

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

Company Appeal (AT) (Insolvency) No. 1708 of 2025

[Arising out of Order dated 10.10.2025 passed by the Adjudicating Authority (National Company Law Tribunal), Mumbai Bench - I in IA(IBC)/2708(MB)2025 in CP (IB) No.3025/(MB) of 2019]

IN THE MATTER OF:

Bank of Baroda

Stressed Assets Management Branch Mumbai
1st Floor, 17B Homji Street, Homiman Circle,
Fort, Mumbai 400023
Email: sammum@bankofbaroda.com

...Appellant

Versus

1. IDBI Bank Limited

Through the Authorized Representative
7th Floor, Cuffe Parade,
Mumbai 400005
Email: br.shahir@idbi.co.in

2. Mr. Anish Niranjan Nanavaty

Insolvency Professional, Member of the
Monitoring Committee of Reliance
Communications Infrastructure Limited
IBBI/IPA-002/IP-N00272/2017-18/1 0830
2N208, Raheja Classique, New Link Road,
Andheri (W), Mumbai - 400053
Email: anish.nanavaty.irp@grnail.com,
inrcilme@deloitte.com.

Also at:

Deloitte India Insolvency Professionals LLP,
One International Centre, Tower 3, 26th Floor,
Senapati Bapat Marg, Elphinstone Road (West),
Mumbai

**3. Reliance Projects & Property Management
Services Limited**(formerly known as Reliance Digital
Platform & Project Services Limited)

Through its Infrastructure Projects division

Cont'd.../

101, Saffron Near Centre Point
 Panchwati 5 Rasta, Ambawadi, Ahmedabad - 380006
 Also at 5th Floor, Maker Chambers-IV,
 222 Nariman Point, Mumbai - 400021
 Email: rajagopal.venkatakrisnan@ril.com;
dhruv.k.tayal@ril.com.

4. Reliance Communications Infrastructure Limited

Acting through its Monitoring Committee
 constituted in accordance with the Resolution Plan
 H-Block, 15' Floor, Dhirubhai Ambani Knowledge City,
 Koparkhairane, Navi Mumbai, Mumbai City-400710
 Email: inrcilmc@deloitte.com

...Respondents

Present:

For Appellant: Mr. Abhijeet Sinha, Sr. Advocate with Mr. Vijayendra Pratap Singh, Mr. Raghav Seth, Ms. Bhagya Yadav, Ms. Khushi Mittal and Mr. Saikat Sarkar, Advocates.

For Respondents: Mr. Zarir Bharucha, Sr. Advocate with Ms. Prachi Johri, Mr. Rishi Thakur and Adv. Dhvani, Advocates for R1.

Ms. Anannya Ghosh, Ms. Mrinalini Mishra and Ms. Priyanka Prasanth, Advocates for R2.

Mr. Ritin Rai, Sr. Advocate with Mr. Madhav Kanoria, Ms. Surbhi Pareek, Adv. Srideeda Bhattacharyya, Ms. Neha Shivhare and Adv. Tara Ranade, Advocates for R3.

J U D G M E N T

Ashok Bhushan, J.

This appeal by the Appellant, an Assenting Financial Creditor of the Corporate Debtor has been filed challenging the order dated 10.10.2025 passed by the Adjudicating Authority (National Company Law Tribunal),

Mumbai Bench - I in IA(IBC)/2708(MB)2025 filed by the Respondent No.1 – IDBI Bank Ltd. – the Dissenting Financial Creditor of the Corporate Debtor. By the impugned order, the Adjudicating Authority has allowed the IA(IBC)/2708(MB)2025. Aggrieved by which order this appeal has been filed.

