

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

Company Appeal (AT) (Insolvency) No. 114 of 2025

[Arising out of the Impugned Order dated 12.12.2024 passed by the Adjudicating Authority, National Company Law Tribunal, Ahmedabad in I.A. No.665 (AHM) of 2023 in C.P. (IB) No. 81 of 2019]

In the matter of:

MANGALAM GLOBAL ENTERPRISE LIMITED

101, Mangalam Corporate House
41, Shrimali Society, Netaji Marg,
Mithakhali, Navrangpura
Ahmedabad- 380009

.... Appellant

Versus

1. CATALYST TRUSTEESHIP LIMITED

(Formerly GDA Trusteeship Limited)
GDA House, Plot No. 85
Bhusari Colony, Paud Road,
Pune- 412108

.... Respondent No.1

2. Bank of Baroda

Stressed Assets Management Branch,
1st Floor, Kamdhenu Complex,
Near Panjrapole Char Rasta, Ambawadi
Ahmedabad- 380015

.... Respondent No.2

3. Vijay Lulla

(Erstwhile Resolution Professional
of H.M. Industrial Private Limited)
201, Satchitanand Building,
2nd Floor, 12th Road, Khar Mumbai, 400052

.... Respondent No.3

Present:

For Appellant : Mr. Navin Pahwa, Sr. Advocate with Mr. Asav Rajan, Mr. Ajay Sharma and Mr. Kashish Chadha, Advocates.

For Respondent : Ms. Mily Ghosal, Advocate for R1.
Mr. Shrijit Pillai, Advocate for R2.

J U D G M E N T
(Hybrid Mode)

Per: Barun Mitra, Member (Technical)

The present appeal filed under Section 61 of Insolvency and Bankruptcy Code 2016 ('IBC' in short) by the Appellant arises out of the Order dated 12.12.2024 (hereinafter referred to as '**Impugned Order**') passed by the Adjudicating Authority (National Company Law Tribunal, Ahmedabad Bench-I) in I.A. No. 665(AHM)/2023 in C.P. (IB) No. 81 of 2019. By the impugned order, the Adjudicating Authority has rejected the I.A. No. 665 of 2023 filed by the Appellant-Successful Resolution Applicant of Corporate Debtor seeking direction to liquidate the Fixed Deposit dated 09.03.2017 and transfer the amount of Rs 42 lakhs alongwith accrued interest to the Appellant and declare the purported claim of Respondent No.1-Debenture Trustee to stand extinguished. Aggrieved by the impugned order, the present appeal has been preferred by the Appellant-Mangalam Global Enterprise Ltd.

2. To capture the salient facts of the case, we find that a Section 9 petition seeking initiation of CIRP against the Corporate Debtor-H.M. Industrial Pvt. Ltd. was admitted by the Adjudicating Authority on 07.06.2019 following which an Interim Resolution Professional was appointed. On 14.06.2019, the IRP made a Public Announcement in Form-A inviting claims from the creditors of the Corporate Debtor. On 10.07.2019, the first CoC meeting replaced the IRP with Resolution Professional ("**RP**" in short). On 04.11.2019, the Respondent No.3-RP shared the Information Memorandum under Regulation 36 of the IBBI

(Insolvency Resolution Process for Corporate Persons) Regulation, 2016 with the Appellant alongwith the assets and liabilities and the audited Balance Sheets of the Corporate Debtor. The RP had also prepared and maintained the list of creditors and claims made from 07.06.2019 to 20.09.2022. The Appellant submitted the resolution plan for the Corporate Debtor which was approved by the CoC with 97.20% vote share and thereafter by the Adjudicating Authority on 20.09.2022. On becoming aware that a Fixed Deposit (“**FD**” in short) was lying in the name of the Corporate Debtor with Respondent No.2-Bank of Baroda, the Appellant wrote a letter on 28.03.2023 to Respondent No.1 requesting therein to remove the lien from the Fixed Deposit No. 0579530 dated 09.03.2017 and handover the original FD to the Appellant so that it could be liquidated and monies transferred to it. On 19.04.2023, the Respondent No.1 replied stating that they were acting as trustee for the Debenture holders against the various debentures issued by the Corporate Debtor and that the FD in question was created against the security of the said debentures. On 09.05.2023, the Appellant responded stating that with the approval of resolution plan and the same being under implementation, no claim of Respondent No.1 or the Debenture holders survived and therefore the FD being an asset of the Corporate Debtor be released to them. As the Respondent No.1 did not yield to this request, the Appellant on 07.06.2023 filed IA No. 665 of 2023 before the Adjudicating Authority *inter alia* seeking direction to the Respondent No.2-Bank of Baroda to liquidate the FD and transfer the amount of Rs 42 lakhs alongwith accrued interest to them and declare the purported claim of the Respondent No.1 as extinguished pursuant to the approval of the resolution plan by the Adjudicating

