

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

**Comp. App. (AT) (Ins) No. 687 of 2024**

**(Arising out of the Order dated 02.02.2024 passed by the National Company Law Tribunal, Division Bench, Mumbai, Court 1 in IA 3098 of 2022, in CP (IB) 1632 (MB)/ 2019)**

**IN THE MATTER OF:**

**Devarajan Raman**

Erstwhile Resolution Professional of Satra Properties  
(India) Ltd.

Having his office at 9, 22 Rajbahadur Mansion  
Mumbai Samachar Marg, Fort, Mumbai - 400001

Email:- [devarajanraman@gmail.com](mailto:devarajanraman@gmail.com)

**...Appellant**

**Versus**

**1. Vistra ITCL ( India ) Ltd.**

IL & FS Financial Centre Plot No. C 22, G Block,  
Bandra Kurla Complex, Bandra (E),  
Mumbai - 400 051

Email : - [prashant.padaye@vistra.com](mailto:prashant.padaye@vistra.com)

**...Respondent No. 1**

**2. Gajendra Investments Ltd.**

Aidun Building near Metro Cinema, 1st Dhobi Talao  
Lane, Mumbai - 400 002.

Email : - [balu@mjshahgroup.co.in](mailto:balu@mjshahgroup.co.in)

**...Respondent No. 2**

**3. Pratiti Trading Pvt. Ltd.**

Aidun Building near Metro Cinema, 1st Dhobi Talao  
Lane, Mumbai - 400 002.

Email :- [heena@mjshahgroup.co.in](mailto:heena@mjshahgroup.co.in)

**...Respondent No. 3**

**4. Vaishali Arun Patrikar**

Resolution professional Satra Properties India Ltd.  
A-2, Shantidoot Society, Parvati Darshan, Pune-411  
009. Email:- [ip.satraproperties@gm](mailto:ip.satraproperties@gm)

**...Respondent No. 4**

**Present**

**For Appellant:** Ms. Anjali Sharma, Devarajan Raman, Adv.

**For Respondents:** Mr. Palash S Singhai, Harshal Sareen, Adv. for SRA  
Ms. Madhura MN, Jasleen Singh Sandha, Adv. for  
R1, 2 and 3

Vaishali Patrikar, RP

Mr. Divyanshu Rai, Subh Gautam, Taruna, Vishal  
Sharma, Adv. for R4.

**J U D G E M E N T**

**( 04.09.2025)**

**NARESH SALECHA, MEMBER (TECHNICAL)**

1. The present appeal has been filed by the Appellant i.e. Devarajan Raman, who is the erstwhile Resolution Professional of Satra Properties (India) Ltd., under Section 61 of the Insolvency and Bankruptcy Code, 2016 (**‘Code’**) against the Impugned Order dated 02.02.2024 passed by the National Company Law Tribunal, Mumbai Bench-IV (**‘Adjudicating Authority’**) in I.A. No. 3098 of 2022 in C.P.(IB) No. 1632 (MB)/2019.

Vistra ITCL (India) Ltd. is the Respondent No. 1 herein.

2. Gajendra Investments Ltd., Pratiti Trading Pvt. Ltd., and Vaishali Arun Patrikar are the Respondent No. 2. Respondent No. 3 and Respondent No. 4 respectively, herein.

3. The Appellant submitted that the present appeal challenges the order dated 02.02.2024 passed by the Adjudicating Authority in Cont. A. 18 of 2023, which

failed to enforce the undertaking given by Respondents No. 1 to 3 to pay the Appellant's outstanding fees of Rs. 80,91,968.71. The impugned order, instead of directing immediate payment as per the undertaking recorded in the orders dated 16.09.2022 and 22.09.2022, instructed Respondent No. 4 to explore the possibility of raising interim finance, which is contrary to the explicit commitment made by the Respondents and violative of the principles of the Code, 2016.

4. The Appellant submitted that he was appointed as the Interim Resolution Professional (IRP) by the Adjudicating Authority, vide order dated 03.08.2020. Subsequently, at the first meeting of the Committee of Creditors (CoC) held on 03.10.2020, the Appellant was confirmed as the Resolution Professional (RP) under Section 22 of the Code. The CoC resolved to pay the Appellant a monthly fee of Rs. 5,00,000/- plus applicable taxes and reasonable out-of-pocket expenses, payable by the 10<sup>th</sup> of the following month by CoC members in proportion to their voting share, until the approval of the Resolution Plan or issuance of a liquidation order. The Appellant further submitted that he voluntarily reduced his monthly fee to Rs. 2,25,000/- plus applicable taxes to ensure compliance with professional ethics and to facilitate the smooth conduct of the CIRP.

