submitted that grave material irregularities resulting in violation of principles of natural justice cannot be permitted to be violated, behind the shield of commercial wisdom. Reliance in this regard has been placed on:

- M.K. Raja Gopalan v. Periasamy Palani Gounder (2024 1 SCC 42),

- Vallal RCK v. Siva Industries and Holding Limited (2022 9 SCC 803),

- Jindal Power Limited v. Dhiren Shantilal Shah (2024 SCC Online NCLAT 46).

32. Ld. Counsel for the RP on the other hand submits that the process was conducted fairly and equal opportunity was given to all the resolution applicants at every stage of the process, including Amba. In pursuance of the Form G published on 7th December 2024, 8 PRAs, including the SRA and the applicant Amba, submitted their EOI and were placed in the final list of PRAs issued on 16th January 2025. They submitted their resolution plans before 17th February 2025, the last date for submission of the resolution plan and a comparative table of their financial proposals, which has been given as under.

S. No.	Name	Resolution Plan Value (In Rs. In Crore)
1	Mr. Krishan Mohan Mendiratta (Erstwhile Promoter & Director)	63
2.	M/s. Noida Holdings Private Limited & M/s. Suraj Udyog Gujarat & Mr. Munish Dhingra (As Consortium)	55.96
3.	M/s. HR Commercials Private Limited & M/s. Crown Steels (As Consortium)	54.55
4.	M/s. Nokha Agrotech Private Limited	50
5.	M/s. Aqua Vitoe Laboratories	41.5
6.	Mr. Anand Pal Jain & Mr. Sahil Jain & Mrs. Sudha Jain (As Consortium)	40.66
7.	M/s. Amba Grains Private Limited and Mr. Amarjeet Kaur and Mr. Rajender Pal Singh (As Consortium)	35.99
8.	M/s. Sapphire Media Limited	32.19

33. It is further submitted that the CoC requested all PRAs to improve their financial proposals and submit them on or before 25th March 2025. In this round, Amba revised the proposal from 35.99 crore to 59.70 crore, and the SRA increased it from 54.55 crores to ₹74.91 crores. In the 26th CoC meeting held on 27 March 2025, in view of the provisions contained under RFRP and Regulation 39(1A) (b), CoC decided to conduct a transparent and competitive process of bidding amongst all resolution applicants to seek improvement in price discovery and maximize the value of the CD, which was scheduled from 15 April 2025.

34. The information on the terms and conditions of participation in the bidding process was conveyed to all the resolution applicants by the RP by email dated 8 April 2025. It was clearly stated that the challenge mechanism is being undertaken purely as a price discovery mechanism and is limited to the financial parameters of the evaluation metrics. The COC reserves the right to evaluate the final revised resolution plans based on the outcome of this process. It was also stated therein that, upon the completion of the online e-bidding, the PRAs shall submit to the RP within 5 working days of the close of the e-bidding process:

- a revised resolution plan incorporating the last bid amounts quoted in the e-bidding, along with a breakup of payment to different classes of creditors, along with timelines

- the proposed amendments/modifications of various terms and conditions of the resolution plan, which are shared separately, to make the revised resolution plan compliant with IBC 2016, CIRP Regulations, and RFRP

However, it was clearly stated that no deviation from the final bid terms received through e-bidding shall be permitted.

35. It is further submitted that the resolution plans, after including the final bid submitted during the e-challenge held on 15 April 2025, were required to be submitted on or before 21st April 2025. Thus, it is clear that the e-bidding process was only a price discovery mechanism. Every resolution applicant was required to incorporate its final bid into the revised resolution plan, and

this revised resolution plan is further required to be examined and evaluated by the RP as well as by the CoC.

36. It is further submitted that the terms of the e-bidding were accepted by all the resolution applicants, including the appellant Amba, and an undertaking to this effect has also been submitted by the appellant that the PRA, on completion of the e-bidding process, shall incorporate the last submitted bid in the e-bidding in the revised resolution plan and submit the same to the RP's office within 5 working days of the close of the e-bidding process. No deviation from the final bid terms received through e-bidding shall be permitted, and the resolution plan would be further examined and evaluated by the RP and the CoC. It was also agreed in the undertaking submitted by PRA's that the resolution applicant undertakes and confirms that the final price bid offered in the e-bidding, as part of the binding resolution plan, is unconditional. The CoC reserves the right to negotiate terms with the selected resolution applicant, and any decision taken by the CoC in this regard shall be final and binding on the resolution applicant.

37. It is further submitted that in the e bid process, the SRA emerged as the highest bidder at Rs. 1,31,91,72,538/- which was higher by Rs. 40 crores than Appellant Amba. It is also highlighted that the email dated 8 April 2025 clearly provided that all resolution applicants would submit their revised resolution plans within 5 days after incorporating their financial bids through the e-bidding process. The last date for submission of the resolution plan based on the financial bid in the e-bidding process was 21 April 2025 and on 21st April 2025, Amba submitted its revised resolution plan incorporating the

financial proposal of Rs. 91,91,72,538/- based on its bid in the e-bidding process, while Mr. Krishan Mohan Mendiratta based on the e-bid and Nokha Agrotech Private Limited also submitted their plans on 21st April 2025.

38. It is further submitted that, on the request of the SRA and Anandpal Jain consortium, the time for submitting the revised resolution plan was extended by 1 day to 22 April 2025 under instructions of the CoC. A plain reading of the email dated 21 April 2025 would make it clear that the time for submitting the revised resolution plan was extended and it may never be construed as inviting fresh financial proposals or making a revision in the E-Bids submitted on 15th April 2025. The SRA submitted its resolution plan on 22nd April 2025, incorporating its financial bid of ₹1,31,91,72,538/- as submitted during the e-bidding process on 15th April 2025.

39. It is further submitted that the appellant unnecessarily, Suo moto, submitted an unsolicited second resolution plan on 22 April 2025, increasing its financial proposal from ₹91,91,72,538/- to ₹133.91 crores. The RP replied to the Amba by email dated 2 May 2025 that, as per terms of participation in e-bidding, no revision, alteration, or changes in the financial bid submitted in the e-bidding held on 15 April 2025 could be permissible. Hence, the revision of the financial proposal cannot be permitted at this stage. Thus, the only valid resolution plan submitted by the appellant Amba on 21 April 2025 was with a financial proposal of ₹91,91,72,538/- which has been considered by the CoC.

40. It is also submitted that there is no merit in the contention of the appellant that revision in the financial proposal of the SRA was allowed. The

SRA was already the highest bidder on 15 April 2025, and its financial proposal was higher by ₹40 crores than Amba's. On 21 May 2025, the CoC shared a set of questionnaires with RP and requested him to seek clarification/response from each resolution applicant. One of the issues for this clarification was the treatment of the claim from the Excise Department as a secured creditor in accordance with IBC regulations and recent case laws. The same was sent to Amba as well as to the SRA and other PRAs. Amba provided clarification by email dated 22 May 2025, stating that the treatment of the Excise Department as a secured creditor is in the same proportion as proposed to the secured financial creditors and is in line with the law laid down by the Supreme Court in ***Rainbow Papers Limited***. However, the SRA provided clarification by email dated 22 May 2025, stating that, as per the list of claims admitted by the RP, the Excise and Taxation Department has an admitted claim of ₹12,05,07,027/-. In the original plan, the SRA had proposed an amount as per the settlement deed, and upon reassessment and in line with the legal precedents and equitable treatment to the Excise and Taxation Department, it shall be done as per its admitted claim. Thus, the SRA was proposing payment of 61.27% of the admitted claim to SBI, while the amount of ₹4,06,10,868/- proposed to the Excise Department worked out to be 33.6% of their admitted dues.

41. It is further submitted that since the clarification provided by the SRA did not clarify how it proposed to pay the Excise Department, as per Rainbow Papers, RP wrote to the SRA on 13 June 2025 that, in view of the Rainbow Papers judgment, the clarification submitted by the SRA is not clear, and it

was again requested to provide absolute clear clarification with respect to the treatment proposed to be given to the secured operational creditor and in this regard, SRA clarified on 14 June 2025 that it is proposing to pay an additional amount of ₹3,32,27,872/- to the Excise Department in compliance with Rainbow Papers (supra). On 2 July 2025, the SRA submitted an addendum incorporating the additional amount of ₹3,32,27,872/- proposed for the Excise Department.

42. While drawing our attention towards the RFRP, it is submitted that clause 5.5 of the RFRP provides the power to the RP and the CoC to do so. Clause 10.2.3 provides that the CoC reserves the right to negotiate with any of the resolution applicants with regard to any of the terms of the resolution plan to maximize the value for all stakeholders. The timelines for the negotiation shall be determined and communicated, if necessary, at a later date.

43. It is also submitted that the RFRP provides that the applicant cannot modify a resolution plan once submitted, unless it is required to be done pursuant to a request for additional information or clarification sought by the RP and requested in writing.

44. Our attention has also been drawn to clause 10.2.4(d) of the RFRP, which provides that the CoC reserves the right to discuss and seek clarifications from the resolution applicants on the resolution plans. The CoC shall have the right to negotiate further terms with the resolution applicant in relation to the resolution plan. Clause 10.1(V)(i) of the RFRP also provides

that submission of more than one resolution plan may render the resolution plan non-responsive at the sole discretion of the RP.

45. It is further submitted that the 28th meeting of the CoC was held from 1st July adjourned to 5th July 2025 and all eight resolution plans, including that of the appellant (Amba), were considered by the CoC and after considering the feasibility and viability, all the plans were put to vote, and in the voting, SRA's resolution plan was approved by 100% voting share. Thus, it is apparent that the process was conducted fairly and equal opportunity was granted to all resolution applicants, including Appellant Amba, on all occasions. The revision by the SRA with regard to the treatment of the proposed excise department was only to comply with the decision of the Hon'ble Supreme Court in Rainbow Papers Limited. It cannot be construed as an invitation by CoC to increase the financial bid or proposal, or modification in the resolution plan, in violation of Regulation 39(1)(a) of the CIRP Regulations. Reliance in this regard is placed on ***Torrent Power Limited versus Ashish Arjun Kumar Rathi and others, Civil Appeal No. 11746-11747 of 2024, with Civil Appeal No. 11689-11690 of 2024, with Civil Appeal No. 12994-12995 of 2024, decided on 27 February 2026*** and also on ***Express Resorts and Hotels Limited versus the Amit Jain, 2026 SCC Online NCLAT 649***.

46. It is also submitted that the SRA was eligible under Section 29A of the Code, and its resolution plan was also compliant with Section 30(2) when the same was placed before the CoC under Section 30(3) for its approval under Section 30(4) of the Code and it is also evident that the RP's due diligence

report confirming the eligibility of all resolution applicants, including SRA, was shared with the CoC on 10th April 2025, prior to the e-bidding process held on 15th April 2025. Therefore, there is no substance in the submissions of learned counsel for the appellant.

47. It is further submitted that the scheme of the code is that a resolution plan must be compliant when it is placed before the CoC for consideration. Thus, before the stage of voting, the RP is required to place before the CoC all the resolution plans, irrespective of whether they are compliant with Section 30(2) or not. As per Regulation 39(2), the RP shall submit to the CoC all resolution plans, along with details of non-compliant plans. Regulation 39(2) has been wrongly interpreted by the appellant. In this regard, reliance has also been placed on a press release issued by the IBBI on 30 May 2025, clarifying that the resolution professionals now are required to present all resolution plans received, including those which are non-compliant, to the CoC, along with relevant details. Therefore, there is no illegality so far as the placing of all resolution plans before the CoC is concerned.

48. It is further submitted that the submissions made by learned counsel for the appellant that the appellant should have been given preference, as it was in the same trade, while the SRA is a scrap dealer, have no substance, and there is no requirement under the Code that a resolution applicant must necessarily be engaged in the same business as of the CD. Reliance in this regard has been placed on:

- ***Next Orbit Ventures Fund versus Print House (India) Private Limited and others, Company Appeal Number 417 of 2020***

- ***Vedanta Limited versus Bhuvan Madan Resolution Professional of Jayaprakash Associates Limited and others, Company Appeal Number 417 of 2020***

49. Learned Counsel for the Respondent No. 2/State Bank of India (CoC) submits that the resolution plan of SRA, after being approved by the learned adjudicating authority, has now been implemented. Therefore, this Appellate Tribunal should not interfere in the plan at this stage when the same has become final, more so when the appellant has failed to show any material irregularity in approval the resolution plan.

50. While drawing the attention of this Appellate Tribunal towards clause 10.1 (V)(i), clause 5.7 (E), and also other clauses of the RFRP, it is submitted that the second resolution plan submitted by the applicant could not be considered by the RP or the CoC as the applicant has already submitted a Resolution Plan on 21 April 2025, the value of which was 91.91 crores, and then submitted a second resolution plan Suo motu on 22 April 2025 of Rs. 133.91 crores, which ideally made both the plans non-responsive, however, the second plan was clearly barred by the RFRP.

51. It is further submitted that the only purpose of the appellant is to derail the process of the resolution of the CD. It would be evident that the appellant participated in the e-bidding challenge process held on 15 April 2025, but bid only once at 12.49 pm with a bid of only ₹91.91 crores, while the e-bidding continued till 13.31 pm, with the highest bid being of the SRA of ₹131.91 crores, thus, the appellant had already lost on 15 April 2025, the SRA had bid much more than the appellant, and the difference was of about 40 crores.

52. It is further submitted that the factors which have guided the CoC for approval of the plan of the SRA is that, in the SRA's resolution plan of ₹131.91 crores, the secured financial creditors were getting ₹127.30 crores. Even in the second plan of the appellant of ₹133.91 crores, the secured financial creditors were getting an amount of only ₹125.18 crores.

53. While drawing the attention of this Appellate Tribunal towards various clauses of the RFRP, it is submitted that absolute discretion was given to the CoC in the RFRP to have negotiations of multiple rounds with any or all resolution applicants. Therefore, the applicant may not feel aggrieved by the process adopted by the CoC, as the same falls within the commercial wisdom of the CoC.

54. It is further submitted that, otherwise also, the applicant cannot submit the second resolution plan, as clause 5.7 (e) conspicuously provides that the resolution plan submitted by a resolution applicant shall be irrevocable and shall be fully binding on the resolution applicant in every sense. No alteration, correction, or changes can be made therein except on the instructions of the RP or the CoC, as the case may be, and it was also provided specifically in clause 10.1 (V) (i) that if a resolution applicant would submit more than one resolution plan, the plan would be considered non-responsive.

55. Clause 10.2.2 (d) of the RFRP has also been highlighted in order to show that the RP/CoC had the right to conduct due diligence through the external agency at any stage of the resolution plan process, including compliance with any applicable laws. Clause 10.2.3 (c) of the RFRP stipulates that CoC may seek clarifications, negotiate the consideration and terms of the resolution

plan, and seek appropriate modifications to make the plan feasible, viable, and compliant with the code and regulations and as per clause10.2.3(f) of RFRP the resolution applicant cannot modify a resolution plan once submitted unless it is required to be done pursuant to a written request for additional information or clarification sought by the RP.

56. It is further submitted that the RP and the CoC have adopted the procedure which was provided by the RFRP, and therefore all the submissions which have been advanced by learned counsels for the appellants are not having any merit therein.