Authority. The Adjudicating Authority passed the impugned order on 12.12.2024 rejecting the IA No. 665 of 2023 by holding that the Appellant is not entitled to the FD since the FD was akin to margin money and kept as a security to meet obligations arising out of issue of debentures. Aggrieved by the impugned order, the present appeal has been filed by the Appellant.

3. Making his submissions, Shri Navin Pahwa, Ld. Sr. Counsel for Appellant submitted that the FD in question was reflected under the head of 'Current Investment' in the Information Memorandum and once an asset is included in the Information Memorandum, it forms part of the resolution plan and cannot be retrospectively altered. All stakeholders were aware of this factum of FD of 09.03.2017 being an asset of the Corporate Debtor while submitting their resolution plan. Thus, all assets of the Corporate Debtor as specified in the Information Memorandum including the said FD formed part of the plan and in support of their contention reliance was placed on the judgement of this Tribunal in ***Kanoria Energy & Infrastructure Ltd. Vs Avishek Gupta & Ors. in CA(AT)(Ins.) No. 281 of 2024.*** Further, it was asserted that the Respondent No.1 had failed to produce any document before the Adjudicating Authority to establish that any lien or charge was created on the FD. Submission was further pressed that the Respondent No.1 had failed to file its claim with the RP during the CIRP of the Corporate Debtor. It was asserted that the list of claimants maintained by RP did not show either the Debenture holders or the Debenture Trustee/Catalyst Trusteeship Ltd.-Respondent No.1 to have filed any claim with the RP. Having failed to assert claim regarding purported lien over the FD, the claim of Respondent No.1 stands extinguished upon the approval of the

resolution plan. It was asserted that post approval and implementation of the resolution plan, reallocation of the FD is impermissible as it would run contrary to the principle of finality of the approved resolution plan. In support of their contention, reliance has been placed on the judgment of Hon'ble Supreme Court in **Ghanashyam Mishra & Sons (P) Ltd. Vs Edelweiss Asset Reconstruction Co. Ltd. (2021) 9 SCC 657** wherein it has been held that upon the approval of resolution plan by the Adjudicating Authority, all claims which are not a part of resolution plan, shall stand extinguished.

4. Refuting the contentions of the Appellant, Ms. Mily Ghosal, Ld. Counsel for Respondent No.1 submitted that the Respondent No.1 was acting as Debenture Trustee in terms of Debenture Trustee Agreement and Debenture Trustee Deed dated 08.03.2017. The Corporate Debtor had hypothecated a FD dated 09.03.2017 by writing a letter on 21.03.2017 to Bank of Baroda- Respondent No.2 requesting them to mark lien in favour of Respondent No.1. Further it is submitted that debentures issued by the Corporate Debtor were secured by a Guarantee Deed and the said guarantee was invoked by Demand Notice dated 15.06.2023 and hence the liquidation of the FD in its favour was well within the rights of Respondent No.1. It is further submitted that the Adjudicating Authority has rightly relied on **Punjab National Bank Vs Supriyo Kumar Chaudhari CA(AT)(Ins.) No. 657 of 2020** in holding that the Appellant is not entitled to the FD as the FD was kept as a security to meet obligations arising out of the issue of debentures, thereby, having a character similar to margin money. The Board Resolution of the Corporate Debtor dated 10.03.2017 clearly establishes that 600 rated, unlisted, redeemable, non-convertible

debentures aggregating Rs 6 Cr. was issued to AavSarl (Debenture Holder) for a tenure of 36 months till 12.06.2020. Other documentations which substantiate the issue of debentures and creation of security interest were the Private Placement Offer letter dated 08.03.2017 offering debentures to AavSarl; the CERSAI Report dated 31.03.2017 demonstrating the creation of security interest by Respondent No.1; the NSDL letter dated 22.05.2017 showing the issuance/execution of the said debentures; filing of PAS-3 with the Registrar of Companies showing allotment of non-convertible debentures to AavSarl (Debenture Holder).