5. The Appellant contended that, despite the unprecedented challenges posed by the COVID-19 pandemic, he diligently completed the CIRP within 13 months, submitting the Resolution Plan to the Adjudicating Authority, on 01.10.2021 (IA

2273 of 2021) demonstrated his entitlement to the agreed fees, which form part of the CIRP costs duly approved by the CoC.

6. It is the claim of the Appellant that the Respondents requested the Appellant to file a complaint with the Serious Fraud Investigation Office (SFIO), but the Appellant advised that such matters required CoC approval and adequate documentation, and the appropriate course was to seek an investigation order from the Adjudicating Authority under the code. The Appellant submitted that, dissatisfied with his prudent advice, Respondents No. 1 to 3 sought his replacement vide IA 1162 of 2022 filed with malafide intentions. The Appellant submitted that he was replaced as Resolution Professional by the Adjudicating Authority vide order dated 22.09.2022 in IA 1162 of 2022, premised on an undertaking by Respondents No. 1 to 3 to pay his outstanding fees of Rs. 80,91,968.71 upon handover of charge to the new Resolution Professional. The undertaking, recorded in the orders dated 16.09.2022 and 22.09.2022, was given by the Respondents' counsel further highlighting the procedural irregularity in their actions.

7. The Appellant submitted that, despite the non-payment of his fees, he handed over charge to the new Resolution Professional on 28<sup>th</sup> and 29<sup>th</sup> September 2022 to ensure the smooth functioning of the Corporate Debtor. The Appellant contended that the Respondents' failure to honour their undertaking, even after repeated reminders via emails that went unanswered, constitutes wilful

disobedience of the Adjudicating Authority's orders, attracting liability under the Contempt of Courts Act, 1971.

**8.** The Appellant submitted that the new Resolution Professional (Respondent No. 4) filed frivolous applications, namely IA 3271 of 2022 and IA 1009 of 2023, falsely alleging that the Appellant had siphoned off funds from the Corporate Debtor's account. These allegations pertained to a cheque issued on 31.07.2020 (prior to CIRP commencement on 03.08.2020) and payments of Rs. 91,00,000/- post-CIRP, which were addressed in avoidance transaction applications.

The Appellant submitted that the Adjudicating Authority dismissed both applications on 10.01.2024 and 08.01.2024 respectively, finding no merit. The Appellant contended that Respondent No. 4's applications were filed without CoC approval and in disregard of the Respondents' undertaking, further evidencing a concerted effort to malign the Appellant and withhold his rightful fees. The filing of IA 1009 of 2023, seeking a refund of Rs. 91,00,000/-, duplicated relief sought in IA 3921 of 2022 against Darshan Developers Pvt. Ltd., highlighting Respondent No. 4's reckless conduct.

**9.** The Appellant submitted that the non-payment of Rs. 80,91,968.71 has caused severe financial hardship, including default on GST payments, which attracts interest and penalties. The Appellant contended that this default is a direct consequence of the Respondents' failure to honour their undertaking and the CoC-approved CIRP costs, exacerbating the Appellant's financial distress.

**10.** The Appellant submitted that the Adjudicating Authority erred in the impugned order dated 02.02.2024 by failing to direct Respondents No. 1 to 3 to immediately pay the outstanding fees, despite their explicit undertaking, instead, the Impugned Order directed Respondent No. 4 to explore interim finance, which is contrary to the orders dated 16.09.2022 and 22.09.2022. The Appellant contended that this direction undermines the sanctity of judicial undertakings and the framework of the Code.

**11.** The Appellant submitted that the Adjudicating Authority also failed to consider that the fees were approved by the CoC on 03.10.2020 as part of the CIRP costs and non-payment of these fees not only violates the CoC's resolution but also jeopardizes the CIRP process.