2. Brief facts of the case giving rise to this appeal are:

2.1 The CIRP of Reliance Communications Infrastructure Limited (RCIL) commenced vide order dated 26.09.2019. Reliance Projects & Property Management Services Limited; Respondent No.3 herein, submitted a resolution plan. The Resolution Plan came to be considered in the 18th meeting of the CoC held on 05.08.2021. Both the Appellant and Respondent No.1 and other financial institutions were members of the CoC. On the basis of e-voting the resolution plan was approved by 67.97% vote share of the CoC. Appellant – Bank of Baroda was one of the members of the CoC who approved the resolution plan. The IDBI Bank, State Bank of India and certain other financial institutions dissented the resolution plan.

2.2 On 31.08.2021, the Resolution Professional filed an application IA No.2429 of 2021 under Section 30(6) of the I&B Code for approval of the resolution plan.

2.3 The Bank of Baroda in its capacity as Assenting Financial Creditor filed an IA No.127 of 2022 on 02.01.2022 before the

Adjudicating Authority praying for direction to the CoC to convene a meeting on the proposal for reallocation of distribution of proceeds under the resolution plan concerning the loan extended to Reliance Bhutan Loan (RBL).

2.4 On 17.10.2023, the Adjudicating Authority directed the Resolution Professional to convene a meeting of the CoC to consider the manner of reallocation of payments to be made to the financial creditors.

2.5 The Resolution Professional convened meeting of the CoC on 27.10.2023 (30th CoC meeting), where the resolution for reallocation and reassignment of Reliance Bhutan Loan was passed with 67.55% majority. IDBI Bank and State Bank of India dissented to the proposed reallocation objecting to the reallocation.

2.6 On 10.11.2023, IA No.127 of 2022 was disposed of by the Adjudicating Authority observing that meeting of the CoC has been held on 27.10.2023. Application was dismissed as infructuous.

2.7 On 19.12.2023, the Adjudicating Authority approved the Resolution Plan as was proposed by the Respondent No.3.

2.8 Against the order dated 10.11.2023, the State Bank of India filed an appeal being Company Appeal (AT) (Ins.) No.150 of 2024,

which was dismissed as barred by time by this Tribunal on 22.03.2024.

2.9 The Resolution Professional requested the Financial Creditors to provide no dues certificate. IDBI sought an update from monitoring committee. The Resolution Professional informed the Financial Creditors that he has issued two demand notices dated 15.12.2023 and 23.08.2024 requesting the Reliance Bhutan Limited to forthwith repay the Principal Amount, however, no response or payment has been received.

2.10 IDBI Bank filed an application IA(IBC)/2708(MB)2025 challenging the reallocation of proceed by the CoC on 27.10.2023. In the application reply was filed by the Bank of Baroda. The Adjudicating Authority by the impugned order dated 10.10.2025 allowed the application. The Adjudicating Authority held that the CoC in its decision dated 27.10.2023 could not alter the financial layout in respect to the entitlement of Financial Creditors. The Adjudicating Authority held that as per the resolution plan Clause 3.3.20, the Reliance Bhutan Loan was to be assigned to the Approving Financial Creditor, which resolution plan was approved by the Adjudicating Authority. Approved resolution plan could not be modified by assigning the Reliance Bhutan Loan to the Dissenting Financial Creditors. The Dissenting Financial Creditors are not covered in the expression "other entity" as occurring in Clause 3.3.20

of the resolution plan. Aggrieved by the order, the Bank of Baroda has filed this appeal.

3. We have heard Shri Abhijeet Sinha, learned senior counsel for the Appellant and Shri Zarir Bharucha, learned senior counsel with Ms. Prachi Johri, Advocate appearing for the IDBI Bank – Respondent No.1. Ms. Anannya Ghosh, learned counsel has appeared for the Resolution Professional – Respondent No.2 and Shri Ritin Rai, learned senior counsel has appeared for the Successful Resolution Applicant – Respondent No.3.