5. Besides contending that the resolution plan did not contain any clause providing for transfer, appropriation or vesting of the FD in favour of the Appellant, it was also asserted that since the FD was held by Respondent No.1 as a pledgee for the benefit of the debenture holder, the FD could be adjusted against the dues by the Respondent No.1 without the need to file claims with the RP. Submission was also made that Respondent No.1 could not file their claim during CIRP since the management of the Respondent No.1 was undergoing various changes and shifts due to which there were unaware of the admission of the Corporate Debtor into CIRP. It was also added that even if the debenture holders had not filed their claim, it does not affect the claim of debenture trustee representing the debenture holder from acting for and on behalf of the debenture holders and to hold and enforce securities created by the Corporate Debtor.

6. We have duly considered the arguments advanced by the Ld. Counsels for the parties and perused the records carefully.

7. The narrow compass that requires our consideration is whether the FD dated 09.03.2017 formed part of the assets of the Corporate Debtor or otherwise and whether the decision of the Adjudicating Authority not to liquidate the FD and transfer the amount therein alongwith accrued interest to the account of the SRA is sustainable or not.

8. It is the case of the Appellant that the FD of 09.03.2017 was an asset of the Corporate Debtor since the said FD was included in the Information Memorandum at Annexure-B under the heading of 'Assets and Liabilities as on 31st March, 2018' under the sub-heading of 'Current Investment'. Since the FD was part of the Information Memorandum basis which the Appellant had submitted the resolution plan, the Adjudicating Authority had committed an error in failing to appreciate the fact that the FD was an asset of the Corporate Debtor. Submission was also made that the balance sheets of the Corporate Debtor which were placed on record clearly showed that the said FD was reflected in the balance sheet as an unencumbered asset of the Corporate Debtor.

9. Per contra, it is the contention of the Respondent No.1 that the Information Memorandum did not specify the said FD to form part of the said Information Memorandum. The list of 'Assets and Liabilities' of the Corporate Debtor as on 31.03.2018 under the sub-heading of 'Current Investments' in the Information Memorandum did not reflect the FDs individually but only reflected a composite sum of Rs 3,36,60,443/- only lying with Respondent No.2-Bank of Baroda as FDR. Submission was also pressed that the "List of Financial Creditors" appearing at Annexure-C of the Information Memorandum also

reflected at Clauses 'r', 's' and 'u' that the FDs had already been discharged. Assertion was therefore made that the FD of 09.03.2017 did not form part of the Information Memorandum.

10. At this stage, it may be appropriate to peruse the balance sheet of the Corporate Debtor as on 31.03.2018 to see how the FDRs have been reflected therein. The balance sheet of the Corporate Debtor as on 31.03.2018 which appears at page 126 of Appeal Paper Book ("**APB**" in short) is reproduced below:

H M INDUSTRIAL PVT.LTD, KAPADWANJ
(CIN-U27205GJ2016PTC092510)
Balance Sheet As at 31th March 2018

Particulars	Note No.	31/03/2018	31/03/2017
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	545,400,000	100,000
(b) Reserves and Surplus	2	(34,922,434)	17,127,410
(c) Money received against share warrants		-	100,000,000
(2) Share application money pending allotment			
(3) Non-Current Liabilities			
(a) Long-term borrowings	3	577,770,503	312,943,679
(b) Deferred tax liabilities (Net)			
(c) Other Long term liabilities			
(d) Long term provisions			
(4) Current Liabilities			
(a) Short-term borrowings	4	620,536,600	423,084,554
(b) Sundry creditors for goods & others	5	1,589,678,161	59,554,895
(c) Other current liabilities	6	234,499	172,968
(d) Short-term provisions	7	2,095,312	4,829,966
Total		3,300,792,641	917,813,472
II.Assets			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets			
(ii) Intangible assets			
(iii) Capital work-in-progress			
(iv) Intangible assets under development			
(b) Non-current investments			
(c) Deferred tax assets (net)			
(d) Long term loans and advances	9	10,611,391	5,071,815
(e) Other non-current assets			
(2) Current assets			
(a) Current investments	10	160,492,872	36,990,807
(b) Inventories	11	866,866,538	513,002,265
(c) Trade receivables	12	1,432,042,155	76,590,621
(d) Cash and cash equivalents	13	833,156	1,541,706
(e) Short-term loans and advances	14	122,156,421	12,699,421
(f) Other current assets	15	90,738,030	7,891,190
Total		3,300,792,641	917,813,472
Significant Accounting Policies	1 to 24		
Notes on Financial Statement	1 to 24		