**12.** The Appellant requested this Appellate Tribunal to direct Respondents No. 1 to 3 to pay the outstanding fees and expenses of Rs. 80,91,968.71 to the Appellant forthwith, along with applicable interest for the delay and hold Respondents No. 1 to 3 liable for contempt of court for wilful disobedience of their undertaking recorded in the orders of the Adjudicating Authority dated 16.09.2022 and 22.09.2022. The Appellant further requested this Appellate Tribunal to direct Respondent No. 4 to comply with Regulation 34B (5) of the IBBI Regulations by placing the undertaking before the CoC for immediate action.

**13.** Concluding his arguments, the Appellant requested this Appellate Tribunal to set aside the Impugned Order and to allow the appeal.

**14.** Per contra, the Respondents No. 1 to 3 (herein referred to as ‘Respondents’) denied all averments made by the Appellants as misleading and baseless. The Respondents submitted that the appeal is not maintainable due to the Appellant’s failure to implead the CoC as a necessary party. The impugned order dated 02.02.2024, passed by the Adjudicating Authority directed the CoC to explore raising interim finance to pay the Appellant’s fees of Rs. 80,91,968.71. The Respondents contended that the CoC, as the decision-making authority under the Code, was required to be arrayed as a party, as also directed in the order dated 10.01.2024 in IA 3098/2022. We take into consideration the relevant order of the Adjudicating Authority which is represented below:-

**NATIONAL COMPANY LAW TRIBUNAL**  
**COURT ROOM NO. 1,**  
**MUMBAI BENCH**

**Item No. 31**

**IA 1129/2022 IA 3098/2022 IA 3271/2022 IA 1753/2023 in**  
**C.P.(IB)1632/MB/2019**

**CORAM:**

**SH. PRABHAT KUMAR JUSTICE VIRENDRASINGH BISHT (Retd.)**  
**HON'BLE MEMBER (TECHNICAL) HON'BLE MEMBER (JUDICIAL)**

**ORDER SHEET OF THE HEARING ON 10.01.2024**

**NAME OF THE PARTIES: VISTRA ITCL INDIA LIMITED V/s SATRA**  
**PROPERTIES INDIA LIMITED**

**Section 60(5) & 7 of the Insolvency and Bankruptcy Code, 2016**

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**ORDER**

**IA 3271/2022**

- 1) Mr. Deep Dighe, Ld. Counsel for the Resolution Professional of the Corporate Debtor Mr. Akshay Petkar a/w Devarajan Raman, Ld. Counsel for the Respondent are present.
- 2) The present Interlocutory Application has been filed by the Resolution Professional against the erstwhile Resolution Professional of the Corporate Debtor contending that there are several inconsistencies and illegalities committed by the erstwhile Resolution Professional in the Corporate

15

Insolvency Resolution Process during his engagement as the Resolution Professional of the Corporate Debtor.

3) However, in view of the order passed in IA 3921 of 2022 pronounced on 02.01.2024, nothing remains to be adjudicated in the present matter; hence, the same is disposed of.

4) There would however be no order as to costs. Ordered Accordingly.

**IA 3098/2022**

1) Mr. Akshay Petkar a/w Mr. Devanjan Raman, Ld. Counsel for the Applicant, Mr. Deep Dighe, Ld. Counsel for the Resolution Professional of the Corporate Debtor and Mr. Rohan Agarwal, Ld. Counsel for Respondent Nos. 1, 2 and 3 are present.

2) Stand over to 15.01.2024, for further consideration and hearing.

3) In the meantime, Applicant shall take steps to file and place on record Application so as to implead all the members of the Committee of Creditors as the Party Respondents to the present Interlocutory Application.

15. The Respondents submitted that the Appellant's prayer to set aside the impugned order and seek payment of Rs. 80,91,968.71 with 9% interest per annum from the date of handover is misconceived and contrary to the Code. The Respondents submitted that, under Section 5(13)(a) and (b) of the Code, the fees of a Resolution Professional constitute part of the CIRP costs. Regulation 34 and Regulation 34B of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (CIRP Regulations), stipulate that such fees are to be

determined by the CoC and paid from specific sources: funds available with the Corporate Debtor, contributions by the applicant or CoC members, or funds raised through interim finance. The Respondents contended that these provisions clearly vest the responsibility for payment of the Appellant's fees with the CoC, not individual members like the Respondents.