4. Shri Abhijeet Sinha, learned counsel appearing for the Appellant submits that on the application filed by the Bank of Baroda, IA No.127 of 2022, the Adjudicating Authority has directed on 17.10.2023, the Resolution Professional to convene the meeting of CoC to consider the manner of reallocation of payments to be made to the Financial Creditors and in pursuance of which direction the CoC in its meeting held on 27.10.2023 resolved to reallocate the Reliance Bhutan Loan to the Dissenting Financial Creditors as permitted by Clause 3.3.20 of the Resolution Plan, which decision of the CoC had become final and could not be allowed to be questioned by the IDBI Bank in IA No.2708(MB)2025. The order of the Adjudicating Authority dated 17.10.2023 has never been questioned and shall operate *res judicata* in re-agitating the issues which was raised by the Bank of Baroda in IA No.127 of 2022. The resolution plan itself permit the Approving Financial Creditors, on the effective date to agree on alternative mechanism for transfer of Reliance Bhutan Loan in favour of

the Approving Financial Creditors or such other entity. Approving Financial Creditor has identified such other entity as was contemplated in Clause 3.3.20. Thus, decision of the CoC taken in its meeting dated 27.10.2023 is well within the jurisdiction of CoC who in its commercial wisdom is entitled to take a decision regarding distribution of proceeds of the resolution plan. The CoC in its meeting has taken a decision to distribute the proceeds in a manner, the said decision cannot be interfered with by the Adjudicating Authority by the impugned order. The filing of the application by the IDBI Bank being IA No.2708(MB)2025 is an afterthought. Neither the order dated 27.10.2023 passed by Adjudicating Authority nor the resolution of the CoC dated 27.10.2023 was ever challenged by the IDBI Bank. It is further submitted that the State Bank of India which is also a Dissenting Financial Creditor aggrieved by the order dated 10.11.2023 passed in IA No.127 of 2022 has filed an appeal in this Tribunal being Company Appeal (AT (Ins.) No.150 of 2024, which appeal came to be dismissed as barred by limitation. In the appeal filed by the State Bank of India all grounds and arguments were raised which has been sought to be raised by the IDBI in its application. It is submitted that the Dissenting Financial Creditors including IDBI Bank cannot be allowed to agitate the grounds which was agitated by the State Bank of India before this Tribunal and were dismissed. It is submitted that the Dissenting Financial Creditors are entitled for their entitlement in the resolution plan and by assignment of the Reliance Bhutan Loan in favour of Dissenting Financial Creditors their pay-outs in any

manner are not being affected, as was approved in the resolution plan. The Adjudicating Authority committed error in allowing the application of the IDBI Bank. Learned counsel for the Appellant further submitted that all securities of the Reliance Bhutan Loan are in favour of the Dissenting Financial Creditors, hence, assignment of said loan in favour of the Dissenting Financial Creditors is in accordance with the security interest which they have in the loan.

5. Learned counsel appearing for the IDBI Bank refuting the submissions of learned counsel for the Appellant submits that in the resolution plan, which was proposed by Respondent No.3, the Reliance Bhutan Loan was to be assigned to the Approving Financial Creditors. The resolution plan which provided for assignment of Reliance Bhutan Loan to the Approving Financial Creditors was approved by the Adjudicating Authority vide order dated 19.12.2023. The resolution plan approved by the CoC in its meeting dated 05.08.2021 is binding on the CoC and the resolution plan and the pay-outs of the resolution plan or manner of distribution could not have been altered by the CoC. The resolution passed by the CoC on 27.10.2023 altering/ modifying the resolution plan is not permissible. The resolution plan approved by the CoC on 05.08.2021 is binding on the CoC and it cannot be allowed to modify any part of the resolution plan. The CoC is obliged to take a decision on distribution of the pay-outs while exercising its jurisdiction under Section 30(4) of the I&B Code. The Adjudicating Authority after considering all aspects of the matter