57. In the last, it is submitted that a prospective resolution applicant does not have a right vested in getting his resolution plan approved by the CoC. It is in the commercial wisdom of the CoC to see the viability and applicability of all resolution plans and to approve that resolution plan which appears to it to be more viable and applicable, having regard to its interest. Reliance in this regard has been placed on:

- ***K. Sashidhar versus Indian Overseas Bank (2019 12 SCC 150)***

- ***Kalyani Transco versus Bhushan Power and Steel Limited (2025 SCC online SC 1010)***

- ***Pratap Technocrats Private Limited versus Monitoring Committee of Reliance InfraTel Limited (2021 10 SCC 623)***

58. Ld. Counsel for the SRA submits that Appeals filed by the PRA Amba and suspended Directors of the CD are without any merits and has wrongly equated two dissimilar events: (i) the Appellants' unilateral, Suo motu

increase of their offer from approximately INR 91.91 Crores to INR 133.91 Crores after closure of the price-discovery mechanism, and (ii) a clarification sought by the RP/CoC from the SRA, who was already the highest bidder, on the treatment of HVAT-Excise Department, made during scrutiny/negotiation before voting and within the RFRP.

59. It is further submitted that the SRA was the Highest Bidder in the e-bidding held on 15.04.2025 at INR 1,31,91,72,538/-, against the Appellants' bid of approximately INR 91.91 Crores and its Plan, with the Addendum dated 02.07.2025 (aggregating INR 135,39,00,410/-), was correctly found compliant with Sections 30 and 31 of the Code and Regulations 37, 38 and 39 of the CIRP Regulations, and approved by the CoC with 100% voting share.

60. The Appellants' "parity" argument fails because the events are not similarly situated. Their INR 133.91 Crores offer was unsolicited and made after the challenge process closed, in breach of their undertaking dated 10.04.2025 and Clause 10.1(v)(i) of the RFRP (more than one plan is "non-responsive"). The SRA, by contrast, never reopened or enhanced its overall bid: the additional INR 3,32,27,872/- was earmarked solely to give equal proportionate treatment to HVAT-Excise Department under Rainbow Papers, on a specific RP/CoC query, and left the core bid of INR 131.91 Crores untouched.

61. It is also submitted that Ld. Adjudicating Authority, in the Order dated 11.06.2026 (Paras 148-151), correctly recorded that the CoC had given reasons for not accepting the Appellants' unilaterally revised bid and found no material showing undue favour to the SRA. It is also held that the PRA

with the highest financial proposal has no vested right to selection and that the CoC could decline a bid revised after the closure of the Swiss Challenge, as it would be unfair to other participants and that it cannot interfere with that commercial decision.

62. It is further submitted that the RFRP itself (Clauses 1.8, 5.4(b), 5.5(A)/(B)/(C), 5.7(E), 10.1(I), 10.1(V)(i), 10.2.3 and 10.2.4(a)/(d)/(e)) permits the CoC/RP to call for a revised Plan, or to negotiate and modify terms, where a Plan misses an IBC/RFRP requirement or CoC condition, and the CoC reserved the right to accept a Plan with or without modification. The HVAT modification arose from a specific RP/CoC query and was found by the Ld. Adjudicating Authority to be within the powers given by the RFRP and falls under the CoC's commercial wisdom.

63. It is also submitted that an RP acting on the CoC's instructions, including communicating queries and placing clarifications before the CoC, commits no material irregularity, as held in **Torrent Power Ltd. v. Ashish Arjunkumar Rathi & Ors.** Moreover, it is the RP's query identified the HVAT-Excise issue, the SRA earmarked the additional amount in response and Clause 5.7(E) permitted the alteration and the Ld. AA recorded that it ensured statutory compliance.

64. It is also submitted that the RP's reply before the Ld. AA records that e-bidding was subject to the Section 29A report, that reports were obtained for every PRA beforehand, and that all 8 PRAs were confirmed eligible by e-mail dated 22.04.2025. The SRA's Section 29A affidavits were submitted on 19.12.2024 and 23.12.2024, and the Ld. AA rightly held that eligibility is for

the CoC and RP to test and an objecting applicant cannot act as supervisor or advisor to the process. Reliance is placed on **Ngaitlang Dhar v. Panna Pragati Infrastructure (P) Ltd.** Wherein it is held that refusal of further time for a revised bid is not a material irregularity and commercial wisdom is non-justiciable save on limited grounds under Sections 30(2) and 61(3)) and also on **Vallal RCK v. Siva Industries & Holdings Ltd**. Highlighting that interference in the plan approval would only be when the CoC's decision is wholly capricious, arbitrary, irrational or dehors the statute). **Vistra ITCL v. Torrent Investments** is also highlighted in order to show that even after the Challenge Mechanism under Regulation 39(1A) (b), the CoC may negotiate with one or other applicant, or annul the process and re-issue the RFRP. **Vedanta Ltd. v. Bhuvan Madan** is also emphasised to show that an unsolicited modification by an applicant after the Challenge Process closes is impermissible and **Uflex Ltd. v. State of Tamil Nadu** to highlight that the author of a process document is best placed to interpret it, and an unsuccessful participant has no vested right to reopen a concluded price-discovery process.

65. It is accordingly prayed that Appeals filed challenging the plan approval order of the AA be dismissed and the Orders dated 11.06.2026 and 12.06.2026 be affirmed.

66. Ld. Counsel for the Appellant Anil Khurana, a Suspended Director and Personal Guarantor of the Corporate Debtor in CA (AT) (Ins) No. 1169 of 20261, submits that having furnished a personal guarantee to SBI (the sole Financial Creditor, with 100% voting share in the CoC) and being himself

under Personal Insolvency Resolution Process before the Ld. AA, the Appellant is directly prejudiced by the recovery under the Plan, including on account of the alleged gross undervaluation of the secured asset, and therefore he is an "aggrieved person" under Section 61, reliance has been placed on **Kalyani Transco**.

67. It is further submitted that the CoC's approval of the SRA's revised bid in the 28th CoC meeting, while refusing to consider the revised bids of the Amba Consortium (R-4) and Mr. Krishan Mohan Mendiratta (R-5) is "impermissible in law" and is arbitrary and discriminatory. Those revised bids offered SBI a higher NPV of INR 124.20 Crores and INR 130 Crores than the approved Plan (INR 119.67 Crores), so the CoC approved the Plan offering the low value and as Personal Guarantor of that Financial Creditor, the Appellant is directly adversely affected by the low recovery and the commercial wisdom of the COC cannot adopt different yardsticks for similarly placed Resolution Applicants.

68. It is further submitted that the valuation of the land and building (approximately 34.3063 acres at Patti Kayasth Seth, Dhan Road, Kaithal, Haryana, admittedly converted to industrial use before the CIRP) suffers from a fundamental error of methodology adopted by the valuers. Both IBBI-registered valuers appointed by the RP (M/s R.K. Associates and Mr. Ronak Prajapati) recorded the land as "Industrial" however applied agricultural circle rates (INR 62 Lakhs per acre) instead of the industrial circle rate (approximately INR 7.45 Crores per acre per the Jamabandi/circle-rate

records), arriving at understated fair values of INR 64.90 Crores and INR 57.8 Crores.

69. It is further submitted that the RP also took inconsistent positions, calling the area as agricultural zone before the Ld. AA, but industrial zone before the Enforcement Directorate (ED) while the Appellant's valuer (Mr. Sarang Goel), applying the industrial circle rate, assessed fair value at INR 154.24 Crores and liquidation value at INR 131.10 Crores, and the ED's Provisional Attachment Order also valued the same land at INR 90 Crores as on 25.02.2020, making a value of INR 65 Crores in 2024 inexplicable.

70. It is further submitted that the RP of the CD was facing IBBI disciplinary proceedings in the CIRP of Vistar Constructions, wherein his AFA was also suspended and the IBBI, by Order dated 24.07.2025, found that he had grossly undervalued assets, a fact the Ld. AA failed to consider. The CoC minutes disclosed no informed deliberation on the methodology or the disparity between valuations, and SBI admitted before the ED that it was unaware of the land use and zoning. Reliance was placed on **M.K. Rajagopalan v. Dr. Periasamy Palanisamy & Ors., (2024) 1 SCC 42 (Paras 160-161),** to submit that "commercial wisdom" is not a rhetorical shield and operates only where relevant information was placed before the CoC and duly deliberated upon, which was not so here.

71. It is accordingly requested that the Appeal be allowed and the Order dated 10.02.2026 and the Resolution Plan of Respondent No. 3/SRA be set aside.

72. Learned Counsel for the Appellant, a Prospective Resolution Applicant (PRA), Suspended Director and Personal Guarantor of the Corporate Debtor (M/s Mastana Foods Pvt. Ltd.), submits that appellant in the capacity of personal guarantor to the FC is an "aggrieved person" under Section 61 of the Code and in view of the law laid down in **Kalyani Transco v. Bhushan Power & Steel Ltd., (2026) 6 SCC 431 (para 89)** and **Independent Sugar Corporation Ltd. v. Girish Sriram Juneja, (2025) 5 SCC 209** (paras 21-25) may file an Appeal.

73. It is further submitted that the CoC resolved on 27.03.2025 to hold a challenge mechanism on 15.04.2025, and the RP's communication of 08.04.2025 barred any deviation from the final e-bid terms. The RP's guidance table treated HVAT (Excise Dept.) as a Secured Operational Creditor to be accorded equal treatment with SBI, per **State Tax Officer v. Rainbow Papers Ltd.** However, In the e-bidding held on 15.04.2025 the SRA bid INR 131.91 Cr, Amba Consortium INR 91.91 Cr and the Appellant INR 77.91 Cr. The bids of the Appellant and Amba were compliant; the SRA's bid was though highest, but was not compliant, as it gave HVAT no equal treatment and it remained non-compliant even after the plan deadline was extended from 21.04.2025 to 22.04.2025 and in view of Regulations 39(1B), 39(2) and 39(3) of the CIRP Regulations, it could not have been considered by the CoC on either date.

5. In the 28th CoC meeting (01.07.2025, adjourned to 05.07.2025) the RP did not place Amba's revised bid of INR 133.91 Cr before the CoC, calling any post-challenge revision impermissible, citing Jindal Power Ltd. v. Dhiren Shantilal Shah. That case concerned an unsolicited plan from an applicant

outside the process and laid down no absolute bar on a participating PRA revising its bid.

74. It is further submitted that in the same meeting of the CoC , relying on Vistra ITCL (India) Ltd. v. Torrent Investments Pvt. Ltd., the SRA was allowed to revise its bid, raising the issue of HVAT payment from INR 4,06,10,868 to INR 7,38,38,740 and the total from INR 132.36 Cr to INR 135.68 Cr (Addendum dated 02.07.2025), however the Appellant's request of 05.07.2025 to revise his bid was rejected in the 29th meeting for want of proof of source of funds.

75. It is further submitted that the SRA's revision of plan was not merely a clarification but was an improvement of the earlier plan and Vedanta Ltd. v. Bhuvan Madan, CA(AT)(Ins) No. 552 of 2026 (paras 28-35) bars improving a bid under that guise, even to comply with Rainbow Papers, the SRA could only have redistributed the amount offered, not raised the total. The minutes show no independent deliberation on Amba's revised bid, and commercial wisdom cannot justify different yardsticks for similarly placed PRAs, reliance placed on Binani Industries Ltd. v. Bank of Baroda, 2018 SCC OnLine NCLAT 521, paras 39-40).

76. It is also submitted that Clause 5.7(F)(VII) of the RFRP requires that, where a consortium is selected, a Special Purpose Company (SPC) wholly owned by it, with a three-year lock-in, hold at least 51% voting share in the CD. In its EOI the SRA undertook that the Lead Member (HR Commercials) would hold 51% and the other member at least 10%. The approved Plan gives the Lead Member NIL shareholding, allots shares to individuals and

unidentified persons, provides no SPC or mechanism for the Lead Member to exercise control, and permits shareholding changes during implementation, contrary to the lock-in. The consortium is thus used only to meet eligibility (net worth and Section 29A) while ownership and control vest in others. Reliance is placed on **Jubilee Metal Pvt. Ltd. v. Surendra Raj Gang, CA(AT)(Ins) No. 1550 of 2023 (para 29); Swan Energy Ltd. v. Chandan Prakash Jain, CA(AT)(Ins) No. 313 of 2024 (paras 32, 39, 44); SBI v. Consortium of Murari Lal Jalan and Florian Fritsch (para 109)**, which holds RFRP terms binding and not a "wish list". The SRA itself admitted before the Ld. AA that the Plan did not conform to the RFRP (para 99, Pg. 634, V.III), contending only that an SPC was not mandatory; even if so, the obligation to retain the stipulated shareholding should be complied.

77. It is further submitted that the Authorisation for Assignment (AFA) of the RP stood suspended from 05.04.2024 under Model Bye Laws 23A on a Show Cause Notice in the CIRP of Vistar Constructions, and the IBBI by Order dated 24.07.2025 disposed of the proceedings with findings against him. The suspension was never disclosed to the CoC, contrary to the First Schedule to the IBBI (Insolvency Professionals) Regulations, 2016, so the CoC could not take an informed decision on his continuation.

78. It is further submitted that Ld. AA held that the CoC's resolution in its 30th meeting (16.08.2025), after Plan approval, to continue the same RP cured the infirmity. An ex post facto resolution cannot validate his continuation in the preceding period and Reliance on **Girish Sriram Juneja v. Soneko Marketing Pvt. Ltd., CA(AT)(Ins) No. 890 of 2025** is

distinguishable, as in that case the suspension of the RP was disclosed to the CoC there.

79. It is submitted that the Plan approval process stands vitiated by discriminatory treatment of R-3/SRA, material deviation from the RFRP, and continuation of the CIRP by an RP whose AFA suspension was withheld from the CoC, and that the impugned Order and the Resolution Plan of R-3/SRA are liable to be set aside.

80. We have heard Learned Counsel for the parties and have perused the record.

81. We notice that there are certain facts which are admitted to the parties. It is admitted to the parties that on 18th September 2019, Mastana Foods Private Limited (CD) was admitted into CIRP. The Form G for inviting expression of interest from Prospective Resolution Applicants was issued by the RP on 7 December 2024. It is also admitted to the parties that 8 prospective resolution applicants, including SRA and Appellant Amba, submitted their EOI and were placed in the final list of PRAs issued by the resolution professional on 16 January 2025.

82. It is also admitted to the parties that all eight prospective resolution applicants submitted their resolution plans before the last date, that is, 17 February 2025 and the PRAs presented their resolution plans before the CoC on 7 March 2025.

83. It is also not in dispute that thereafter the CoC requested all the resolution applicants to improve their financial proposal and submit the

revised plan on or before 26 March 2025, which were accordingly submitted by all the PRAs.

84. It is also not denied by any party that, as provided by the RFRP and Regulation 39(1)(a) of the CIRP Regulations, CoC decided to conduct a competitive process of e-bidding amongst all resolution applicants to seek improvement in price discovery and to maximize the value of the CD. This e-bidding was scheduled on 15 April 2025.

85. It is also admitted to the parties that the decision of the CoC, along with its terms and conditions of participation in the e-bidding, was conveyed to all the resolution applicants by the RP by email dated 8 April 2025.

86. It is also admitted to the parties that all the PRAs submitted their undertaking by way of an affidavit acknowledging the terms of e-bidding.

87. It is admitted to the parties that the e-bidding process for price discovery and maximization of the value of the CT was conducted on 15,04,2025 on an e-bidding platform wherein the PRA's participated and offered their financial bids.