**16.** The Respondents submitted that they collectively hold only 30.89% of the voting share in the CoC, as per the composition established by this Appellate Tribunal's order dated 15.04.2024 in Company Appeal (AT) (Insolvency) No. 1590/2023. The Respondents contended that they do not constitute the majority of the CoC, nor do they represent the CoC as a whole. therefore, they cannot be held individually liable for the Appellant's fees, as the liability lies with the CoC in proportion to the voting shares of its members.

**17.** The Respondents submitted that the Appellant's reliance on the alleged undertaking recorded in the orders dated 16.09.2022 and 22.09.2022 is misplaced. The order dated 16.09.2022 does not record any undertaking by the Respondents. The order dated 22.09.2022 explicitly states that the undertaking was given by the Learned Senior Counsel on behalf of the CoC, stating that "the Fee of the erstwhile Resolution Professional shall be paid as decided by the CoC." The Respondents contended that no personal undertaking was given by them, and the obligation to pay the Appellant's fees rests solely with the CoC.

**18.** The Respondents further submitted that the Appellant himself acknowledged the CoC's role in an email dated 30.09.2022, wherein he informed

all CoC members, including the Respondents, that the handover was complete and payment was outstanding. The lack of response from CoC members, as noted by the Appellant, underscores that the matter pertains to the CoC collectively, not the Respondents individually.

**19.** The Respondents submitted that the Appellant's claim for fees has been adequately addressed under the Resolution Plan approved by the Adjudicating Authority vide order dated 26.07.2024 in IA No. 2273/2021 in CP(IB) No. 1632/MB/2019. The Resolution Plan provides for CIRP costs (which also includes the fees of the Resolution Professional), estimated at Rs. 1,50,00,000/-, to be paid in full within 30 days from the approval date. The Respondents contended that the Successful Resolution Applicant (SRA) has deposited Rs. 4,50,65,981/- with the Registrar, NCLAT, as directed by this Appellate Tribunal on 22.08.2024 in CA(AT)(I) No. 1627/2024 & 1628/2024, ensuring the availability of funds for CIRP costs.

**20.** At this stage, we reproduce our earlier order dated 22.08.2024 as under:-

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

**Company Appeal (AT) (Insolvency) No. 1627 of 2024**

**In the matter of:**

**Praful Satra**

**....Appellant**

**Vs.**

**Vaishali Patrikar & Ors.**

**...Respondents**

**For Appellant**

**Mr. Krishnendu Datta, Sr. Advocate with Mr. Malak Bhatt, Ms. Neeha Nagpal, Mr. Shreyansh Chopra, Advocates.**

**For Respondents**

**Mr. Abhirup Dasgupta, Mr. Ishaan Duggal, Ms. Ruchi Goyal, Advocates for ARCIL  
Mr. Nikhil Nayyar, Sr. Advocate with Ms. Neha Agarwal, Advocate for RP  
Mr. Rohan Agarwal, Mr. Paras Mithal, Advocates for part of CoC  
Mr. Ayush Rajani, Ms. Manisha Ambreerani, Advocates for SRA**

**Company Appeal (AT) (Insolvency) No. 1628 of 2024**

**In the matter of:**

**Praful Satra**

**....Appellant**

**Vs.**

**Vaishali Patrikar & Ors.**

**...Respondents**

**For Appellant**

**Mr. Krishnendu Datta, Sr. Advocate with Mr. Malak Bhatt, Ms. Neeha Nagpal, Mr. Shreyansh Chopra, Advocates.**

**For Respondents**

**Mr. Abhirup Dasgupta, Mr. Ishaan Duggal, Ms. Ruchi Goyal, Advocates for ARCIL**

**ORDER**

**(Hybrid Mode)**

**22.08.2024:** Learned Counsel for the Appellant submits that the Appellant in Intervention Petition has raised issue regarding valuation of the assets. It is submitted that as per the valuation which was conducted prior to the initiation of the CIRP by the Financial Creditors, valuation was much more and in the valuation which was conducted by the valuer for some assets only book value was taken and some assets are not taken in the valuation. It is submitted that there is inter-connection between the CoC and the SRA because the consortium of SRA is controlled by the same persons who are in the CoC. It is submitted that the Adjudicating Authority has not adverted to

the issues raised regarding the valuation and has approved the Resolution Plan and rejected the Intervention Petition No. 19 of 2024.

2. Counsel for the CoC as well as Resolution Professional has supported the order and submits that all documents were submitted to the valuer for valuation.