and after several discussions has approved the resolution plan which contemplated assignment of Reliance Bhutan Loan in favour of the Approving Financial Creditor. The said decision was binding of the CoC which could not have been allowed to be altered by the CoC on 27.10.2023. Even in the application which was filed by the Bank of Baroda, IA No.127 of 2022, objection was raised by the Dissenting Financial Creditors to the prayers in the application, which was noticed in the order dated 17.10.2023. In any view of the matter order dated 17.10.2023 never allowed the prayer for reallocation of Reliance Bhutan Loan to the Dissenting Financial Creditor and direction was only to put the agenda in the meeting of CoC. By the meeting the Resolution Professional placed the agenda before the CoC, which cannot mean that the Adjudicating Authority granted its approval to the prayer made in the application for redistribution by reassigning the Reliance Bhutan Loan to the Dissenting Financial Creditor. The Adjudicating Authority neither in its order dated 17.10.2023 or 10.11.2023 has given any decision on merits which can operate as *res judicata* in any subsequent proceedings. The submission of the Appellant that decision taken by the Adjudicating Authority on 17.10.2023 and 10.11.2023 operates as *res judicata* on IDBI Bank is wholly erroneous and unsustainable. It further submitted that the fact that Dissenting Financial Creditors has security interest in Reliance Bhutan Loan was well known to all Financial Creditors and is uploaded in virtual data room to which every Financial Creditor has access. The provisions of resolution plan were discussed in

several meetings of the CoC where all aspects were considered. CoC in its meeting dated 27.10.2023 could not have taken any decision which has effect of modification of approved resolution plan. Resolution plan which is approved by the CoC is binding on the CoC even though application for approval of the plan is pending before the Adjudicating Authority. The decision of the CoC taken on 27.10.2023, thus, is clearly against the provisions of I&B Code and is an unauthorized and illegal decision which cannot be implemented. The expression “such other entity as may be identified by them” occurring in Clause 3.3.20 of the resolution plan cannot be interpreted to include the Dissenting Financial Creditors. ‘Any such other entity’ as occurring in above clause was to give leeway to the Approving Financial Creditor to appoint a trust or financial institution to which Reliance Bhutan Loan may be assigned but the said expression cannot be read to mean as Dissenting Financial Creditor. The Reliance Bhutan Loan is in default which has been informed by the Resolution Professional itself to the lenders. It is settled law that Resolution Plan approved by the CoC cannot be allowed to be modified by CoC itself.

6. We have considered the submissions of learned counsel for the parties and perused the record.

7. We need to first notice certain clauses of the resolution plan, which was approved by the CoC as well as the Adjudicating Authority, which fall for consideration in this appeal. Clause 1.2.3, which deals with manner and distribution of Total Resolution Amount, which provides as follows:

“1.2.3 *The manner and distribution of Total Resolution Amount, the Real Estate Monetisation Proceeds, available cash balance and fixed deposit balances on the Effective Date (after payment) of the CIRP Cost, Interim Management Cost, any other mandatory payments under the provisions of the Code and the creation of the Corpus), an assignment/transfer of the Reliance Bhutan Loan shall be as follows:*

(a) Payment of Unpaid CIRP Cost in full and in priority to all other stakeholders;

(b) out of the Total Resolution Amount, payment of INR 11,90,376 or the amount payable to the Workmen and Employees in accordance with section 30(2)(b) of the Code, whichever is higher, to be distributed between and amongst the Workmen and Employees on pro-rata basis to their Admitted Workmen and Employees Debt;

(c) out of the Total Resolution Amount, payment of INR 26, 46,971 or the amount payable to the Operational Creditors (other than Workmen and Employees) in accordance with section 30(2)(b) of the Code, whichever is higher, to be distributed between and amongst the Operational Creditors (other than Workmen and Employees) on pro-rata basis to their Admitted Other Operational Creditor Debt;

(d) payment of Mandatory Dissenting Financial Creditor Payments in priority to any payment to

Approving Financial Creditors in accordance with this Resolution Plan;

(e) the balance amount available from the Total Resolution Amount, the Real Estate Monetisation Proceeds that are to be realized subject to and in accordance with this Resolution Plan, available cash balance and fixed deposit balances on the Effective Date (after payment of the CIRP Cost, Interim Management Cost, any other mandatory payments under the provisions of the Code and the creation of the Corpus), and the assignment/transfer of the Reliance Bhutan Loan will be distributed between and amongst the Approving Financial Creditors on pro-rata basis to their Admitted Financial Creditors Debt.