88. It is also admitted to the parties that, in pursuance of a communication sent by the RP on 15 April 2025 to all the Resolution Applicants requesting them to submit their revised resolution plans within 5 days of incorporating the financial bids and the financial bids were submitted by the resolution applicants, including the Amba, on 21 April 2025.

89. It is also admitted to the parties that the time for submitting the revised resolution plan was extended by 1 day, i.e., till 22 April 2025, and in this regard, an email was sent by the RP to all the PRA's.

90. It is also admitted to the parties that on 22nd April 2025, the appellant Amba submitted another revised resolution plan enhancing its financial bid to ₹133.91 crores.

91. It is also admitted to the parties that RP sent an email to Appellant Amba that no revised bids would be allowed and requested submission of a correct revised resolution plan by 3 May 2025. On the same day, Appellant Amba sent an email to RP explaining the reason for submitting a higher bid. The RP also sent an email reiterating that the financial bid submitted during the e-bidding process is to be incorporated in the revised resolution plan. If the appellant is not ready to revise it in terms of e-bidding, he will place all the plans before the CoC.

92. The controversy between the parties appears to have arisen after this stage, as the Resolution Professional has sent an email, forwarding the email sent to the RP by the process advisor, to all PRAs, including the appellant on 21st May 2025, asking the information with regard to the five points stated therein. On 23rd May 2025, the SRA replied to the said email dated 21st May 2025 and provided clarifications as required. The RP appears to have sent an email dated 13 June 2025 to two PRAs, including the SRA, stating therein that clarifications regarding treatment of HVAT-Excise Department are not very clear and sought further clarifications. The SRA replied on 14 June 2025, stating that they had already provided certain amount with regard to HVAT, and in addition, they will pay ₹3,322,7872/-. On 19 June 2025, the SRA submitted a revised resolution plan. The resolution plans were considered by the COC in its 28th CoC meeting, which commenced on 1 July 2025 but

concluded on 5 July 2025. Addendum was also submitted by the SRA on 3rd July 2025, incorporating the additional amount payable to the HVAT-Excise Department, and ultimately, the plan was approved by the CoC in this meeting with 100% voting share.

93. The Ld. Adjudicating Authority has also approved the resolution plan on an application filed by the RP and dismissed the objections filed by the appellants.

94. The RFRP is an important document and both parties have relied on various clauses of it and therefore relevant clauses of the same are reproduced as under;

> ***1.7*** *Once the Resolution Plans are submitted by the Resolution Applicants, they shall be reviewed by the Resolution Professional for compliance with the provisions of the IBC and other Applicable Laws. It may be noted that only such Resolution Plans that are compliant with the provisions of the IBC, the CIRP Regulations and other Applicable Laws, shall be considered by the CoC.*
> ***1.8*** *The Successful Resolution Applicant shall be finalized by the CoC, as per commercial wisdom of COC, based on the Resolution Plans submitted by the Resolution Applicants in accordance with the terms of this RFRP read with provisions of Regulation 39 of IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 and other provisions of the IBC and CIRP Regulations. Further, the CoC shall have the right to negotiate better terms with the Resolution Applicant(s) through appropriate challenge mechanism including Swiss Challenge Mechanism, if necessary to achieve best outcome of the Resolution Plan Process.*
>
> ***5.5 <u>RIGHT TO ACCEPT OR REJECT ANY OR ALL RESOLUTION PLANS</u>***
>
> ***A.*** *Notwithstanding anything contained in this RFRP, the CoC reserve the absolute right to, at any stage of the Resolution Plan Process to: (i) disqualify any Resolution Applicant(s) that is found to have made a false disclosure or made any misrepresentation with regard to its eligibility to participate in the process or submit Resolution Plan at any*

stage of the process; (ii) accept any Resolution Plan, with or without modification; (iii) reject any Resolution Plan (iv) call upon the Resolution Applicant(s) to submit a revised Resolution Plan; or (v) select or approve any proposal or Resolution Plan, as it may deem fit, at any time, without any liability or any obligation for such acceptance or rejection without assigning any reasons for such actions.

E. *A Resolution Plan once submitted by a Resolution Applicant(s) shall be irrevocable and shall be fully binding on a Resolution Applicant(s) in every sense. Further No alteration, correction or changes whatsoever can be made in Resolution Plan except pursuant to (a) instructions of the Resolution Professional and/or the CoC due to the Resolution Plan not meeting any requirement under the IB Code or RFRP or any other condition/requirement stipulated by the CoC, (b) the negotiations held with the CoC and accordingly to meet the requirements of the CoC pursuant to such negotiations. Further, The Resolution Professional (under the directions of the CoC) may allow modification of Resolution Plan submitted in accordance with the IB Code and rules and regulations made thereunder only once in accordance with the Regulation 39(1A) (a) of the CIRP Regulations. Further, upon submission of a Resolution Plan to the Resolution Professional, the Resolution Applicant shall have no right to withdraw from the Resolution Plan Process or unilaterally modify the Resolution Plan. Also, once a Resolution Plan is received and accepted, the Resolution Applicant shall not be permitted to transfer, assign, or create any rights or claims over such Resolution Plan. It is clarified that CoC reserves the right to accept any Resolution Plan with or without modification. Resolution Plan, once submitted, shall not be transferrable (whether by change of shareholding or otherwise) except with the prior permission of CoC.*

V. *In addition to the events set out in clause 8, the following events / occurrences may cause the Resolution Plan to be considered "nonresponsive", at the sole discretion of the Resolution Professional (acting on the instructions of the CoC):*

(a) *Resolution Plans that are incomplete, i.e., not accompanied by any of the applicable forms, authorizations and documents as specified in this RFRP or failure to provide necessary or sufficient information as required in this RFRP;*

(b) *There are material inconsistencies in the information or documents submitted by the Resolution Applicant;*

(c) *The Resolution Plan Validity Period being less than the period required in this RFRP;*

(d) *The Resolution Plan submitted by the Resolution Applicant is conditional in nature;*

(e) *The Resolution Plan is not received by Resolution Professional on or prior to the Resolution Plan Submission Date;*

(f) *The Resolution Professional (acting on the instructions of the CoC) is of the opinion there is a Conflict of Interest with the Resolution Applicant participating in the Resolution Plan Submission Process;*

(g) *The Resolution Applicant delays in submission of any additional information or clarifications sought by the Resolution Professional and/or PA (as applicable);*

(h) *The Resolution Applicant makes any misrepresentation;*

(i) *The Resolution Applicant has submitted more than 1 (one) Resolution Plan;*

5.7 (F) (VII). *In the event that a consortium is selected as the Successful Resolution Applicant(s) by the CoC, the consortium may identify/incorporate a special purpose Company (being a limited liability Company incorporated under the Companies Act, 2013) ("SPC"). The RA alongwith SPC and/or the Corporate Debtor (as the case may be) shall implement the Approved Resolution Plan. 304 39 | P a g e The Consortium shall collectively hold entire share capital and the ownership interest in the SPC with a minimum lock in period of 3 (Three) years. The SPC shall contribute, hold and maintain 51% or more of the shares and voting rights of the Corporate Debtor, with a minimum lock in period of 3 (Three) years, and control the management and affairs of the Corporate Debtor.*

10.2 RESOLUTION PLAN EVALUATION STEPS /PROCESS (INDICATIVE)

The evaluation process of the Resolution Plan(s) submitted by the Resolution Applicants shall comprise of the following steps:

Step I *Submission of Resolution Plan by the Resolution Applicant(s), opening of sealed Resolution Plans (together with the Bid Bond/ Earnest Money), examination of the Resolution Plans by the Resolution Professional and*

subsequent submission of the Compliant Resolution Plans by the Resolution Professional to the CoC for consideration of CoC and proof of funds;

Step II *Evaluation of Resolution Plans by RP under Section 30(2) of IB Code on behalf of the CoC and present to COC;*

Step III *Discussions and Negotiations by COC with one or more Resolution Applicant(s) and Due Diligence of Resolution Applicant(s) or in accordance with IBBI/IBC guidelines*

Step IV *Evaluation of the revised Resolution Plans, if any by the CoC and approval of the Resolution Plan of Successful Resolution Applicant by the CoC.*

Step V *Declaration of Successful Resolution Applicant and issuance of Letter of Intent to the Successful Resolution Applicant*

Step VI *Acceptance of Letter of Intent by the Successful Resolution Applicant and Receipt of the Performance Bank Guarantee (PBG) from RA.*

Step VII *Approval of the Resolution Plan by the Adjudicating Authority.*

10.2.2. <u>Step II - Evaluation of the complaint Resolution Plan(s)</u>

a) The Resolution Plan submitted by the Resolution Applicant(s) shall be reviewed and examined by the Resolution Professional and /or by PA on behalf of the CoC, inter-alia, complaint and in conformity with the IB Code and CIRP Regulations, Information Memorandum and terms of the RFRP and present the same to the COC.

b) The Resolution Professional shall, after checking compliance of the Resolution Plan(s) with the mandatory provisions of the IB Code and the CIRP Regulations, refer the Compliant Resolution Plan(s) for the consideration of the CoC. The CoC may invite the Resolution Applicant to make a brief presentation in relation to the Resolution Plan submitted by the relevant Resolution Applicant, at the date and venue as may be intimated by the Resolution Professional/ RP Professional Advisor. The CoC / CoC Process Advisor will evaluate the Resolution Plan including in accordance with the Evaluation Criteria and the provisions of the IBC and the CIRP Regulations and this RFRP. For the avoidance of doubt, it is clarified that the CoC Process Advisor shall carry out the scoring as per the Evaluation Criteria of the Compliant Resolution Plan(s) for

the purpose of assisting the CoC in evaluating the Resolution Plan(s). The CoC Process Advisor shall carry out the scoring of Resolution Plan(s) in accordance with the provisions of the evaluation matrix as set out in Annexure III and further check the Resolution Plans received are in accordance with the RFRP. The scoring presented to the CoC would be final and would not be required to be presented and nor can be contested by the Resolution Applicant(s) on any ground.

10.2.3. <u>Step III - Negotiation with one or more Resolution Applicant(s) & Due Diligence of Resolution Applicant(s)</u>

a) *After the review of Compliant Resolution Plans by the Committee of Creditors, the Resolution Applicants, if required, shall be invited to make a presentation, to the CoC*

b) *The CoC reserves the right to negotiate any of the terms of the Resolution Plan with one or more Resolution Applicant(s) to maximize the value for all the stakeholders. The timelines for the negotiation shall be determined and / or communicated, if necessary, at a later date.*

c) *The Committee of Creditors will consider the plan in accordance with the provisions of the IBC 2016, CIRP Regulations and this Request for Resolution Plan and evaluate the plan for its feasibility and viability and other relevant aspects including Evaluation Matrix. The Committee of Creditors may seek clarifications, negotiate the consideration & terms of the resolution plan and seek appropriate modifications in terms of Regulation 39(1A) of the CIRP Regulations, 2016 to make the plan to make the plans feasible & viable and compliant with the Code & regulations made there under.*

d) *The Resolution Professional in consultation with CoC may also use a challenge mechanism such as inter-se bidding, hybrid swiss challenge or any other method, as deemed fit, to enable resolution applicants to improve their plans. The Resolution Professional shall circulate a detailed process note with reference to the challenge mechanism outlining the major steps of the process in a transparent manner.*

e) *The negotiations process as envisaged above, shall be conducted in accordance with the amended CIRP regulation 39, for sub- regulation (1A), which states:- "(1A) The Resolution Professional may, if envisaged in the request for resolution plan- (a) allow modification of the resolution plan received under sub-regulation (1), but not more than once;*

or (b) use a challenge mechanism to enable resolution applicants to improve their plans"

Note: The process of bidding and negotiation by the COC with the Qualified Bidder cannot be challenged by any of the Qualified Bidders before any court of law and the COC will have all rights to go for any of the above-mentioned options and the same shall be considered final.

***Note**:- Apart from the options mentioned herein, the members of the COC have full discretion on opting any other method if they deem fit.*

***f)** The Applicant cannot modify a Resolution Plan once submitted, unless it is required to be done pursuant to a request for additional information or clarification sought by the Resolution Professional and requested in writing by the Resolution Professional. Similarly, after the Resolution Plan has been presented by the Resolution Professional to the Committee of Creditors for consideration under sub section (3) of section 30 of the IBC, the Resolution Plan can be amended or modified only if called upon to do so by the Committee of Creditors to meet the requirements of the Committee of Creditors pursuant to negotiations held by the Committee of Creditors, in terms of Regulation 39(1A) of the CIRP Regulations, 2016.*

***g)** Resolution Professional (on the instructions of the CoC) reserve the right to conduct due diligence on the Resolution Applicant(s) with or without the assistance of external agencies at any stage of the Resolution Plan Submission Process. The scope of the due diligence shall include but not be limited to the following parameters:*

***(i)** compliance with Applicable Laws;*

***(ii)** submission of documents for the requisite 'know your customer' checks to the satisfaction of CoC and/or the Resolution Professional (who is acting on the instructions of the CoC);*

***(iii)** review of the financial capability of the Resolution Applicant;*

***(iv)** to review/ verify whether the Resolution Applicant satisfies the conditions of Sec 29A of the IBC, if applicable, and*

***(v)** any other matter, which the CoC and/or the Resolution Professional (acting on the instructions of the CoC) may deem fit or necessary.*

95. Perusal of the record in the background of above facts would reveal that Form G was published by the RP on 07.12.2024, and 8 Prospective Resolution Applicants (PRA's) submitted EOIs and final list of PRAs was issued by the RP on 16.01.2025 all the 8 PRAs submitted their plan before the stipulated date i.e. 17.02.2025. The financial proposals submitted by the PRA's are reproduced as under:

S. No.	Name	Resolution Plan Value (In Rs. In Crore)
1	Mr. Krishan Mohan Mendiratta (Erstwhile Promoter & Director)	63
2.	M/s. Noida Holdings Private Limited & M/s. Suraj Udyog Gujarat & Mr. Munish Dhingra (As Consortium)	55.96
3.	M/s. HR Commercials Private Limited & M/s. Crown Steels (As Consortium)	54.55
4.	M/s. Nokha Agrotech Private Limited	50
5.	M/s. Aqua Vitoe Laboratories	41.5
6.	Mr. Anand Pal Jain & Mr. Sahil Jain & Mrs. Sudha Jain (As Consortium)	40.66
7.	M/s. Amba Grains Private Limited and Mr. Amarjeet Kaur and Mr. Rajender Pal Singh (As Consortium)	35.99
8.	M/s. Sapphire Media Limited	32.19

96. It is further reflected that on 07.03.2025, Appellants, SRA and other PRA's presented their resolution plans before the CoC and on 22.03.2025 the PRA were asked to submit their revised financial bids with the RP till 25.03.2025. Pursuant to the request made by the CoC all PRA's except M/s Nokha Agrotech Pvt. Ltd. submitted their revised financial proposal. On 27.03.2025, 26th CoC meeting was convened, wherein revised proposals

submitted by these 7 PRAs were opened and the amount mentioned by the PRAs is found as under:

S. No.	Name	Resolution Plan Value (In Rs. In Crore)
1	M/s. HR Commercials Private Limited & M/s. Crown Steels (As Consortium)	74.91
2.	M/s. Aqua Vitoe Laboratories	67.45
3.	Mr. Krishan Mohan Mendiratta (Erstwhile Promoter & Director)	63.25
4.	Mr. Anand Pal Jain & Mr. Sahil Jain & Mrs. Sudha Jain (As Consortium)	62.12
5.	M/s. Noida Holdings Private Limited & M/s. Suraj Udyog Gujarat & Mr. Munish Dhingra (As Consortium)	60.47
6.	M/s. Amba Grains Private Limited and Mr. Amarjeet Kaur and Mr. Rajender Pal Singh (As Consortium)	59.70
7.	M/s. Sapphire Media Limited	55.96
8.	M/s. Nokha Agrotech Private Limited	No Revised Financial Bid Submitted

97. It is further reflected that in the aforesaid meeting of the CoC the decision was taken to convene and organize an online price challenge mechanism which was accordingly held on 15.04.2025. However, before that common terms and conditions for e -bidding mechanism as well as timing along with undertaking format were circulated by the RP to all PRA's vide email. The relevant part of the communication dated 08.04.2025 sent by the RP to all the PRA's is reproduced as under:

AMIT AGRAWAL

RESOLUTION PROFESSIONAL
MASTANA FOODS PRIVATE LIMITED (Under CIRP)
Reg. No: IBBI/IPA-002/IP-N00185/2017-18/10456
H-63, Vijay Chowk, Laxmi Nagar, Delhi - 110092
TEL.: 011-43019279
Email i.d : ip.mastanafoods@gmail.com

Date 08.04.2025

To,
M/s. Amba Grains Private Limited and Mr. Amarjeet Kaur
and Mr. Rajender Pal Singh (As Consortium)
E Mail i.d. shivakhanijo@yahoo.in
geegupta@gmail.com

Sub: Invitation to Resolution Applicants to participate in the e-bidding process
Mastana Foods Private Limited

Dear Sirs,

Please refer to your Resolution Plan in the matter of Mastana Foods Private Limited submitted to my office on and before 17th February, 2025, which was opened on 21st February, 2025, and subsequent discussions on 7th March, 2025. And as per deliberation in COC meeting you have been afforded any oppoirtunity to review and enhance your proposed financial quotation and payment timelines and submit an improved financial offer by 25th March, 2025. The said revised Financial proposal have been opened in the COC meeting held on 27.03.2025.