As per our report of even date
Notes Forming part of Accounts
For, Vipinchandra C Shah & Co
Chartered Accountants

(V.C.Shah)
Proprietor.
FRN 111541W
M No 012081

Place : Nadiad
Date : 04/09/2018



For and on Behalf of Director:

(P.H. Patel)
P H PATEL
Director

(V.P. Patel)
P H PATEL
Director

DIN- 07436358

DIN- 07436375

Place : Kapadwanj
Date : 04/09/2018



11. From the above table, we notice that the particulars of 'Current Investment' appearing in "Current Assets" has been amplified at Note No. 10 which Note appears at page 131 of the APB which is as reproduced below:

NOTE-10 CURRENT INVESTMENTS

Particulars	31/03/2018	31/03/2017
	AMT(RS.)	AMT(RS.)
Bank Of Baroda-FDR	33,660,443	32,025,616
Bank Of Baroda FDR-S S Div	104,109,621	4,215,191
Bank Of Baroda FDR-(LC)S S Div	18,950,080	
Axis Bank FDR	3,022,728	
S.E. Investments limited	750,000	750,000
	160,492,872	36,990,807

From a plain reading of the above table, it is apparent that FDRs were not depicted individually but a consolidated amount in respect of FDRs was reflected in the balance sheet of the Corporate Debtor as on 31.03.2018.

12. Be that as it may, when we further peruse the affidavit submitted by Respondent No.2-Bank of Baroda before the Adjudicating Authority as placed on record at page 654-656 of APB, it becomes clear that the Corporate Debtor had deposited an amount of Rs 42 lakhs as FD with them vide FDR No. 0579539 on 09.03.2017 with date of maturity on 09.09.2020 which was subsequently renewed from time to time. The relevant excerpts from the said affidavit is as reproduced hereunder:

"2. I humbly say and submit that the Corporate Debtor in C.P. (I.B.) 81 of 2019 (being H.M. Industrial Pvt. Ltd.) had deposited an amount of Rs. 42,00,000/- lakhs as a Fixed Deposit with our Bank being Bank of Baroda vide a FDR No. 0579539 bearing Customer ID No. ALI011226 having account number 02950300039429 which was

deposited on 09.03.2017 (hereinafter referred to as "Said FD"). The Said FD was invested by the Corporate Debtor in the name of "H M Industrial Pvt. Ltd., Catalyst Trusteeship Ltd. (Formerly GDA Trusteeship Limited)" for a period of 3 Yrs. and 6 months and that the date of maturity of the Said FD was on 09.09.2020, which was subsequently renewed from time to time.

....

4. I humbly state and submit that the said FD is accrued with interest and the total amount as on date of filing this affidavit is Rs.62,97,164/-, the same is lying with Bank of Baroda, Azadchowk, Kapadvanj, Gujarat Branch.

(Emphasis supplied)

13. Thus, when we look holistically at the balance sheet of the Corporate Debtor as on 31.03.2018 as appearing in the Information Memorandum read with the contents of the affidavit in reply by Respondent No.2-Bank of Baroda before the Adjudicating Authority in IA No. 665 of 2023, we are inclined to agree with the Appellant that the FD of 09.03.2017 even though not specifically mentioned in the Information Memorandum, the FDRs did figure in the Information Memorandum including the FD of 09.3.2017. Thus to answer the first part of the question outlined by us, we are of the considered view that the FD of 09.03.2027 of Rs 42 lakhs alongwith accrued interest thereon formed part of the asset of the Corporate Debtor.

14. This now brings us to the contention raised by Respondent No.1 that it was acting as a trustee for the debenture holders against the various debentures issued by the Corporate Debtor and that the FD amount of Rs 42 lakhs had been guaranteed by the Corporate Debtor to Respondent No.1 by execution of a Deed of Guarantee dated 08.03.2017. As the Respondent No.1 was acting in the limited capacity as the trustee for the debenture holder, Respondent No.1 was

required to act only on the instructions of the debenture holder. It was also contended that they had rightly refused to release the charge on the said FD since the same had been created in favour of debenture holders and release of the same to the Appellant would cause prejudice to the rights of the debenture holders.