Upon approval of this Resolution Plan by the Adjudicating Authority in accordance with the Code, the aforesaid manner of distribution will be binding on all the Stakeholders of the Corporate Debtor.”

8. Clause 1.2.13 which deals with Total Resolution Amount and the other distributable amounts is as follows:

“1.2.13 *The Total Resolution Amount and the other distributable amounts set out in sub-section 1.2.11 of Part B (Financial Proposal) above (excluding the Upfront Equity Infusion) (as specified in Section 2.4 (Acquisition of Management Control) of Part B (Financial Proposal) and the Interim Management Cost) under this Resolution Plan shall be distributed*

in the manner set out in the sub-section 1.2.3 of Part B (Financial Proposal) above on the basis of the Claims verified and admitted by the Resolution Professional, whether before or after the submission of this Resolution Plan. Provided that, the CoC may in its discretion adopt a different manner of distribution in accordance with Application Law and such decision of the CoC shall be accepted by the Resolution Applicant, subject to:

- i. The maximum amount payable by the Resolution Applicant under this Resolution Plan (including pursuant to any reallocation or redistribution), not exceeding the Total Resolution Amount;*
- ii. Notwithstanding anything contained elsewhere in this Resolution Plan, the Resolution Applicant or the Corporate Debtor shall not be liable, under any circumstances, to make any payments exceeding the aggregate of (a) Total Resolution Amount, (b) available cash balance and fixed deposit balances on the Effective Date (after payment of CJRP Cost, Interim Management Cost, any other mandatory payments under the provisions of the Code and the creation of the Corpus), (c) assignment/transfer of the Reliance Bhutan Loan in accordance with sub-section 3.3.20 of Part B (Financial Proposal) of the Resolution Plan; and (d) Real Estate Monetisation Proceeds (as and when realized in accordance with this Resolution Plan).*

iii. *While the Resolution Applicant shall make best efforts to monetise the Identified Real Estate Assets and generate the Real Estate Monetisation Proceeds in the manner specified in the Resolution Plan, neither the Resolution Applicant nor the Corporate Debtor nor any of the Affiliates of the Resolution Applicant are guaranteeing or in any manner underwriting the availability of the Real Estate Monetisation and therefore, one of the Stakeholders of the Corporate Debtor shall have any claim against the Corporate Debtor or the Resolution Applicant or any of its Affiliates if such Real Estate Monetisation Proceeds are not available and/or realized on account of any reason whatsoever after the Effective Date.”*

9. The next clause of the resolution plan which need to be noticed is Clause 3.3.20, which is as follows:

“3.3.20 However, on or before the Effective Date, the Approving Financial Creditors and the Resolution Applicant may agree on an alternative mechanism for transfer of the Reliance Bhutan Loan in favour of Approving Financial Creditor or such other entity as may be identified by them, provided that there are no adverse tax implication on the Corporate Debtor or the Resolution Applicant on account of such transfer or assignment. Any amounts realized by the Approving Financial Creditors shall be distributed in the manner specified in sub-section

1.2.3 of Part K (Financial Proposal) of the Resolution Plan. For the avoidance of doubt, it is clarified that after the transfer and assignment of the Reliance Bhutan Loan in the manner specified above, neither the Corporate Debtor nor the Resolution Applicant or any of its Affiliates shall have any obligation whatsoever, including but not limited to the recovery or any payment obligation in relation to the said Reliance Bhutan Loan.”