The Committee of Creditors (CoC) has decided to conduct online inter-se bidding process amongst the resolution applicants.

You are therefore requested to participate in the e-bidding which will be held on 15/04/2025 from 11.30 am to 12.30 pm with extension of 10 minutes duration after 12.30 pm , if applicable.

Terms & conditions for e-bidding, details of e-bidding service provider etc. are given in Annexure 1. Login id and password for e bidding will be communicated to you upon receipt of a copy of this letter duly signed by the Representative authorized to sign the documents pertaining to Resolution Plan in token of acceptance of terms and conditions of this letter along with an undertaking by the Resolution Applicant as per the format attached as Annexure 2 on Rs. 100/- Non-judicial stamp paper duly completed, signed and sealed. Before the start of the session for actual e-bidding, demonstration on the working of the e-bidding process will be arranged by the e-bidding service provider. There is no participation fee for the e-bidding. After opening of the bidding screen, it will display the opening bid amount.

Resolution Applicants (Bidders) would be required to increase the bid amount in multiples of **Rs. 1 crores** at a time. Each bidder will be able to see on the bidding screen the status of its bid and the highest bid. It is reiterated that the Cost of CIRP shall be borne by the Resolution

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Applicant on actual basis irrespective of the final bid amount. The final bid amount of the bidders, on conclusion of the e-bidding, will be considered for further evaluation of the Revised Resolution Plans as per the evaluation matrix.

Please note the above process is purely undertaken in a transparent manner to provide a just and fair opportunity to the resolution applicant and it is purely a "price discovery mechanism" for maximizing the value of the assets of the Corporate Debtors. Please also note that this process is undertaken only with respect to financial parameters of the Evaluation Matrix. Hence, the process will not declare any of the Resolution Plans as the highest or successful applicant.

Upon the completion of the online e-bidding, you shall submit to the Resolution Professional within 5 working days of the close of the e-bidding process your Revised Resolution Plan incorporating the following:

a. Your last bid amounts in the e-bidding along with break-up of payment to different class of creditors along with timelines.
b. The proposed amendments/modifications of various terms & conditions of the resolution plan, which are shared separately with you, to make the Revised Resolution Plan compliant with IBC 2016, CIRP regulations & RFRP.

No deviation from the final bid terms received through e-bidding shall be permitted.

Keeping in mind the revised financial bids received through e-bidding, the CoC will further examine and evaluate the resolution plans as per the evaluation matrix.

It is requested to submit to the office of the RP a copy of this letter duly signed and sealed along with the said undertaking latest by 10/04/2025 failing which it will be treated as that you are not interested in the above process of e-bidding and your last Resolution Plan shall be considered as the Final Resolution Plan. It may further be noted that if you do not participate in the above e-bidding, for whatsoever reasons, then your last bid amount submitted on and before 25.03.2025 shall be considered for further evaluation of the plan.

Needless to mention, the CoC reserves its right to cancel/modify/restart the price discovery process at its sole discretion without assigning any reason to any resolution applicants whatsoever.

Thanking You,

AMIT AGRAWAL Digitally signed by AMIT AGRAWAL Date: 2025.04.08 21:10:38 +05'30'

Amit Agrawal
Resolution Professional
For Mastana Foods Private Limited Under CIRP
Reg. No: IBBI/IPA-002/IP-N00185/2017-18/10456
H-63, Vijay Chowk, Laxmi Nagar, Delhi - 110092

Enclosures
Annexure 1: E-bidding terms & conditions.
Annexure 2: Format of undertaking

SIGNED AND DELIVERED BY **Mr. Sanjeev Kumar**
On behalf of the consortium of
Amba Grains Private Limited & Ors.

For Amba Grains Pvt. Ltd
Auth.Sign./Director

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98. It has been highlighted by Ld. Counsel for SRA, RP and CoC (SBI) that it was clearly provided by this communication of the RP that upon the conclusion of the online e–bidding the PRA was required to submit revised resolution plan incorporating the last bid amount of the e-bidding along with breakup of payment to different classes of creditors along with timelines and

also the proposed amendments shared separately to make the revised resolution plan compliant with IBC and CIRP Regulations as well as with the RFRP.

99. Significantly it is also mentioned in this communication by the RP that no deviation from the final bid terms received through e-bidding shall be permitted and also that keeping in view the revised financial bids received through e-bidding the CoC will further examine and evaluate the resolution plans as per the evaluation matrix. Most importantly it was also stated that CoC reserves its right to cancel, modify and restart the price discovery process at its discretion. The undertaking was also directed to be submitted by all the PRA's by 10.04.2025.

100. We notice that appellant Amba and Ors. filed their undertaking on 10.04.2025, clauses 2 to 6 of this undertaking are relevant and are reproduced as under:

> *"2. That the Resolution Applicant understands the above e-bidding process is purely undertaken in a transparent manner to provide a just and fair opportunity to the resolution applicants and it is purely a "price discovery mechanism for maximizing the value of the assets of the Corporate Debtors.*
> *3. That the Resolution Applicant understands the above e-bidding process is only with respect to financial parameters of the Evaluation Matrix. Hence, the process will not declare any of the resolution plans as the highest or successful applicant.*
> *4. That the Resolution Applicant understands that, on the completion of the above process, it shall incorporate the last submitted bid in the e-bidding in the revised resolution plán and submit the same to the RP's office within 5 working days of the close of the e-bidding process. No deviation from the final bid terms received through e-bidding shall be*

permitted. The resolution plan will further be examined and evaluated by the RP and CoC.
5. That the Resolution Applicant understands that the CoC reserve it's right to cancel/modify/restart the price discovery process at their sole discretion without assigning any reason to any resolution applicants whatsoever.
6. That the Resolution Applicant further undertakes and confirms that the final price bid offered in the e-bidding as part of the Binding Resolution Plan is unconditional and acknowledge and agree that the COC reserves the right to negotiate terms with ing Selected Resolution Applicant(s) and any decision taken by the COC in this regard shall be final and binding on the Resolution Applicant(s)".

101. It is also evident that the undertaking was given apart from others in terms that no deviation from the final bid terms received through e-bidding shall be permitted and also that CoC reserve the right to negotiate terms with the SRA.

102. The Bids history report of the e-bidding as prepared by IP is reproduced as under:

Bids History Report
09314 , E-bidding process in the matter of Mastana Foods Private Limited Under CIRP
Bids History Report_E-bidding process in the matter of Mastana Foods Private Limited Under CIRP
15/04/2025 11:30:00 to 15/04/2025 13:41:58

Sr. No	First Name	Bid Amount	Bid date and time	IP address	Bid status
1	M/s. HR Commercials Pvt Ltd & M/s. Crown Steels hrcommercial2016@gmail.com	₹ 1319172538	15/04/2025 13:31:58	106.219.122.237	Accepted
2	M/s. Sapphire Media Limited sahilmangla@sapphire-media.co.in	₹ 1299172538	15/04/2025 13:27:49	49.43.131.239	Accepted
3	M/s. HR Commercials Pvt Ltd & M/s. Crown Steels hrcommercial2016@gmail.com	₹ 1289172538	15/04/2025 13:21:43	106.219.122.237	Accepted
4	M/s. Sapphire Media Limited sahilmangla@sapphire-media.co.in	₹ 1259172538	15/04/2025 13:15:01	49.43.131.239	Accepted
5	M/s. HR Commercials Pvt Ltd & M/s. Crown Steels hrcommercial2016@gmail.com	₹ 1239172538	15/04/2025 13:09:06	106.219.122.237	Accepted
6	M/s. Sapphire Media Limited sahilmangla@sapphire-media.co.in	₹ 1209172538	15/04/2025 13:02:44	106.206.231.145	Accepted
7	M/s. HR Commercials Pvt Ltd & M/s. Crown Steels hrcommercial2016@gmail.com	₹ 1039172538	15/04/2025 12:57:22	106.219.121.210	Accepted
8	M/s. Sapphire Media Limited sahilmangla@sapphire-media.co.in	₹ 1009172538	15/04/2025 12:53:07	106.206.231.145	Accepted
9	M/s. HR Commercials Pvt Ltd & M/s. Crown Steels hrcommercial2016@gmail.com	₹ 979172538	15/04/2025 12:52:32	106.219.121.210	Accepted
10	M/s. Amba Grains Private Limited gicgupta@gmail.com	₹ 919172538	15/04/2025 12:49:52	152.58.68.31	Accepted
11	M/s. Sapphire Media Limited sahilmangla@sapphire-media.co.in	₹ 909172538	15/04/2025 12:42:45	106.206.231.145	Accepted
12	Mr.Anand Pal Jain& Mr.Sahil Jain &Mrs.Sudha Jain SDJAGR01@GMAIL.COM	₹ 829172538	15/04/2025 12:37:33	49.36.183.234	Accepted
13	M/s. HR Commercials Pvt Ltd & M/s. Crown Steels hrcommercial2016@gmail.com	₹ 819172538	15/04/2025 12:34:05	106.219.122.237	Accepted
14	Mr.Anand Pal Jain& Mr.Sahil Jain &Mrs.Sudha Jain SDJAGR01@GMAIL.COM	₹ 799172538	15/04/2025 12:27:13	49.36.183.234	Accepted
15	Mr. Krishan Mohan Mendiratta krishan1919@gmail.com	₹ 779172538	15/04/2025 12:24:07	223.178.212.213	Accepted
16	M/s. HR Commercials Pvt Ltd & M/s. Crown Steels hrcommercial2016@gmail.com	₹ 769172538	15/04/2025 12:21:20	106.219.121.210	Accepted
17	M/s. Sapphire Media Limited sahilmangla@sapphire-media.co.in	₹ 759172538	15/04/2025 12:15:26	106.206.231.145	Accepted

Highest Lowest Bid Report
09314 & E-bidding process in the matter of Mastana Foods Private Limited Under CIRP

Highest Lowest Bid Report_E-bidding process in the matter of Mastana Foods Private Limited Under CIRP

15/04/2025 11:30:00 to 15/04/2025 13:41:58

Sr. No.	Description	Start Price	Highest Bidder	Highest Price	Gain	No of Bidder	No of Bid
1	E-bidding process in the matter of Mastana Foods Private Limited Under CIRP E-bidding process in the matter of Mastana Foods Private Limited Under CIRP	₹ 749172538	M/s. HR Commercials Pvt Ltd & M/s. Crown Steels hrcommercial2016@gmail.com	₹ 1319172538	76.08%	5	17

103. It is also reflected that in the e-bidding process, SRA/ HR communications emerged as the highest bidder and out of 8 PRA's only 5 PRA's punched and enhanced their bids. The amount offered by the PRA's in the e-bidding process is produced as under:

S. No.	Name	Resolution Plan Value (In Rs. In Crore)
1	M/s. HR Commercials Private Limited & M/s. Crown Steels (As Consortium)	131.91
2.	M/s. Sapphire Media Limited	129.91*
3.	M/s. Amba Grains Private Limited and Mr. Amarjeet Kaur and Mr. Rajender Pal Singh (As Consortium)	91.91
4.	Mr. Anand Pal Jain & Mr. Sahil Jain & Mrs. Sudha Jain (As Consortium)	82.91
5.	Mr. Krishan Mohan Mendiratta (Erstwhile Promoter & Director)	77.91
6.	M/s. Nokha Agrotech Private Limited	Not Participated In E-Bidding**
7.	M/s. Aqua Vitoe Laboratories	No Revised Resolution Plan Submitted And Not Participated In E-Bidding
8.	M/s. Noida Holdings Private Limited & M/s. Suraj Udyog Gujarat & Mr. Munish Dhingra (As Consortium)	No Revised Resolution Plan Submitted And Not Participated In E-Bidding

104. Thus, it is clear from the above table that in the e-bidding process SRA enhanced its bid to 131.91 crore while appellant Amba offered 91.91 Crore and another PRA Krishan Mohan Mendiratta offered 77.91 Crore.

105. It is also noticed that RP vide email dated 15.04.2025 requested all the participating PRA's to submit revised resolution plans within 5 days after incorporating financial bid submitted by them in the e-bidding process till 21.04.2025.

106. We also notice that appellant Amba submitted its revised resolution plan stating resolution plan incorporating its enhanced bid of Rs. 91.91 Crore. Simultaneously K M Mendiratta also submitted their revised plan stating their financial proposal as bid by them in the e-bidding process.

107. It is also to be recalled that the timeline of submission of the revised plan was extended till 22.04.2025. The email sent by RP is reproduced as under:

ANNEXURE A-21 **489**

Outlook

Extension of Date for Submission of Revised Resolution Plan_Mastana Foods Private Limited Under CIRP

From Amit Agrawal <ip.mastanafoods@gmail.com>
Date Mon 21/04/2025 15:59
To Amit Agrawal <amitagca@gmail.com>

Dear Sir,

In view of the request received from some of the Prospective Resolution Applicants (PRAs) regarding the extension of the deadline for submission of the revised resolution plan and related documents, it has been decided to extend the submission date.

Accordingly, the revised due date for submission of the revised resolution plan and related documents is **22nd April 2025**.