3. Counsel for the SRA submits that the SRA under the plan has to deposit the CIRP costs within 30 days. He submits that he may be permitted to deposit the amount in the Court to avoid any non-compliance of the plan.

4. Let SRA deposit the amount as directed in the impugned order by way of Fixed Deposit in favour of "Registrar, National Company Law Appellate Tribunal, New Delhi".

5. Learned Counsel for the Appellant is permitted to implead the ARCIL as one of the Respondents. Let amended memo be filed within one week.

6. Issue Notice. Let reply be filed within two weeks. Rejoinder, if any, be filed within two weeks thereafter.

7. List both the Appeals on 01.10.2024.

Implementation of the plan shall abide by the result of the Appeal.

Learned Counsel for the SRA submits that the rest disbursement has to be made within 90 days i.e. after the date fixed in the Appeal.

**[Justice Ashok Bhushan]**  
**Chairperson**

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

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

**Anjali/nn**

Thus, indeed the SRA was directed to deposit CIRP cost as FD with the Registrar, NCLAT.

**21.** The Respondents submitted that the Appellant has not raised any grievance regarding the provision for his fees in the approved Resolution Plan, rendering his claim in the present appeal redundant. The Respondents contended that the appeal is an attempt to bypass the Code's framework by seeking relief against individual CoC members, which is not permissible under the law.

**22.** The Respondents submitted that the Appellant's allegations regarding his removal as Resolution Professional are baseless. The replacement of the Appellant was approved by the Adjudicating Authority vide order dated 22.09.2022 in IA 1162/2022, which was not challenged by the Appellant and has attained finality. The Respondents contended that the decision to replace the Appellant was taken by the CoC, and the Respondents, as members, acted within their rights under the Code.

**23.** The Respondents submitted that the Appellant's claim of financial hardship due to non-payment of GST is a matter of his own compliance and does not impose liability on the Respondents. The Respondents contended that the CIRP costs, including the Appellant's fees, are adequately provided for in the Resolution Plan, and the Appellant's recourse lies within the framework of the approved plan, not through selective targeting of the Respondents.

**24.** The Respondents requested this Appellate Tribunal to reject the Appellant's appeal.

**25.** The Respondent No. 4 submitted that the grievance regarding the non-payment of Rs. 80,91,968.71 has been addressed through the approval of the Resolution Plan vide order dated 26.07.2024 in IA No. 2273/2021. The SRA has deposited Rs. 4,50,65,981/- in a fixed deposit in favour of the Registrar, NCLAT, New Delhi, on 06.09.2024, as per the order dated 22.08.2024 in CA(AT)(I) No. 1627/24 & 1628/24, which includes the Appellant's claimed amount.

**26.** The Respondent No. 4 contended that the approval of the Resolution Plan and the deposit of CIRP costs render the appeal infructuous, as the Appellant's fees, forming part of the CIRP costs payable under the approved Resolution Plan. The Respondent No. 4 submitted that the Appellant has not raised any grievance regarding the provision for his fees in the Resolution Plan, and seeking relief against Respondent No. 4 is misplaced and contrary to the Code.

**27.** The Respondent No. 4 submitted that he diligently complied with the Adjudicating Authority's directions in the impugned order dated 02.02.2024 by taking steps to explore interim finance. The Respondent No. 4 sent emails to CoC members and third parties inviting proposals, and on 16.06.2024, Resolve-IPE Pvt. Ltd. shared a term sheet. A CoC meeting was proposed to discuss this, but before it could be held, the Adjudicating Authority reserved orders on the Resolution Plan vide order dated 01.07.2024. Respondent No. 4 contended that his actions demonstrate full compliance with the impugned order.

**28.** The Respondent No. 4 submitted that the undertaking referenced by the Appellant, recorded in the orders dated 16.09.2022 and 22.09.2022, was given on

behalf of the CoC, not by Respondent No. 4. The order dated 22.09.2022 explicitly states that the fees of the erstwhile Resolution Professional shall be paid as decided by the CoC, and no obligation was imposed on Respondent No. 4. The Respondent No. 4 contended that the Appellant's attempt to hold him liable is baseless and unsupported by the record.