15. Per contra, it is the contention of the Appellant that the Respondent No.1 had failed to produce any document before the Adjudicating Authority to establish that any lien or charge was created on the FD. Nor did the Respondent No.1 file any claim regarding purported lien over the FD. The FD in the present case was never encumbered as margin money, nor was it subjected to any security interest or earmarked as security for any Letter of Credit or Bank Guarantee. The Adjudicating Authority therefore wrongly relied on the judgment of this Tribunal in ***Punjab National Bank judgment supra*** to hold that the Appellant was not entitled to the FD amount as it was kept as a security like margin money.

16. To come to our analysis and findings, it would be useful at this stage to have a look at the affidavit of the Respondent No.2-Bank of Baroda as placed at page 654-656 of APB as extracted below:

“5. The Successful Resolution Applicant has preferred the present application before this Hon'ble Court claiming for the Said FD and which is objected by the respondent no.1 but it is clarified here that the respondent no.2 Bank that it has not created any lien on the Said FD and thus Bank being merely a custodian of the Said FD, it shall be duty bound to the direction passed by this Hon'ble Tribunal and shall comply with the same with regards to the release of the amount of the Said FD to the entitled party as considered by this Hon'ble Tribunal.”

(Emphasis supplied)

Now that we have noticed the above affidavit dated 06.11.2024 filed by the Respondent No.2-Bank of Baroda wherein it has been unequivocally stated that they have not created any lien on the said FD, it may also be pertinent at this juncture to have a look at the relevant FD of 09.03.2017 as appearing at page 172 of APB which is as reproduced below:

बैंक ऑफ बरोडा
Bank of Baroda

कोस्टेक सेवक के टेली फोन नं., Toll free Phone Numbers of Contact Centre: 1800 22 33 44, 1800 102 44 55

आवधिकृत
DUPPLICATE RECEIPT

ग्राहक सं. क्र. AL1011225

Customer Ref. No. 09-03-2017

जारी तारीख Issue Date 09-03-2017

परिमल मूल्य ₹ 42,00,000.00

Maturity Value

प्राप्त तारीख 09-09-2020

Branch APADWANJ, GUJAR

Received With Thanks From H.M. INDUSTRIAL PVT LTD, CATALY-ST TRUSTEESHIP LIMITED (FORMERLY GDA TRUSTEESHIP LIMITED)

₹42,00,000.00

Forty Two Lakh only.

₹ Rupees

रसीद क्रमांक Receipt No.	मूल्य तारीख Value Date	दोष तारीख Due Date	आवधि Period	स्वराज दर Rate of Interest	रशि ₹ Amount ₹
0579539	09-03-2017	09-09-2020	3-Yrs-6-Mt 0-Days	6.50	42,00,000.00

परिचालनीय अनुदेश यदि है
Operational Instructions, if any

लिफ्ट नोट करने की ता.
Lien Noted On

लिफ्ट रद्द करने की ता.
Lien Cancelled On

EITHER OR SURVIVOR

For BANK OF BARODA

Senior Manager

Manager

NON-TRANSFERABLE

SEE CONDITIONS OVERLEAF

NOTARY
GOVT. OF GUJARAT

17. When we peruse the FD as placed above, we find that it contained a specific column titled “Lien Noted on” and “Lien Cancelled on”. These columns are meant to reflect the particulars of any lien, if such lien existed. However, both columns are found blank which clearly indicates that no lien was ever marked in favour of Respondent No.1. The Adjudicating Authority has clearly erred in failing to take notice that the Respondent No.2-Bank of Baroda has clearly stated that no lien is marked on the FD. When the Respondent No.1 has

failed to place on record any document to show that lien/charge was endorsed or created on the FD, the claim of Respondent No.1 on the FD becomes untenable. Moreover, the FD was made in the name of the Corporate Debtor and the Debenture Trustee, a fact which has also been noticed by the Adjudicating Authority at para 31 of the impugned order. Further, if the FD was in the nature of margin money it ought to have been drawn in favour of the Bank of Baroda and not in the name of the Corporate Debtor and the Debenture Trustee. Thus, there is no basis to assert that any encumbrance exists on the FD of 09.03.2017 in favour of Respondent No.1. The Adjudicating Authority has failed to consider that neither lien is marked on the said FD nor any charge is created on the said FD. Moreover, we also notice that the audited balance sheets of the Corporate Debtor did not record the issue of debentures in favour of Debenture Holders. Even the Adjudicating Authority in para 25 of the impugned order has noticed that the RP had made submissions that the balance sheets of the Corporate Debtor which were on record did not show the debentures to form part of the liability of the Corporate Debtor. In such circumstances, the reliance placed on the judgment of the ***Punjab National Bank supra*** regarding margin money being construed as substratum of a trust for the benefit of the beneficiary does not apply in the present case as the FD was never earmarked for a specific purpose as security for any Letter of Credit or Bank Guarantee or as a separate and distinct fund for meeting any specific obligation and hence could not have been treated as margin money. Unlike margin money, which is specifically segregated for a designated beneficiary, the FD was never placed in a trust-like structure and therefore remained an asset of the Corporate Debtor. We are