Thanks and Regards

Amit Agrawal
Resolution Professional
For Mastana Foods Private Limited Under CIRP
Reg. No: IBBI/IPA-002/IP-N00185/2017-18/10456
H-63, Vijay Chowk, Laxmi Nagar, Delhi - 110092
TEL.: 011-49423788

108. We also notice that the Amba submitted another resolution plan revising the value of plan to Rs. 133.91 Crore. We have already noticed that

vide communication dated 08.04.2025, and 15.04.2025 the PRA's were directed to incorporate the financial bid they punched during the e-bidding process, in their revised resolution plan, therefore in our considered opinion there was no occasion for the Appellant Amba or any other PRA to file another Resolution Plan enhancing the value from what has been bid by it in the e-bidding process.

109. We also notice that in clause 10.1 (V) (i) of the RFRP it was specifically provided that submission of more than one Resolution plan may cause the plan to be considered non-responsive and in our considered opinion the RP correctly sent an email to the appellant Amba on 02.05.2025 informing that no revised bid would be allowed.

110. We also notice that in its email dated 21.04.2025, Amba also raises concern that bidding took place prior to confirmation of the eligibility of the PRA's with regard to Section 29 (A) of the Code and further informing that once the eligibility of PRAs is verified, they are willing to negotiate and enhance the financial proposal. We however failed to understand that even if the eligibility of the PRA's was not verified under Section 29 (A) till the day of e-bidding, how the appellants or specifically Amba was adversely affected by the same in not bidding enhanced amount and when they did not enhance their bid in the e-bidding process, how they could incorporate the different amount (other than the bid amount) in the plan submitted by them.

111. We further notice that RP sent a communication to the Appellant Amba that Appellant is to revise its plan according to the bid punched in e bidding

process and if appellant is not ready to revise the plan he will place all material before CoC. The communication of the RP is being placed below:

ANNEXURE A-26 **566**

Outlook

Re: Submission of Revised Resolution Plan and Related Documents – Mastana Foods Pvt. Ltd.

From Amit Agrawal <ip.mastanafoods@gmail.com>
Date Fri 02/05/2025 21:52
To gccgupta@gmail.com <gccgupta@gmail.com>
Cc Shiva Khanjo <shivakhanjo@yahoo.in>

WITHOUT PREJUDICE

Dear Sir

It is reiterated that in the Revised Resolution Plan submitted, you have changed and altered the financial proposal and now have proposed and submitted a different financial proposal as proposed by you in the E bidding process.

Kindly refer to my trailing email wherein it was categorically informed to every Prospective Resolution Applicant, that every PRA, shall be given a chance to submit a revised resolution plan after incorporating the ratifications and suggestions as suggested by the COC and would have to incorporate the Financial Proposals as proposed in the E bidding process only.

It is further clarified that the E bidding process was conducted for fair and transparent participation of all PRA's wherein all PRAs were given equal opportunity to participate and make their financial bids.

As you are aware that after the conclusion of the E bidding process, revised resolution plans after incorporating the suggestion and corrections as suggested by the COC were to be submitted and No revision, alteration or changes in the financial bid were to be made at this stage, hence the revision of the financial proposal in resolution plan cannot be permitted at this stage.

Kindly note that on 21.04.2025, you have sought an clarification with respect to the eligibility of the Prospective Resolution Applicants u/s 29A of the IBC, wherein vide email dated 22.04.2025 sent by me all your queries were duly address, it is amply clarified that the E bidding process was conducted for getting the maximum value for assets of Corporate Debtor and such E bidding process was conducted only after obtaining the requisite reports with reports to eligibility of the Prospective Resolution Applicants u/s 29A of the IBC, 2016. Reason thereof, you are requested and required not to intermix and intertwine 2 separate issues with each other.

In the view of the same you are requested to kindly revise and correct your resolution plan by incorporating the same value/ amount as proposed by you during the E bidding process, any divergence or changes in financial proposal shall not be accepted at this stage.

But, if you still choose not to send the corrected & revised resolution plan by incorporating the financial values as proposed by you in the E-bidding process then For sake of fairness and transparency your all emails and this Resolution Plan so received shall be also placed before the COC with a caveat in the next meeting for consideration and perusal, wherein the COC shall be appraised with all developments and events including your 1st Resolution Plan, Financial Proposal made during the E-Bidding and this Revised Resolution Plan so received.

Please feel free to write and seek any clarification should you need in any case.

I shall have all my rights to present and prove all requisite documents, should the need arise.

Thanks and Regards

TRUE COPY

Amit Agrawal
Resolution Professional
For Mastana Foods Private Limited Under CIRP
Reg. No: IBBI/IPA-002/IP-N00185/2017-18/10456

112. Therefore, RP in our considered opinion adopted a correct procedure by writing email to the appellant Amba informing that it was required to incorporate the amount bid by it in e-bidding process and it is also stated that vide email dated 21.04.2025, it has already been informed to appellant Amba that e-bidding was done after obtaining the verification of PRA's under Section 29 (A). RP also stated that if appellant Amba will choose not revise its plan in accordance with the bid punched in e-bidding process, the plan and all the emails would be placed before the CoC in the next meeting.

113. We are of the considered view that eligibility of the PRA's under Section 29 (A) was not having any relation with the e-bidding process as the e-bidding was done for maximization of financial proposal in a transparent manner.

114. We also noted that on 21.05.2025, process advisor sent an email to RP seeking information on the following points, which was forwarded by the RP to all the PRA's. Information which was sought by the process advisor for evaluation of the plans was with regard to the following point:

> *"In reference to evaluation of the Resolution Plans, we need the following information for each of the plans:*
> *(i) Ability to turn around stressed Assets- details with names of the Companies*
> *(ii) Technical capabilities for operation of CD.*
> *(iii) Track Record for implementation of Resolution Plans under IBC- details with names of the Companies*
> *(iv) Annual Turnover of the RA as on 31/03/2024*
> *(v) Treatment of claim from Excise Department as Secured Creditor in accordance IBC regulation, recent case laws etc. In this connection you are requested to get the above information from each of the applicants by tomorrow noon".*

115. It is also reflected that appellant Amba, SRA, KM Mendiratta and Nokha replied this email and provided requisite information. It is to be recalled that point no. V on which the clarification was required by the process advisor through RP in order to evaluate the plans was with regard to the treatment of claims from excise department as secured creditor in accordance with IBC Regulations and recent case laws. The reply of the appellant Amba on this point was that the claim of the excise department has been treated as per judgment of Rainbow Papers and no more clarification is needed, while SRA vide its email dated 23.05.2025, stated that in the originally submitted plan an amendment as per the settled law has been proposed and upon

reassessment and in line with legal precedents equitable treatment shall be done with excise and taxation department as per their admitted claim.

116. We notice that the RP finds this reply /clarification of SRA and one another PRA Anand Pal Jain etc. as vague and not specific to the treatment of claim of excise department and thus, sent another email to these two PRA's to provide clarity regarding treatment of claims of the excise department.

117. Here we also notice RFRP clause 10.2.3 (g) which provides that RP on the instruction of CoC reserve its right to conduct due diligence on PRA's which would include compliance with applicable laws and any other matter, which (the CoC or the RP, acting on the instruction of the CoC) may deem fit or necessary. Therefore, we do not find any illegality in the approach of the RP acting within the four corners of RFRP in seeking clarification from those PRA's whose response was vague with regard to the treatment of excise dues in view of Rainbow Paper Precedent.

118. It is also reflected that in response to the communication sent by the RP to clarify the treatment of excise dues, the SRA by its email dated 14.06.2025, clarified that it has already provided a sum of Rs. 40,610,868/- to the HVAT- Excise Department and additionally it will provide Rs. 33,227,872/- in view of the Rainbow Paper Judgment. We at the cost of repetition reiterate that there is no illegality in the act of the RP seeking compliance of Rainbow Judgment and it is not a case where this opportunity of making the plan Rainbow compliant was given only to the SRA, in contrast the opportunity to make the plan Rainbow compliant was given to all the PRA's and since the reply of other PRA's was clear no further query was made

with them and communications were only sent to those whose reply was vague i.e. SRA and another Resolution Applicant.

119. It is also to be recalled that the admitted claim of the excise department was Rs. 120,507,027/- and by additional payment of Rs. 33,227,872/- the payment in the revised plan (addendum of the SRA) became Rs. 40,610,868/- +Rs. 33,227,872/- = Rs. 73,838,740/-. The addendum to the plan, in response to the Rainbow compliance was filed by the SRA on 02.07.2025, which was considered by the CoC along with the other plans and the plan of the SRA was approved. Thus, it could not be said that it was only the SRA which was given an opportunity to make its plan Rainbow complaint as this opportunity was available to all the PRA's and we do not find any substance in the submission that equal opportunity was not given to all the PRA's to revise their plans in view of Rainbow Paper Judgment.

120. So far as the non-consideration of plan submitted by the appellant Amba on 22.04.2025 with an enhanced value, is concerned, as per communication sent by the RP to the Amba the plan along with all correspondence was in fact placed before CoC by the RP with the observation that this unilateral revision and increase of value and submitting two resolution plans is not acceptable. The CoC in this meeting knowing fully the unilateral submission of second plan by the appellant Amba took a conscious decision, in its commercial wisdom to approve the plan submitted by the SRA and in our considered opinion the CoC was fully empowered to exercise its commercial wisdom and discretion in this regard.

121. We are also of the considered view that 15.04.2025, on which the e-bidding process was held is the significant date and a resolution applicant was not empowered in terms of the RFRP and communication dated 08.04.2025, sent by the RP to quote any other amount then what was bid in the e-bidding process, unless asked for by the CoC or RP. Therefore, unilateral submission of second plan of a higher value by Appellant Amba was not correctly considered by the CoC. Here we recall that the financial bid submitted by the appellant Amba on 15.04.2025, in e-bidding process was admittedly Rs. 91.91 Crore and the financial bid of the SRA was Rs. 131.91 Crore, thus there was a difference of about Rs. 40 Crore and other wise also the CoC was fully empowered to negotiate with the highest bidder in order to maximize the value of the CD and this exercise is also protected by various clauses of the RFRP and the communication sent by the RP on 08.04.2025.

122. It is also evident by the minutes of the 28th meeting of the CoC scheduled on 01.07.2025 and 05.07.205 wherein it is recorded that if the CoC think appropriate and do not wish to further negotiate with the PRA the matter to be put to voting or the matter may be adjourned until the negotiations and deliberations with the PRA and the CoC is concluded. Therefore, a conscious commercial decision appears to have been taken by the CoC not to further negotiate the matter with any PRA including the Appellant Amba whose plan of enhanced value was submitted unilaterally on 22.04.2025.

123. The Appellant Amba and of other Appellant's whole case is on the premise that when Amba has unilaterally submitted the second plan of

enhanced value on 22.04.2025, the same should have been accepted and approved by the CoC. We are not in agreement with the submissions raised by appellants as otherwise also apart from the value the CoC was fully empowered to look into the various provisions of the plan to assess its feasibility and was not at all bound to accept a plan only because of its higher value. We have already indicated that the SRA was the highest bidder in e-bidding process and the CoC was fully empowered to negotiate with it. The explanation given by the Appellant Amba of not punching higher bid is of uncertainty on eligibility of PRAs under 29 (A). Ld. Counsel for the RP during the course of submissions has categorically submitted that due diligence report confirming the eligibility of all resolution applicants was shared with the CoC on 10.04.2025 while the e-bidding process was held on 15.04.2025. We otherwise also do not find any merit in the submission of Appellant Amba as the correspondence pertaining to the eligibility under section 29 (A) has been done by the appellant after 15.04.2025 and in our considered opinion, as already stated the appellant Amba or any other PRA was not empowered to enhance its bid, in difference what has been bid in the e-bidding process.

124. So far as the other submissions of the appellants with regard to placing of non-complaint plan by the RP before CoC in violation of Regulation 30 (2) (e) and 30 (3) and 39 (1b) (c) of CIRP Regulations, 2016 is concerned, Ld. Counsel for the RP submits that the language of Section 30 (2) of the Code suggest that RP is obliged to examine each resolution plan and satisfy himself that the same confirm with Section 30 (2) and when the plan is found complaint the CoC should vote on it. According to Ld. Counsel for the RP the

RP shall present to the CoC for its approval such resolution plans which confirm the conditions referred in sub-Section 2 of Section 30. Thus, he emphasized the difference between placing the plan before the CoC and submission of these plans for voting which have been found compliant.

125. Our attention is also being drawn on the Amendment incorporated in Regulation 39 (2) inserted by notification No. IBBI/2020-21/GN/REG 127 dated 26.05.2025 (w.e.f .26.05.2025) which provides that RP shall submit to the committee all Resolution plans along with the details of non-complaint plans. Ld. Counsel for the RP has also placed before us a press release issued by the IBBI No. IBBI/PR/2025/14 of date 30.05.2025 which amongst other has clarified that RP is now requested to present all resolution plans before the CoC including those which are non-complaint in following words:

Insolvency and Bankruptcy Board of India

No. IBBI/PR/2025/14
30th May 2025

Press Release

Insolvency and Bankruptcy Board of India amends the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (CIRP Regulations)

1. *The Insolvency and Bankruptcy Board of India (IBBI/Board) has notified the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) (Fourth Amendment) Regulations, 2025 (Amendment Regulations) on 26th May 2025. The amendments, which come into immediate effect, aim to further streamline and strengthen the corporate insolvency resolution process.*

2. *Key highlights of the Amendment Regulations are as follows:*

(i) ******

(ii) *****

(iii) ****

(iv) ***Presentation of all plans before the Committee of Creditors (CoC):*** *Resolution professionals are now required to present all resolution plans received, including those that are non-compliant, to the CoC along with relevant details. This provision ensures that the CoC has access to comprehensive information for decision-making, which may lead to more informed choices and ultimately contribute to a more transparent and effective resolution process.*

3. *The amended regulations are available at the Board's website: www.ibbi.gov.in.*

(Emphasis Ours)

126. By this clarification/ press release issued by the IBBI, the controversy appears to have been set at rest and now the scheme which appears on a conjoint reading of Section 30 and Regulation 39 (2) of CIRP Regulations, 2016 is that the RP shall place all the Resolution Plans before the CoC and Sub-Regulation 3 of Regulation 39 provides that the CoC shall evaluate the Resolution Plan received under sub-regulation 2 as per evaluation matrix. The Amendment made in Regulation 39 of the CIRP Regulations, 2016 is of date 26.05.2025 w.e.f. 26.05.2025 and the CoC of the CD in the instant case held its 28th meeting on 01.07.2025 for consideration of the plans and therefore the amended Regulation 39 was in force at that point of time. Thus, it is evident that when the plan of the SRA was considered by the CoC for approval it was compliant of the Rainbow Judgment and otherwise also the CoC was fully empowered to negotiate with the highest bidder in the e-bidding process thus we do not find any error committed either by the CoC or Adjudicating Authority on this score.

127. Appellants have relied on **para no. 32 to 36 of Canara Bank v. Ms. Mamta Binani, 2022 SCC OnLine NCLAT 3** (supra) which are reproduced as under:

> *"32. As per section 25(2)(i) of the Code, a duty is cast on the resolution professional to scrutinize the resolution plan to ensure that it is in accordance with section 30 of the I and B Code and regulation 37 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016. In case, the resolution plan is not meeting the requirement of section 30 of the Code, the*

resolution professional is empowered to refuse to present the plan to the committee of creditors.

33. A resolution professional is only to examine and confirm that each resolution plan conforms to what is mentioned by section 32 of the Code. The "resolution professional" shall undertake to project all the resolution plans during the meetings of the "committee of creditors" and as per section 30(3) of the Code the resolution professional shall present to the "committee of creditors" for its approval, such resolution plans which confirms the condition mentioned in sub-section (2).