**29.** The Respondent No. 4 submitted that the applications filed by him, namely IA No. 3271/2022 and IA No. 1009/2023, were not frivolous but were moved in good faith to protect the interests of the Corporate Debtor. These applications addressed transactions, including a cheque issued on 31.07.2020 and payments of Rs. 91,00,000/- post-CIRP, which were under scrutiny in avoidance transaction applications. The Respondent No. 4 contended that the Adjudicating Authority's orders dated 10.01.2024 and 08.01.2024 disposing of these applications were based on the order dated 02.01.2024 in IA No. 3921/2022, which directed Darshan Developers to refund Rs. 91,00,000/- to the Corporate Debtor, and not due to lack of merit. The Respondent No. 4 submitted that his actions as Resolution Professional were within the scope of his duties under the Code, particularly to safeguard the Corporate Debtor's assets. The filing of IA No. 3271/2022 and IA No. 1009/2023 was aimed at addressing potential wrongdoings, and Respondent No. 4 denied the Appellant's allegation that these applications contained false claims. The Respondent No. 4 contended that these applications were necessary to ensure transparency and accountability in the CIRP.

**30.** The Respondent No. 4 submitted that the contempt application (Cont. A. No. 18/2023) filed by the Appellant was dismissed by the Adjudicating Authority vide order dated 07.03.2024, which held that there was no wilful disobedience of the order dated 22.09.2022. The Respondent No. 4 contended that this finding reinforces that she acted in accordance with his duties and did not violate any court orders.

**31.** The Respondent No. 4 submitted that the Appellant's claim of financial hardship due to non-payment of GST is not attributable to Respondent No. 4, as his role is limited to managing the CIRP in accordance with the Code and CoC directions. The Respondent No. 4 contended that the Appellant's fees are secured under the Resolution Plan, and any tax-related issues are a matter of the Appellant's own compliance.

**32.** The Respondent No. 4 submitted that the impugned order dated 02.02.2024 is lawful and aligns with Section 5(15) and Section 28(1)(a) of the Code, which govern the raising of interim finance with CoC approval. The Respondent No. 4 contended that the Adjudicating Authority did not err in directing her to explore interim finance, and the subsequent approval of the Resolution Plan has addressed the payment issue, rendering the appeal redundant.

**33.** The Respondent No. 4 submitted that the appeal does not raise any substantial question of law against her, as her actions were consistent with her duties as Resolution Professional. The Appellant's fees, forming part of the CIRP

costs, are adequately provided for in the Resolution Plan, and the SRA's deposit of Rs. 4,50,65,981/- ensures that the Appellant's legitimate claims are covered.

34. The Respondent No. 4 prayed this Appellate Tribunal to dismiss the present appeal as infructuous, given the approval of the Resolution Plan and the deposit of CIRP costs by the SRA and to reject the Appellant's prayers against Respondent No. 4, as no obligation was imposed on her under the orders dated 16.09.2022 and 22.09.2022, and her actions were lawful and within his duties

## **Findings**

35. The limited issue in the present appeal is regarding non-payment of the fee and charges of the Erstwhile RP of the CD i.e., Devarajan Raman, Appellant herein. We have already noted facts and rival contentions of the parties. Several issues have been raised by the Appellant regarding the conduct of the Respondent No. 4 and the alleged contempt by the other Respondents for not making payments to the Appellant.

36. We have gone through the Impugned Order passed by the Adjudicating Authority in I.A. No. 3098 of 2022, which reads as under: -

*“IA.11o.30981,2022 & 175312023 –*

*1. Mr. Akshay Petkar, Advocate appeared for the Applicant.*

*2. Mr. Rohan Agrawal, Advocate ilb Pragnya Legal appeared for the Respondent no. 2 &3.*

*3. Ms. Jyoti Singh, Advocate appeared for the ARCIL.*

4. Mr. Ashish Jha, Applicant-in-person present in IA No. 175312023.

5. Mr. Amit Tungare, Advocate for Resolution Professional in both IAs.

6. Incoming RP is directed to explore the possibility of raising interim finance so as to make payment of outgoing RP and CoC must consider it positively.

7. In view of above, IA Nos. 309812022 & 175312023 are disposed of”

(Emphasis Supplied)

37. The relevant portion of the Impugned Order to this appeal is “*Incoming RP is directed to explore the possibility of raising interim finance so as to make payment of outgoing RP and CoC must consider it positively*”. Thus, the directions were given to the incoming Resolution Professional to explore the possibility of interim finance and the CoC to consider the same.