therefore not in a position to agree that the FD was kept as a security to meet obligations arising out of the issue of debentures.

18. It is also of significance to notice that the Respondent No.1 had not filed any claim with the RP during the CIRP of the Corporate Debtor regarding its purported lien over the said FD. The Adjudicating Authority at para 24 of the impugned order has also noticed that the Respondent No.1 had admittedly not filed any claim before the RP with respect to the FD of 09.03.2017. The reasons given by Respondent No. 1 for their not filing the claim is not relevant for our consideration. It is well settled that a claim is required to be lodged before the RP pursuant to public announcement and once a claimant fails to file its claim in the resolution proceedings, failure to do so leads to extinguishment of the claim.

19. Claims not part of the resolution plan are considered extinguished under the settled position of law as held by the Hon'ble Supreme Court in the **Ghanshyam Mishra judgement supra**, wherein it held that:

“68. All these details are required to be contained in the information memorandum so that the resolution applicant is aware as to what are the liabilities that he may have to face and provide for a plan, which apart from satisfying a part of such liabilities would also ensure, that the corporate debtor is revived and made a running establishment. The legislative intent of making the resolution plan binding on all the stakeholders after it gets the seal of approval from the adjudicating authority upon its satisfaction, that the resolution plan approved by CoC meets the requirement as referred to in sub-section (2) of Section 30 is that after the approval of the resolution plan, no surprise claims should be flung on the successful resolution applicant. The dominant purpose is that he should start with fresh slate on the basis of the resolution plan approved.

“102.1. That once a resolution plan is duly approved by the adjudicating authority under sub-section (1) of Section 31, the claims as provided in the

resolution plan shall stand frozen and will be binding on the corporate debtor and its employees, members, creditors, including the Central Government, any State Government or any local authority, guarantors and other stakeholders. On the date of approval of resolution plan by the adjudicating authority, all such claims, which are not a part of resolution plan, shall stand extinguished and no person will be entitled to initiate or continue any proceedings in respect to a claim, which is not part of the resolution plan.”

(Emphasis supplied)

20. From the ratio of the above judgement, it is clear that after approval of the resolution plan and its implementation, the new management is bestowed with the benefit of starting its business with a clean slate. In the present facts of the case, it is clear that the Respondent No.1 had failed to assert any claim. Consequently, the purported lien itself stands extinguished. Moreover, when the resolution plan was never challenged and had attained finality, the claim of Respondent No.1 with respect to FD of 09.03.2017 not having been made before approval of the plan, the said FD becomes an asset of the Corporate Debtor which could not have been interfered with by the Adjudicating Authority. If the Respondent No.1 did not file their claim before the RP, they cannot be seen to oppose the release of lien in favour of the Appellant particularly so when the Adjudicating Authority in the impugned order at para 22 has itself noticed that the Appellant has fully implemented the plan and was in control of the Corporate Debtor since 2022-2023. Hence, the impugned order by not allowing liquidation of the FD and transfer of the monies therein to the Appellant cannot be sustained. We are therefore of the considered view that when the plan has already been approved by both the CoC and the Adjudicating Authority, it cannot be altered now on the basis of claims which had not been pursued by the Respondent No.1. After the resolution plan is approved by the Adjudicating

Authority, no indulgence was warranted to be shown to Respondent No.1 with respect to FD of 09.03.2017.

21. For the above reasons, we are of the considered view that the impugned order passed by the Adjudicating Authority is not sustainable. The Appeal is accordingly allowed and the impugned order is set aside. The Respondent No.2- Bank of Baroda is directed to liquidate the FD dated 09.03.2017 and transfer the amount of Rs 42 lakhs alongwith interest accrued thereon to the Appellant. No order as to cost.

**[Justice Ashok Bhushan]
Chairperson**

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

Place: New Delhi

Date: 02.03.2026