34. A "resolution professional" is to scrutinise that the resolution plan furnished by numerous applicants is complete in all aspects, before presenting it to the committee of creditors. A "resolution professional" is not required to take any decision but he is to confirm that the resolution plan does not violate any of the provisions of law for the time being in force (including section 29A of the I and B Code). Suffice for this "Tribunal" to pertinently point out that an "ex facie" opinion is to be offered to the "committee of creditors" by the "resolution professional" that the law was not violated.

35. It is the duty of the "resolution professional" to determine as to whether the eligibility criteria of resolution applicants prescribed in section 29A of the Code are satisfied. He is to consider the objections brought to his notice prior to the submission of the resolution plan to the "committee of creditors". As per section 30(2) of the I and B Code, the resolution professional is to examine each resolution plan received by him to confirm that the resolution plan provides for payment of insolvency resolution process costs, payment of debts of the operational creditors, management of the affairs of corporate debtor, the fulfilment and supervision of resolution plan, other requirement as may be specified by the board and does not violate any of the provisions of the law for the time being in force.

36. A resolution plan submitted by the concerned resolution applicant on accounts of its confidentiality, cannot be disclosed to any competing resolution applicant nor any opinion can be taken or objection can be called for from other resolution applicants in regard to one other resolution plan".

128. Perusal of these paragraphs would show that duty of the RP is to ensure that submitted plans are compliant, before presenting it to the CoC and when

in the instant case to make the plans compliant equal opportunity has been provided by the RP to all the PRA's without any discrimination, we do not find that the law propounded in the above case has been violated.

129. The facts of the case **Vedanta- (supra)** are entirely different as in that case the addendum was Suo-moto sent by the PRA which is not a case here.

130. In the facts of **Ajay Gupta (supra)**, another case relied on by appellants, it is reflected that appellant of that case has enhanced the value of its Resolution Plan in the guise of removing defects unilaterally which was rejected by the RP however Adjudicating Authority allowed the same with the opportunity to other PRAs to place any modification in their plan also for providing level playing field. In the case at hand also the RP under the direction of the CoC has issued communication to all the PRA's and it could not be said that the level playing field was not provided to all PRAs.

131. The factual matrix of ***Binani Industries*** (supra) is entirely different while in ***M K Rajgopalan*** (supra) the revised resolution plan under the direction of the CoC was directly placed by the RP before the Adjudicating Authority without the approval of the CoC and it is in this background observations in para no. 168 of the report were made. ***Vallal RCK*** (supra) and ***Jindal Power*** (supra) are with regard to the commercial wisdom and unsolicited plans.

132. The other Appellants apart from the above issues which have been already deliberated by us has also contended that the valuation of the assets of CD i.e. of subject land and building is vitiated by an error of undervaluation of these assets as CD owns approximately 34.30 acres of land and usage of

the land was converted from agriculture to industrial purpose, much prior to the commencement of the CIRP, however the valuers appointed by the RP adopted the circle rate provided for agriculture land in computing the value of the land in building, while the land was registered as industrial land in the revenue records.

133. It is further submitted that the justification given of non-applicability of the industrial rates is that such rates were not available on the website of Government which is not acceptable. It is also contended that circle rate of Industrial land in that vicinity is about Rs. 15400/- per. sq. yard and by this calculation the value of the land would come to Rs. 7.45 Crore per acre however the rate of only 62 lakhs per acre is taken by the valuers on the basis of agriculture land which is per se illegal. Reliance in this regard is placed on **M.K. Rajgopalan (supra).**

134. It is also contended that the valuer appointed by one of the appellants to assess the fair value of the land and building as Rs. 154 Crore and liquidation value as Rs. 131 Crore and even enforcement Directorate's provisional attachment order also valued the land as Rs. 90 Crore.

135. Ld. Counsel for the SRA, RP and CoC however submits that the appellants being the Suspended Director of the CD were not entitled to receive the copy of the valuation reports as only the members of the CoC are entitled for such valuation reports and copy of the resolution plan was provided to the appellant on 28.04.2025 and Appellants being the Suspended Directors are not entitled to file the appeal against the approval of plan.

136. It is also contended that the valuation reports were prepared by the two IBBI Registered valuers in view of Section 247 of the Code and Regulations 27 and 35 of the CIRP Regulations, 2016. It is also submitted that fair and liquidation value is not the sole price and the value assessed by the registered valuer has been accepted by 100% of the CoC.

137. It is further submitted that as per the scheme of the Code the RP is obliged to appoint two valuers and in case of valuers differ in value significantly the third valuer may be appointed. However, no such eventuality had arisen in this case.

138. At the outset we are of the considered view that the Suspended Directors of the CD who are personal guarantors also challenge the resolution plan by filing appeal under Section 61 of the Code. In this regard law laid down by Hon'ble Supreme Court in **Kalyani Transco vs. Bhushan Power and Steel Ltd. (2026) 6 SCC 431** may be recorded, which has been relied by the appellants/who are suspended directors as well as personal guarantor to the CoC.

139. In **Independent Sugar Corporation vs. Girish Sriram Juneja & Ors. (2025) SCC 209** also it is held that a suspended director who is also a personal guarantor and an unsuccessful resolution applicant may challenge the plan.

140. In this Appellate Tribunal also concluded as under:

> *"19. Coming to the second limb of argument that the SRA attracted Section 29-A(f) of the IBC and was not eligible to be a resolution applicant, we find that this aspect has been holistically dealt at length by the Adjudicating Authority in the impugned order. It may be useful to notice the relevant*

paragraphs of the impugned order which are as extracted below:

"14. At the outset, we find that the Resolution Professional has filed a declaration certifying the compliance of Sec. 29A and this has also been verified by an independent agency, M/s_ We further find that on the date of the submission of the Resolution Plan, there was no order from SEBI banning the Patel family members. Further, the Orders passed by SEBI subsequent to the filing of the plan have either been set aside or stayed by the Securities Appellate Tribunal. It is pertinent to note that the disqualification qua the Prospective Resolution Applicant has to be examined with respect to the date of submission of the Plan. Accordingly, we do not find any substance in the contentions of Applicant.

15. We find that the Plan has been passed by the CoC by requisite majority in its commercial wisdom and this Bench has limited jurisdiction to interfere in the exercise of such discretion. The Applicant has not brought on record any deviation from the RFRP or Evaluation Matrix and has also not pointed out any malafide in the exercise of commercial wisdom by the CoC or carrying of the process by RP. It is an undisputed fact that valuation of the Corporate Debtor was carried out by IBBI registered valuers in accordance with the Code and the SRA has presented the Plan being conscious of the Regulations relating to height and operation of hotel. We are of considered view that we ought not to interfere in the decision-making process as regards viability if the CoC has considered the financial plan submitted by SRA to be a viable proposition.

30. The RP issued information memorandum, evaluation matrix and Request For Resolution Plan ("RFRP") to the PRAs to enable them to submit a viable Resolution Plan for the Corporate Debtor.

31. Pursuant to the Request for Resolution Plan, Finquest Financial Solutions Private Ltd. and Jaldhara Properties and Trading Private Limited gave their Resolution Plans. However, since the CoC decided to extend the time for giving EOI & Resolution Plan, both the parties withdrew their Resolution Plans and agreed to give revised Resolution Company Appeal (AT) (Insolvency) No. 739-740 of 2024 Page 14 of 17 Plans. On 02.02.2021 the RP received 2 Resolution Plans viz. Finquest Financial Solutions Private Limited and Mr. Jiten K Ajmera. Both the Applicants were found to be eligible."

(Emphasis supplied)

141. In ***Prafful Satara vs. Vaishali Patrikar, CA (AT) (Ins) No. 1627 of 2024*** this appellate tribunal has held in paragraph no. 64 to 66 as under:

> ***"64.*** *We note that the main point on which the Appellant is feeling aggrieved is w.r.t valuation of the properties of the Corporate Debtor. We also note the allegations of the Appellant that the land valuation has been done on book value and registered valuers have not considered market value of land. Further, land parcels of Kalina Properties have not been taken into consideration. In this connection, we note that all these issues were raised by the Appellant before the Adjudicating Authority and the Adjudicating Authority has given detailed finding on all these issues in the Impugned Order.*
>
> ***65.*** *We also take into consideration that the alleged valuation ought by Sadashiv Nargundkar and Associate, who have valued the property @ Rs. 124 Crores. The Appellant has also brough to our notice that there were two more valuation prior CIRP period to according to which the valuation of the said properties were much more. At this point, we are conscious of the fact that the pre-CIRP valuation, are not relevant and only relevant valuation report is the valuation conducted by the RP after CIRP ordered by the Adjudicating Authority which has been done by the Respondent No. 1. We take into account that the Respondent No. 1 indeed appointed two registered valuers, namely, Adroit Appraisers and Research Private Limited and RNC Valuecon LLP, for determining fair and liquidation value, with a third valuer, Ms. Gunjan Agarwal, for SFA valuation who have taken into consideration all the facts. We further take into consideration that the Appellant himself has not supported the CIRP and did not furnish the various information sought by the RP from time to time in so much so that RP had to move IA before the Adjudicating Authority seeking cooperation of the Appellant in furnishing the information and documents. We take note of the fact that despite the Adjudicating Authority's order to the Appellant to furnish all information and documents to the Respondent No. 1, the Appellant did not give the relevant information and documents. This reflects poorly on the conduct of the Appellant. Be that as it may, it is a fact that the RP got*

valuation done based on all available record that it and valuation was done strictly by Registered Valuers in accordance with the Code and the Regulations. We are aware that the erstwhile RP appointed two IBBI-registered valuers on 19.10.2020, following Regulation 27(1) of the CIRP Regulations and the valuation reports were submitted to the RP (by Adroit on 14.09.2021 and (by RNC Value on 16.09.2021), following Regulation 35(1) of the CIRP Regulations. We also note that in terms of Regulation 35(2), the members of the CoC vide email dated 26.08.2021 were provided with the valuation summary with fair value of Rs. 97,64,66,956/- and liquidation value of Rs. 77,06,45,942/- of the Corporate Debtor. Hence, we find that the erstwhile RP duly complied with all the obligations under the Code and in accordance with the CIRP Regulations. We note that in the matter of Noida Special Economic Zone Authority v. Manish Agarwal, [(2025) 1 SCC 415], the Hon'ble Supreme Court of India held that valuation is a factual matter and valuation done in accordance with the provisions of the Code warrants no interference. We are bound to follow the said ratio and do not agree with the pleadings of the Appellant.

66. *Further we observe that in case of Madhukar Shetty v. Bank of Baroda & Ors., CA(AT)(Ins) No. 739- 749/2024, wherein this Appellate Tribunal while dismissing an ex-promoter's reliance on pre-CIRP valuation reports to challenge to the valuation reports submitted by the registered valuers, appointed by the RP and the CoC, held that any valuation conducted in the past by any entity for whatever purposes, prior to the initiation of CIRP does not have any relevance for the purposes of CIRP of the Corporate Debtor.*

Thus, we reject the contentions of the Appellant, as the issue on valuation."

142. In ***Maharashtra Seemless Ltd. vs. Padmanabhan Venkatesh (2020) 11 SCC 467*** it is provided as under:

> ***"23.*** *…….So long as the provisions of the Code and the Regulations have been met, it is the commercial wisdom of the requisite majority of the Committee of Creditors which is to negotiate and accept a resolution plan, which may involve differential payment to different classes of creditors, together with negotiating with a prospective resolution applicant for better or different terms which may also involve differences in distribution of amounts between different classes of creditors."*

143. In ***CoC vs. RP of Horizon Buildcon Pvt. Ltd. CA A(T) (Ins) No. 1633 of 2023***, this Appellate Tribunal opined as under:

> ***"8.*** *Learned counsel for the Appellant submits that valuation is at higher side which shall affect the homebuyers. Valuation has been obtained as per Regulations and Resolution Plan has been already approved, we, thus, are of the view that the Adjudicating Authority did not commit any error in rejecting the application filed by the Appellant.*
>
> ***9.*** *Learned counsel for the Respondent has relied on judgment of Hon'ble Supreme Court in "Ramkrishna Forgings Limited vs. Ravindra Loonkar, Resolution Professional of ACIL Ltd. & Anr., Civil Appeal No.1527 of 2022" decided on 21.11.2023. In the said case, after approval of the Resolution Plan question of valuation was sought to be raised and the Adjudicating Authority has directed for valuation, which order was set aside by the Hon'ble Supreme Court. The said judgment fully supports the submission of learned counsel for the Respondent".*

144. In ***Santosh R Shetty vs. Rajan Deshraj Agarwal, CA (AT) (Ins) No. 1378 of 2024*** this appellate tribunal after considering ***Ramkrishna Forging Ltd. vs Ravindra Loonkar MANU/SC/1250/2023*** and ***Madhukar Shetty vs. Bank of Baroda, CA (AT) (Ins) No. 739-740 of 2024*** emphasized in para 124 to 132 as under:

> ***"124.****On the legal framework for valuation, we note that Regulation 27 of the IBBI (Insolvency Resolution Process for*

Corporate Persons) Regulations, 2016 ("CIRP Regulations") requires the Resolution Professional to appoint two registered valuers from the panel maintained by the IBBI. These valuers are required to independently determine the fair value and the liquidation value of the Corporate Debtor's assets. Under Regulation 35, the average of the two valuations is to be adopted as the fair value and the liquidation value respectively.

125. *The Hon'ble Supreme Court of India in case of Ramkrishna Forgings Limited v. Ravindra Loonkar, Civil Appeal No. 1527/ 2022 has emphatically held that no casual interference with the commercial wisdom of the CoC is permissible, and that the NCLT cannot direct re-valuation of the Corporate Debtor's assets on the basis of an objection by a party who had not raised the issue before the CoC or at the appropriate CIRP stage. The Hon'ble Supreme Court had set aside the Adjudicating Authority order that had directed the Official Liquidator to conduct fresh valuation prior to plan approval, holding that this was an impermissible intrusion into the CoC's domain.*

126. *We take note of this settled position in law, as reflected in a consistent line of Supreme Court authority i.e., K. Sashidhar v. Indian Overseas Bank, [(2019) 12 SCC 150] through Committed of Creditors of Essar Steel India Ltd. (Supra) is that the commercial wisdom of the CoC in approving a Resolution Plan is nonjusticiable, and the NCLT and NCLAT are not courts of equity empowered to second-guess the CoC's assessment of the commercial adequacy.*

127. *We are of the view that once the CoC is satisfied with the valuation and has approved the Resolution Plan such allegations of raised by ex-promoter of the Corporate Debtor, cannot be entertained. This is supported by judgement M.K. Rajagopalan (Supra) and Ramkrishna Forgings (Supra).*

128. *Moreover, the past valuations of the subject property can have no bearing; and neither can the subject property be evaluated based on valuation done during CIRP, as sought by the Appellant. This Appellate Tribunal in earlier case of Madhukar Shetty (Supra) and Praful Satra (Supra) has categorically held that only the valuation conducted by IBBI registered valuers appointed post commencement of CIRP is required to be considered by the CoC. The judgment passed by this Appellate Tribunal in Praful Satra (Supra)*

has also been upheld by the Hon'ble Supreme Court vide its order dated 07.11 .2025 in Civil Appeal No. 12613/2025.