38. It is noted that as per Section 5(13) (a) and (b) of the Code, the fees payable to the Resolution Professional, along with any interim finance, squarely falls within the ambit of CIRP Costs. The manner of payment of such fees, being an integral component of CIRP Costs, is expressly provided under Regulations 34 and 34B of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (“**CIRP Regulations**”). In terms of Regulation 34B (5) of the CIRP Regulations, the fees of the Resolution Professional can only be paid from funds available with the Corporate Debtor; contributions made by the applicant or members of the CoC and funds raised by way of interim finance.

In view of above, we find that the Adjudicating Authority has correctly passed the Impugned Order.

39. We also agree with the pleadings of the Respondent Nos. 1 to 3 that it is CoC who were necessary party and correctly responsible for CIRP Cost and no individual member of the CoC can be held responsible for such payments.

40. As regard, the contention of the Appellant is that the Respondent Nos. 1 to 3 gave undertaking before the Adjudicating Authority we take into consideration the relevant portion of such contention which has been recorded by the Adjudicating Authority in order dated 22.09.2022 which reads as under :-

“Ld. Senior Counsel appearing on behalf of the CoC on instructions make statement across the bar that the Fee of the erstwhile Resolution Professional shall be paid as decided by the CoC.”

*(Emphasis Supplied)*

41. From above, it is clear that it is the CoC, on whose instructions, the Sr. Counsel gave the statement that the Erstwhile Resolution Professional shall be paid his dues as decided by the CoC thus, the arguments raised by the Appellant on this ground are not valid.

42. Be that as it may, this issue had cropped up, before us during the pleadings in hearing in Comp. App. (AT) (Ins.) No. 1628 of 24 and Comp. App. (AT) (Ins.) No. 1627 of 24 and this Appellate Tribunal gave the following order on 22.08.2024: -

“the payment owed to the Appellant remains outstanding despite almost 3 years having lapsed from the undertaking of the concerned members of the CoC rendered and recorded in the order dated 22.09.2022 passed by the Adjudicating Authority”

*(Emphasis Supplied)*

43. It has been brought to our notice that since then SRA has deposited Rs. 4,50,65,981/- in Form of FD in favour of Registrar NCLAT. All the Respondents submitted that in view of these developments and deposit of CIRP Cost by SRA, the present application of Appellant has become infructuous.

44. We further note that during pleading the Appellant conceded to these facts that SRA indeed has deposited the amount, however, the Appellant was apprehensive of the fact that the appeals filed by the Praful Satra the Ex-Suspended Director of the Corporate Debtor in Comp. App. (AT) (Ins.) No. 1628 of 2024 and Comp. App. (AT) (Ins.) No. 1627 of 2024 are pending before this Appellate Tribunal and in case the Suspended Director succeeded, then the fund deposited by the SRA will revert to SRA and the Appellant will be paid nothing. The Appellant argued that in view of this, the undertaking of SRA which contained in this Appellate Tribunal’s order dated 22.09.2022, shall be frustrated.

45. We appreciate the apprehensions of the Appellant. However, we have passed detailed orders in Comp. App. (AT) (Ins.) No. 1628 of 2024 and Comp. App. (AT) (Ins.) No. 1627 of 2024, which are also being pronounced along with this appeal. We have dismissed both the appeals of Praful Satra, the Suspended

Director of the Corporate Debtor, as such the apprehensions of the Appellant, as discussed above, no more remain relevant.

46. We note that CIRP Cost has already been deposited by SRA. We further note that although the CoC has not been made a party here, however all the four Respondents including the members of the CoC as Respondent No. 1 to Respondent No. 3, as well as the Resolution Professional as Respondent No. 4, have committed to make the payments to the Appellant. In fact, the Adjudicating Authority has already recorded similar facts and observations in the Impugned Order.

47. Thus, we find that the present appeal has become infructuous, in view of the recent development, as discussed above.

48. Based on above, we dispose the appeal with liberty to the Appellant to approach the Adjudicating Authority in terms of the Impugned Order, in case he finds any grievances later. No cost. I.A., if any, are closed

**[Justice Rakesh Kumar Jain]**  
**Member (Judicial)**

**[Mr. Naresh Salecha]**  
**Member (Technical)**

**[Mr. Indavar Pandey]**  
**Member (Technical)**

Sim