129. *The Respondent No. 2 further relied upon the judgment passed by this Appellate Tribunal in Committee of Creditors Through its Representative Jaga Ath Kar (Supra), wherein it was held that once a Resolution Plan has been approved, even a prayer for fresh valuation does not merit consideration so long as the procedure prescribed under the Code has been duly followed.*

130. *The further and more specific principle that emerges from the case laws is that the valuation of the Corporate Debtor's assets, once conducted by IBBI registered valuers in accordance with the CIRP Regulations, and accepted by the CoC, cannot be challenged by a suspended director or promoter at the stage of approval of the Resolution Plan. If the CoC disagrees with a valuation, it has the power to direct a fresh valuation. If the CoC accepts the valuation, that decision is final for the purposes of CIRP and cannot be interfered with by the Adjudicating Authority or even this Appellate Tribunal, or appellate authorities only on grounds of commercial inadequacy.*

131. *We note that the RP has produced the two valuation reports on record. We further notice the fair value and liquidation value were clearly determined. We also Note the consideration in the approved Resolution Plan i.e., Rs. 28,30,42,444 is above the liquidation value, which is ordinarily sufficient. The Appellant's case that the property was worth substantially more rests on his own assertion and his own valuation done. In these circumstances, the Appellant cannot succeed on this ground.*

132. *In view of above detailed discussion, we hold that the valuation exercise conducted during the CIRP was carried out by IBBI-registered valuers in accordance with Regulations 27 and 35 of the CIRP Regulations. The CoC accepted the said valuations and arrived at its commercial decision to approve the Resolution Plan. The scope of judicial review under Section 61(3) of the Code does not extend to directing fresh valuation on the basis of the Appellant's bare allegations.”*

145. Perusal of the record in the background of the aforementioned precedents would reveal that the subject property is situated at village Patti Kayasth Seth, Kaithal, Dhanod Road, Haryana on which the CD was operating an industrial grain milling unit. The value of the property was got assessed by the RP by the two IBBI registered valuers. The value reports reveal that the planning area/zone of this property is agricultural but the current activity done on this piece of land is industrial. The property uses factors have been taken by the valuers as industrial. Valuation reports will further reveal that market rates were found variable from 1.80 to 2.20 Crore per acre and thus the base price has been taken as Rs. 2 Crore per acre and after making the adjustments with regard to conversion, size of the property market factors etc. the valuation was taken as 1.40 Crore per acre and thus the final value of the property was assessed about 48.02 Crore.

146. Perusal of the valuation reports would further show that the land is stated to be not situated in notified industrial area and property can be reached through 30 feet vide Kaithal Road and nearest Railway Station is 5.5 Km away. Significantly in the boundaries of the property, agriculture lands were found situated in three directions of this property and in the fourth direction was the entrance and Road was situated. Thus, it appears that the property is surrounded by agricultural land. The subject property was also found to be in agricultural zone and in master plan the land use is also found agricultural however the same was found to have been changed from agriculture to industrial. The surrounding properties are also found been used for agricultural and industrial purpose. We have perused the valuation

report and found that the valuers have acted diligently and the reports prepared by them is based on the market value of the property and we do not find any glaring illegality therein.

147. The CD business was also of such a nature which requires rural base and more over when the plan has been approved and the valuers have been appointed in accordance with Rules and Regulations and they have not differed significantly, we also do not want to open this issue at the instance of Suspended Directors, one of whom was also the Resolution Applicant and has also submitted the Resolution Plan without raising any objection on the valuation of property.

148. We also notice that the submissions have been made with regard to the fact that the RP was not empowered to conduct the CIRP as his AFA was suspended by the IBBI. In the impugned judgment Ld. Adjudicating Authority has considered this aspect in depth in the impugned order in CA (AT) (Ins) No. 1198 of 2026 and after soliciting the response of the RP came to the conclusion that in the suspension order dated 24.07.2025 itself liberty was granted to the CoC to decide whether to continue with the current RP, who was suspended only for three months. The CoC, given the advanced stage of the CoC decided to continue with the same RP, which is evident from the minutes of 30th meeting of the CoC. We are also of the view when the liberty was provided to CoC to take a decision to continue with the same RP and in view of the advanced stage of the CIRP a conscious decision been taken by the CoC in its commercial wisdom, no objection could be raised on the

decision to retain the RP. Thus, we concur with the conclusion drawn by Ld. Adjudicating Authority.

149. Another objection of the Appellants is that SRA is a consortium comprising of HR commercials as its lead member and crown steels and clause 5.7(F)(VII) of RFRP provides that where a consortium is selected as SRA, a special purpose company is to be incorporated wherein 100% equity is to be held by the consortium for a minimum three years lock-in period and such SPC was required to hold 51% voting share in the CD for three years and in the EOI, SRA undertook that HR Commercial being the lead member would hold 51% shareholding and the other member at least 10% in the SPC, however this condition has been violated in the plan and the lead member or the consortium would now hold only 21% share in the CD, through Pranav Jain, Poonam Jain and Pankaj Jain and the plan also proposes shares to unknown persons having no association with any member of the consortium.

150. Ld. Counsel for the Appellants have relied on ***Jubliee Metal Pvt. Ltd. vs. Surendra Raj Garg, CA (AT) (Ins) No. 1550 of 2023*** and ***Swan Energy Ltd. vs. Chandan Prakash Jain & Ors., CA (AT) (Ins) No. 313 of 2024***.

151. In the facts of ***Jindal Powers Ltd. vs. Dhiren Shantilal Shah(supra)***, which has been relied on by Respondent and has been distinguished by the appellants, Jindal Powers Ltd. was not in the final list of PRA's however it was granted permission by the Adjudicating Authority to file plan subject to the compliance of Regulations 39 (1B) read with 36(B) (7) of the CIRP Regulations. In the clarificatory order passed by the Adjudicating Authority on 22.08.2023 it was clarified that there is statutory bar on submission of Resolution Plan

apart from the final list of PRA's, which cannot be circumvent at this juncture. Thus, by passing the clarificatory order Adjudicating Authority disallowed the Appellant-Jindal to submit a resolution plan for corporate debtor. However, Para 48 of this report is significant and is reproduced as under;

> "*48. If unsolicited plans are obtained at any stage it will cause unnecessary avoidable delay in the CIRP process. If resolution plans are allowed to be submitted at any stage, it will make the whole CIRP process unending. To curtail the delay in the CIRP process, it is appropriate to restrain the tendency to consider resolution plans after the time as specified by the CoC and from someone not in the final list of PRAs. This has been the spirit and justification of newly inserted provisions in the Regulations in 2021 and which has been eloquently described in the Discussion Paper of the IBBI, before changes were brought in and which have also been referred to by SRA viz. SEAPOL.*"

152. Thus, it is clear that the unsolicited plan refer to above is with regard to those plans which were filed by those who were not in the final list of the PRA's. But even if the ratio laid down in the Jindal Powers is with regard to the plans submitted by those who were not in the final list of the PRA's but the same may be safely extended to those plans which are being submitted without being asked for by the CoC. We have already held that under various clauses of the RFRP and communication of the RP dated 08.04.2025 the resolution applicants were required to submit the plans by incorporating the amount bid by them on 15.04.2025 at the online bidding process and any deviation from the amount in the raised plan shall put the plan in the category of the unsolicited resolution plan, if the revision has not been solicited by the CoC. Therefore, we do not find any lapse on the part of the RP and CoC and it is also evident that even the revised plan of the appellant Amba, which in

our considered opinion also was unsolicited, was placed before the CoC and the CoC appears to have taken a conscious decision in its commercial wisdom to approve the plan of consortium of H.R. commercials/SRA Crown Steel/SRA.

153. In ***Vallal RCK (surpa)*** the issue before the Hon'ble Supreme Court was, as stated in para no. 2 of that report, that as to whether the Adjudicating Authority or NCLAT can sit in an appeal over the commercial wisdom of the CoC? The CoC took a decision to get the petition withdrawn, however the Adjudicating Authority rejected the application moved by the RP for withdrawal of the application filed under Section 7 and in this background, it is held that the Adjudicating Authority or NCLAT cannot sit in appeal over the commercial decision of the CoC and allowed the appeal by allowing the application for withdrawal.

154. Ld. Counsels for the Respondents on the other hand submits that appellants have completely misread clause 5.7 (F) (VII) of the RFRP, which provides an option to the SRA that it may incorporate or identify a special purpose vehicle or company to implement the resolution plan and the formulation of SPV or SPC is not a mandatory requirement. It according to them, further provides certain requirements only if the SPC is formed. It is further submitted that RFRP did not prohibit as restricts the SRA in any manner with regard to the shareholding of the CD and it is left to the discretion of SRA as to how to hold the shareholding in the CD and it is left to the discretion of the SRA, as to how to hold the shareholding of the CD and it is the consortium which will be bound under Section 31 of the Code to

implement the plan. It is further submitted that otherwise also the equity in CD is held by the H.R. Commercials and Crown Steel as 51% (Pranav Jain 10%, Poonam Jain 10% and Pankaj Jain1%= 21% of H.R. Commercials and Hanumant Singla 5.10%, Raman Goyal 5.10%, Suchika Goel 9.90 % and 9.90% to Nidhi Singhla together coming to 30% shareholding and cumulative shareholding of the consortium in CD thus coming to 21+30= 51 % shareholding in the CD, which is to be held by the consortium.

5) The capital structure post infusion of equity of shares and after cancellation of all shares of the existing shareholding in the Corporate Debtor is proposed to be as

S. No.	Name of Shareholders holding more than 5% Shares	Aadhar/PAN	No. of Shares	Face Value of the Each share	Issued Subscribed & Paid-up Capital	% Share holding
1.	Mr. Pranav Jain-	736697327704	10,000	10	1,00,000	10%
2	Mrs. Poonam Jain	645741619450	10,000	10	1,00,000	10%
3	Mr. Pankaj Jain	354645946825	1000	10	10,000	1%
4.	Mrs. Reena Jain	355660607790	9,000	10	90,000	9%
5.	Mr. Surya Parkash Aggarwal	905998673749	20,000	10	2,00,000	20%
6.	Mr. Hanumant Singla	780719568527	5100	10	51,000	5.10%
7.	Mr. Raman Goyal	400695848868	5100	10	51,000	5.10%

8.	Ms. Shuchika Goel	650180033101	9900	10	99,000	9.90%
9.	Ms. Nidhi Singla	306997095446	9900	10	99,000	9.90%
10.	Mr. Satvik Dewan Garg	2924 4988 0275	5000	10	50,000	5%
11.	Mr. Sahil Dewan Garg	656598888972	5000	10	50,000	5%
12.	Mr. Jaideep Chaudhry	4532 1763 0222	5000	10	50,000	5%
13.	Mr. Keshav Gupta	4297 4144 3823	5000	10	50,000	5%
Total			100000		1000000	100%

155. Having considered the submissions made by Ld. Counsel for the parties perusal of the record would reflect that clause 5.7 (F) (VII) of the RFRP provides as under:

> "5.7 (F) (VII). *In the event that a consortium is selected as the Successful Resolution Applicant(s) by the CoC, the consortium may identify/incorporate a special purpose Company (being a limited liability Company incorporated under the Companies Act, 2013) ("SPC"). The RA alongwith SPC and/or the Corporate Debtor (as the case may be) shall implement the Approved Resolution Plan. 304 39 | P a g e The Consortium shall collectively hold entire share capital and the ownership interest in the SPC with a minimum lock in period of 3 (Three) years. The SPC shall contribute, hold and maintain 51% or more of the shares and voting rights of the Corporate Debtor, with a minimum lock in period of 3 (Three) years, and control the management and affairs of the Corporate Debtor".*

156. The language used in this clause is plain and simple and it states that the consortium may identify/incorporate a special purpose company. The word "may" very clearly suggests that in case a consortium is selected as the SRA, that consortium may identify or incorporate a special purpose company. Thus, the formation of SPC was an option to the consortium for

implementation of the plan and was certainly not a mandatory condition for implementation of the plan through SPC. Otherwise also in the proposed shareholding in the CD the consortium is having more than 50% of the shareholding. Thus, in our considered view no violation of clause 5.7(F) (VII) of the RFRP is visible. However, we find force in the submission that resolution of the CD has been undertaken by the SRA i.e. consortium of H.R. Commercial and M/s Crown Steel and they are liable to Implement the Resolution Plan, as directed by the Adjudicating Authority within 270 days from the effective date, therefore we direct that the consortium of H.R. Commercial +M/S Crown Steel shall retain more than 50% shareholding in the CD, till the plan is fully implemented.

157. We notice that in the facts of the **Jubliee (supra)** the SRA has undertaken in the addendum to the resolution plan dated 18.06.2021 as well as LOI dated 28.07.2021 that it will not change the shareholding in directorship and constitutional pattern of the resolution applicant for a period of 5 years from the effective date and for changes if any approval of two leading financial creditors shall be obtained and the SRA has not taken any approval of the financial creditors for causing change in the constitutional pattern of the resolution applicant and directorship. The factual matrix of the instant case is entirely different. Moreover, the SRA is having more than 50% share in the CD, as proposed in the plan.

158. In Swan Energy (supra) the plan was submitted by one entity however the CoC allowed other entity to be substituted in place of the entity which had submitted the plan and, in this backdrop, this Appellate Tribunal noticing

that the resolution applicant has been substituted with other entity after the approval of the plan, allowed the appeal and directed issuance of fresh form G. The factual position of the case at hand is entirely different than the case relied on.

159. So far submission of OTS by the suspended director of the CD is concerned, we do not find any compulsion on the Bank to have accepted it and the same is also stated to have been rejected by the SBI on 23.05.2025 as the same was found not acceptable. We certainly under Section 61 of the Code cannot direct the SBI to accept the OTS proposal at the stage when the resolution plan has been approved by the CoC as well as the Adjudicating Authority, thus we do not find any merit in this submission also. Moreover, the Adjudicating Authority in order impugned in CA (AT) (Ins) No. 1198 of 2026 has considered this issue in depth and concluded that the OTS has already been rejected before initiation of the CIRP and after considering the OTS proposal came to the conclusion that the OTS does not reflect the routing of money from the applicant as his HUF to the SBI and secondly the OTS has been made on the letter head of the CoC, signed by Anil Khurana, Suspended Director and did not found the contention of the Appellant tenable and further held that if appellant has any dispute based on the retention of the upfront amount by the SBI, before commencement of the CIRP, the same may raised before the appropriate forum having jurisdiction. We do not find any illegality in this conclusion drawn by the Ld. Adjudicating Authority.

160. We are conscious of the jurisdiction conferred on the Ld. Adjudicating Authority and this Appellate Tribunal which is limited to the extent provided

under Section 31 of the IBC and Sub-Section 3 of Section 61 of the Code and once the Ld. Adjudicating Authority is satisfied that the Resolution Plan as approved by the CoC meets the requirements of Sub-Section 2 of Section 30, it shall be binding on the CD and all other stakeholders. The issue of extent of power and jurisdiction vested in this Appellate Tribunal and Ld. Adjudicating Authority with regard to the judicial review of plan approval by the CoC is now no more Res integra and has been set at rest by catena of judgments passed by this Appellate Tribunal and Hon'ble Supreme Court.

161. In **Kalpraj Dharamshi v. Kotak Investment Advisors Limited, 2021 SCC Online SC 204,** Hon'ble Supreme Court held as under: -

> ***"155.*** *The Committee also expressed the opinion, that there should be freedom permitted to the overall market, to propose solutions on keeping the entity as a going concern. The Committee opined, that the details as to how the insolvency is to be resolved or as to how the entity is to be revived, or the debt is to be restructured will not be provided in the I&B Code but such a decision will come from the deliberations of CoC in response to the solutions proposed by the market."*

162. Thereafter the Apex Court after considering the ratio of in **K. Sashidhar and ArcelorMittal (India) (P) Ltd. v. Satish Kumar Gupta** and the relevant provisions of the I&B Code observed as under: -

> *"**158.** This Court has held, that it is not open to the adjudicating authority or appellate authority to reckon any other factor other than specified in Sections 30(2) or 61(3) of the I&B Code. It has further been held, that the commercial wisdom of CoC has been given paramount status without any judicial intervention for ensuring completion of the stated processes within the timelines prescribed by the I&B Code. This Court thus, in unequivocal terms, held, that there is an intrinsic assumption, that financial creditors are fully informed about the viability of the corporate debtor and feasibility of the proposed resolution plan. They act on the basis of thorough examination of the proposed resolution plan and assessment made by their team of experts. It has been*

held, that the opinion expressed by CoC after due deliberations in the meetings through voting, as per voting shares, is a collective business decision. It has been held, that the legislature has consciously not provided any ground to challenge the "commercial wisdom" of the individual financial creditors or their collective decision before the adjudicating authority and that the decision of CoC's "commercial wisdom" is made non-justiciable.

159. *This Court in Essar Steel India Ltd. Committee of Creditors after referring to the judgment of this Court in K. Sashidhar observed thus: (Essar Steel India case, SCC p. 584, para 64)*

"64. Thus, what is left to the majority decision of the Committee of Creditors is the "feasibility and viability" of a resolution plan, which obviously takes into account all aspects of the plan, including the manner of distribution of funds among the various classes of creditors. As an example, take the case of a resolution plan which does not provide for payment of electricity dues. It is certainly open to the Committee of Creditors to suggest a modification to the prospective resolution applicant to the effect that such dues ought to be paid in full, so that the carrying on of the business of the corporate debtor does not become impossible for want of a most basic and essential element for the carrying on of such business, namely, electricity. This may, in turn, be accepted by the resolution applicant with a consequent modification as to distribution of funds, payment being provided to a certain type of operational creditor, namely, the electricity distribution company, out of upfront payment offered by the proposed resolution applicant which may also result in a consequent reduction of amounts payable to other financial and operational creditors. What is important is that it is the commercial wisdom of this majority of creditors which is to determine, through negotiation with the prospective resolution applicant, as to how and in what manner the corporate resolution process is to take place."

(emphasis supplied)

160. *This Court held, that what is left to the majority decision of CoC is the "feasibility and viability" of a resolution plan, which is required to take into account all aspects of the plan, including the manner of distribution of funds among the various classes of creditors. It has further been held, that CoC is entitled to suggest a modification to the prospective resolution applicant, so that carrying on the business of the corporate debtor does not become impossible, which suggestion may, in turn, be accepted by the resolution applicant with a consequent modification as to distribution of funds, etc. It has been held, that what is important is, the commercial wisdom of the*

majority of creditors, which is to determine, through negotiation with the prospective resolution applicant, as to how and in what manner the corporate resolution process is to take place.

161. *The view taken in K. Sashidhar and Essar Steel India Ltd. Committee of Creditors has been reiterated by another three-Judge Bench of this Court in Maharashtra Seamless Ltd.*

162. *In all the aforesaid three judgments of this Court, the scope of jurisdiction of the adjudicating authority (NCLT) and the appellate authority (Nclat) has also been elaborately considered. It will be relevant to refer to para 55 of the judgment in K. Sashidhar which reads thus: (SCC pp. 185-86)*

"55. Whereas, the discretion of the adjudicating authority (NCLT) is circumscribed by Section 31 limited to scrutiny of the resolution plan "as approved" by the requisite per cent of voting share of financial creditors. Even in that enquiry, the grounds on which the adjudicating authority can reject the resolution plan is in reference to matters specified in Section 30(2), when the resolution plan does not conform to the stated requirements. Reverting to Section 30(2), the enquiry to be done is in respect of whether the resolution plan provides : (i) the payment of insolvency resolution process costs in a specified manner in priority to the repayment of other debts of the corporate debtor, (ii) the repayment of the debts of operational creditors in prescribed manner, (iii) the management of the affairs of the corporate debtor, (iv) the implementation and supervision of the resolution plan, (v) does not contravene any of the provisions of the law for the time being in force, (vi) conforms to such other requirements as may be specified by the Board. The Board referred to is established under Section 188 of the I&B Code. The powers and functions of the Board have been delineated in Section 196 of the I&B Code. None of the specified functions of the Board, directly or indirectly, pertain to regulating the manner in which the financial creditors ought to or ought not to exercise their commercial wisdom during the voting on the resolution plan under Section 30(4) of the I&B Code. The subjective satisfaction of the financial creditors at the time of voting is bound to be a mixed baggage of variety of factors. To wit, the feasibility and viability of the proposed resolution plan and including their perceptions about the general capability of the resolution applicant to translate the projected plan into a reality. The resolution applicant may have given projections backed by normative data but still in the opinion of the dissenting financial creditors, it would not be free from being speculative. These aspects are completely within the domain of the financial creditors who are called upon to vote on the resolution plan under Section 30(4) of the I&B Code."

> ***163.*** *It has been held, that in an enquiry under Section 31, the limited enquiry that the adjudicating authority is permitted is, as to whether the resolution plan provides:*
> ***163.1.*** *The payment of insolvency resolution process costs in a specified manner in priority to the repayment of other debts of the corporate debtor.*
> ***163.2.*** *The repayment of the debts of operational creditors in prescribed manner.*
> ***163.3.*** *The management of the affairs of the corporate debtor.*
> ***163.4.*** *The implementation and supervision of the resolution plan.*
> ***163.5.*** *The plan does not contravene any of the provisions of the law for the time being in force.*
> ***163.6.*** *Conforms to such other requirements as may be specified by the Board.*
> ***165.*** *It will therefore be clear, that this Court, in unequivocal terms, held, that the appeal is a creature of statute and that the statute has not invested jurisdiction and authority either with NCLT or Nclat, to review the commercial decision exercised by CoC of approving the resolution plan or rejecting the same."*

163. In **Maharashtra Seamless Ltd. v. Padmanabhan Venkatesh, (2020) 11 SCC 467**, Hon'ble Supreme Court reminded about the extent of judicial review in plan approval cases as under: -

> ***"28.*** *No provision in the Code or Regulations has been brought to our notice under which the bid of any resolution applicant has to match liquidation value arrived at in the manner provided in Regulation 35 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016. This point has been dealt with in Essar Steel. We have quoted above the relevant passages from this judgment.*
> ***29.*** *It appears to us that the object behind prescribing such valuation process is to assist the CoC to take decision on a resolution plan properly. Once, a resolution plan is approved by the CoC, the statutory mandate on the adjudicating authority under Section 31(1) of the Code is to ascertain that a resolution plan meets the requirement of sub-sections (2) and (4) of Section 30 thereof. We, per se, do not find any breach of the said provisions in the order of the adjudicating authority in approving the resolution plan."*

164. Hon'ble Supreme Court in **Ghanashyam Mishra and Sons Private Limited Vs. Edelweiss Asset Reconstruction Company Limited, 2021 SCC ONLINE SC 313** held as under: -

> ***"57.*** *It could thus be seen, that the legislature has given paramount importance to the commercial wisdom of CoC and the scope of judicial review by Adjudicating Authority is limited to the extent provided under Section 31 of I&B Code and of the Appellate Authority is limited to the extent provided under sub-section (3) of Section 61 of the I&B Code, is no more res integra.*
> ***58.*** *Bare reading of Section 31 of the I&B Code would also make it abundantly clear, that once the resolution plan is approved by the Adjudicating Authority, after it is satisfied, that the resolution plan as approved by CoC meets the requirements as referred to in sub-section (2) of Section 30, it shall be binding on the Corporate Debtor and its employees, members, creditors, guarantors and other stakeholders. Such a provision is necessitated since one of the dominant purposes of the I&B Code is, revival of the Corporate Debtor and to make it a running concern.*
> ***86.*** *As discussed hereinabove, one of the principal objects of I&B Code is, providing for revival of the Corporate Debtor and to make it a going concern. I&B Code is a complete Code in itself. Upon admission of petition under Section 7, there are various important duties and functions entrusted to RP and CoC. RP is required to issue a publication inviting claims from all the stakeholders. He is required to collate the said information and submit necessary details in the information memorandum. The resolution applicants submit their plans on the basis of the details provided in the information memorandum. The resolution plans undergo deep scrutiny by RP as well as CoC. In the negotiations that may be held between CoC and the resolution applicant, various modifications may be made so as to ensure, that while paying part of the dues of financial creditors as well as operational creditors and other stakeholders, the Corporate Debtor is revived and is made an on-going concern. After CoC approves the plan, the Adjudicating Authority is required to arrive at a subjective satisfaction, that the plan conforms to the requirements as are provided in sub-section (2) of Section 30 of the I&B Code. Only thereafter, the Adjudicating Authority can grant its approval to the plan. It is at this stage, that the plan becomes binding on Corporate Debtor, its employees, members, creditors, guarantors and other stakeholders involved in the*

> *resolution Plan. The legislative intent behind this is, to freeze all the claims so that the resolution applicant starts on a clean slate and is not flung with any surprise claims. If that is permitted, the very calculations on the basis of which the resolution applicant submits its plans, would go haywire and the plan would be unworkable."*

165. The Hon'ble Supreme Court again in **Deccan Value Investors L.P. v. Metalyst Forgings Ltd. (Resolution Professional), (2026) 6 SCC 624** Opined as follows:

> *"**15.** Resolution plans are not prepared and submitted by lay persons. They are submitted after the financial statements and data are examined by domain and financial experts, who scan, appraise evaluate the material as available for its usefulness, with caution and scepticism. Inadequacies and paltriness of data are accounted and chronicled for valuations and the risk involved. It is rather strange to argue that the superspecialists and financial experts were gullible and misunderstood the details, figures or data. The assumption is that the resolution applicant would submit the revival/resolution plan specifying the monetary amount and other obligations, after in-depth analysis of the fiscal and commercial viability of the corporate debtor. Pointing out the ambiguities or lack of specific details or data, post acceptance of the resolution plan by the Committee of Creditors, should be rejected, except in an egregious case where data and facts are fudged or concealed. Absence or ambiguity of details and particulars should put the parties to caution, and it is for them to ascertain details, and exercise discretion to submit or not submit resolution plan."*

166. The Hon'ble Supreme Court again in **Karad Urban Coop. Bank Ltd. v. Swwapnil Bhingardevay, (2020) 9 SCC 729** Opined that the question of viability and feasibility, is to be left to the commercial wisdom of CoC and the same cannot be lightly interfered with by the Tribunal, in view of the law laid down by this Court in **Essar Steel (India) Ltd.** and **K. Sashidhar**.

167. In **Kalyani Transco vs. Bhushan Power & Steel Ltd., [(2025) ibclaw.in 388 SC] : 2025 SCC OnLine SC 2093** while discussing the power of judicial review vested in NCLT or NCLAT it is opined that the legislature

purposefully did not include to challenge the commercial wisdom exercised by the CoC and a challenge cannot be raised against the decision making of the CoC unless and until the grounds for challenge as given in the Code are satisfied and any interference in the paramount objective of the CoC of exercising its commercial wisdom would amount to the Court rewriting the law and going against the very objectives of the IBC.

168. In **Pratap Technocrats Private Ltd. vs. Monitoring Committee of Reliance Infratel Limited, [(2021) ibclaw.in 148 SC] : (2021) 10 SCC 623** it is categorically held as follows:

> *"29. The jurisdiction which has been conferred upon the adjudicating authority in regard to the approval of a resolution plan is statutorily structured by sub-section (1) of Section 31. The jurisdiction is limited to determining whether the requirements which are specified in sub-section (2) of Section 30 have been fulfilled. This is a jurisdiction which is statutorily-defined, recognised and conferred, and hence cannot be equated with a jurisdiction in equity, that operates independently of the provisions of the statute. The adjudicating authority as a body owing its existence to the statute, must abide by the nature and extent of its jurisdiction as defined in the statute itself.*
> *44. …the jurisdiction of the adjudicating authority and the appellate authority cannot extend into entering upon merits of a business decision made by a requisite majority of the CoC in its commercial wisdom. Nor is there a residual equity-based jurisdiction in the adjudicating authority or the appellate authority to interfere in this decision, so long as it is otherwise in conformity with the provisions of IBC and the Regulations under the enactment."*

169. Hon'ble Supreme Court in recently in **Torrent Power Ltd. v. Ashish Arjunkumar Rathi and Ors., (2026) ibclaw.in 109 SC** held as under:

> *"**12.5** The issue is no longer res integra, the law having been settled that the commercial wisdom of the CoC enjoys primacy and cannot be supplanted by judicial review.*

Neither the NCLT, nor the NCLAT nor even this Court is empowered to substitute its assessment in place of the commercial decision arrived at by a requisite majority of the CoC.

14. *Before parting, we wish to add a few words of caution. The IBC represents a conscious legislative choice to privilege speed, certainty, and creditor-driven decision-making over exhaustive judicial scrutiny. Experience shows that unsuccessful bidders will always try to spin commercial decisions of the CoC as procedurally faulty in order to secure a second shot through litigation by filing applications or making representations. However, courts need to remain vigilant against any temptation to expand the scope of review beyond the narrow boundaries prescribed by the IBC.*

14.1 *From an ex-post perspective, excessive judicial review in the CIRP carries significant economic costs that run counter to the objects of IBC. The IBC is premised on the recognition that delay and uncertainty are value-destructive in distressed situations. When commercial decisions taken by the CoC are subjected to expansive judicial scrutiny, resolution timelines lengthen, transaction costs rise, and the going-concern value of the Corporate Debtor erodes. The consequence therefore is not merely delay, but a tangible loss of economic value for all stakeholders.*

14.2 *From an ex-ante perspective also, the expectation of expansive judicial review distorts incentives for future bidders. Future resolution applicants may price legal uncertainty into their bids, either by discounting their offers or by refraining from participation in the CIRP altogether. This will weaken competition in the resolution process and reduce recoveries for creditors.*

14.3 *Excessive review also encourages strategic litigation. Stakeholders with little to no economic interest in the Corporate Debtor may resort to litigation as a bargaining tool to delay implementation of the Resolution Plan or extract concessions, thereby converting the insolvency process into an adversarial contest. Such conduct takes the process away from its objective of value maximisation."*

170. Therefore, it is evident that neither this Appellate Tribunal nor Adjudicating Authority can sit over the resolution Plan approved by the COC, as a court of appeal and the limited jurisdiction which is available is to ensure statutory compliances as provided in Section 30(2) of the Code, insofar as the

Adjudicating Authority is concerned, and Section 32 read with Section 61(3) of the Code, so far, this Appellate Tribunal is concerned.

171. Having considered the above stated facts, circumstances and the legal position and for the reasons given herein above, we do not find any good ground to interfere in the impugned judgment. Resultantly the Appeals being devoid of force are **dismissed**.

172. There is no order as to costs.

173. Pending IAs are also disposed of.

[Justice Mohammad Faiz Alam Khan]
Member (Judicial)

[Naresh Salecha]
Member (Technical)

New Delhi
12.10.2026
sr