10. We also need to notice the plan approval order dated 19.12.2023 where in Para 26 of the order payment under plan has been dealt with. Note 2 as contained in Para 26 dealt with assignment of Reliance Bhutan Loan. Para 26 including Note 2 is as follows:

“Payment under the Plan

26. The Plan contemplates the following overall payments for the insolvency resolution of the Corporate Debtor as a going concern pursuant to the provisions of the Code:

S. No.	Particulars	Amount (INR)
1.	<i>Total Resolution Amount which may be increased by an additional amount of INR 35,00,00,000. (See Note 1 below)</i>	<i>57,00,00,000</i>
2.	<i>Available cash balance and fixed deposit balances on the Effective Date (after payment of the CIRP</i>	<i>Upto 123,52,00,000</i>

	<i>Cost, Interim Management Cost, any other mandatory payments under the provisions of the Code and the creation of the Corpus)</i>	
3.	<i>Assignment/transfer of the Reliance Bhutan Loan in accordance with sub-section 3.3.20 of Part B of the Plan</i>	<i>195,00,00,000 (See Note 2 below)</i>
4.	<i>Real Estate Monetization Proceeds</i>	<i>90,00,00,000 (See Note 3 below)</i>
5.	<i>Upfront Equity Infusion</i>	<i>5,00,00,000</i>
6.	<i>Interim Management Cost</i>	<i>Upto 5,00,00,000</i>
	Total	Upto 475,52,00,000

Notes to the table:

Note 2 (Assignment of Reliance Bhutan Loan):

The Corporate Debtor had extended certain loans to Reliance Bhutan Limited (a wholly owned subsidiary of RITL). As on 31.03.2020, the outstanding amount in relation to such loan is INR 195,00,00,000 ("Reliance Bhutan Loan"). The Resolution Applicant has agreed to transfer the Reliance Bhutan Loan in favour of the Approving Financial Creditors on the Effective Date by way of assignment agreement. However, on or before the Effective Date, the approving financial creditors and the Resolution Applicant may agree on an alternative mechanism for transfer of the Reliance Bhutan loan in favour of the

approving financial creditors or such other entity as may be identified by them, provided that there are no adverse tax implications on the Corporate Debtor or the Resolution Applicant on account of such transfer or assignment. Any amounts realised by the Approving Financial Creditors shall be distributed to the stakeholders in the manner provided in the Plan.”

11. The Adjudicating Authority in Para 31 of the impugned order has also extracted the entire Form H submitted by the Resolution Professional which is a compliance certificate. In the end of Form H there are 11 Notes put by the Resolution Professional. Note 10, which is relevant in the present case is as follows:

“Note 10: *In respect of the payouts to the approving financial creditors, it is clarified that an amount of INR 195 crores is included basis the understanding that the existing loans to Reliance Bhutan Limited shall be assigned to the approving financial creditors on the Effective Date (subject to any alternative mechanism as may be agreed between the Resolution Applicant and the approving financial creditors prior to the Effective Date for transfer of such loans).”*

12. Now we proceed to notice the application which was filed by the Bank of Baroda i.e. I.A. No.127 of 2022. In the application, the Bank of Baroda has made following prayers:

“V. PRAYERS

35. In the facts and circumstances set out above, the Applicant prays that this Hon'ble Tribunal be pleased to:

a. Direct the Respondent No. 1 (Resolution Professional) to convene a meeting of the Committee of Creditors to vote on the proposal for re-allocation of distribution of proceeds under the Resolution Plan concerning the loan extended to Reliance Bhutan Limited and distribution of cash balance and fixed deposit balances as provided for the Resolution Plan, in terms of the following draft resolution:

"In terms of sub-section 1.2.13 of Part B (Financial Proposal) and other relevant provisions of the resolution plan submitted by Reliance Projects and Property Management Services Limited ("**Resolution Plan**") which was approved by the Committee of Creditors ("**CoC** ") vide resolution passed in the 18th meeting of CoC held on August 05, 2021, to approve the following manner of re-allocation of payments to be made to the financial creditors of the corporate debtor:

Sr. No.	Particulars	Amount	Source
1.	Payment to Dissenting Financial Creditors	As determined in accordance with the Resolution Plan, applicable law and the decision of the committee of creditors	Assignment/transfer of the Reliance Bhutan Loan - INR 2,00,00,00,000 Such other sources – In accordance with the Resolution Plan and the decision of the committee of creditors.
2.	Assenting	As determined in	Available cash balance

	<i>Financial Creditors</i>	<i>accordance with the Resolution Plan, applicable law and the decision of the committee of creditors</i>	<i>and fixed deposit balance on the Effective Date- In accordance with the Resolution Plan and the decision of the committee of creditors</i>
			<i>Total Resolution Amount- In accordance with the Resolution Plan and the decision of the committee of creditors</i>
			<i>Real Estate Monetisation Proceeds- In accordance with the Resolution Plan and the decision of "the committee of creditors</i>

b. In the alternative and without prejudice to prayer (a), direct the re-allocation of the Reliance Bhutan Loan to the Dissenting Financial Creditors of RCIL, towards part of their liquidation value pay-out in accordance with the Resolution Plan and Section 30(2) of the Code as approved by the Applicant and Respondent Nos 2 to 5 representing 51 % of the creditors of RCIL at the 21st meeting of the Committee of the Creditors;

c. Direct the Respondent No. 1 (Resolution Professional) to pass reasoned decision/s with respect to the submissions by and/or on behalf of the Assenting Financial Creditors (including the Applicant and Respondents No. 2 to 5), as also set out in paragraphs 24 to 28 of this Application, within 2 weeks or such other period as may be directed by this Ld. Tribunal;

d. For costs;

e. Grant any further reliefs as this Hon'ble Tribunal deems fit and proper in the facts and circumstances of the case.

36. *In the facts and circumstances set out above, the Applicant prays that pending the hearing and final disposal of the present Application, the court be pleased to grant the following interim relief:*

a. Stay of distribution of proceeds as currently proposed under the Resolution Plan pending the vote and decision under prayer 35 (a) or (b) and (c) above;

b. Such other and further orders as this Tribunal may deem fit in the facts and circumstances of the case.”

13. The application filed by the Bank of Baroda was objected by the Resolution Professional by filing a detailed reply. In Para 11 and 12 of the reply following has been pleaded:

“11. It is submitted that once the CoC has approved the resolution plan, there is no provision under the Code, which empowers the RP to put forth an agenda concerning distribution of proceeds under the resolution plan for voting before the CoC. On the contrary, Section 30(4) of the Code expressly requires the CoC to, int.er alia, consider the manner of distribution proposed under the resolution plan, prior

to voting upon the resolution plan. The relevant portion of Section 30 reads thus –

Section 30 - Submission of resolution plan –

(4) The committee of creditors may approve a resolution plan by a vote of not less than sixty-six per cent. of voting share of the financial creditors, **after considering its feasibility and viability, the matter of distribution proposed,** which may take into account the order of priority amongst creditors as laid down in sub-section (1) of section 53, including the priority and value of the security interest of a secured creditor and such other requirements as may be specified by the Board

... (Emphasis supplied)

12. Therefore, once the CoC has approved the resolution plan in terms of Section 30 of the Code, the RP cannot put forth an agenda for voting before the CoC concerning the distribution proposed under the resolution plan. It is a settled law that the Code is a complete Code and the RP is strictly bound by the mandate of the Code”

14. Resolution Professional categorically pleaded that after distribution having approved by the CoC as per Section 30(4), change in the distribution mechanism in CoC approve plan is not permissible. In Para 33 of the reply, the Resolution Professional stated as follows:

“33. With reference to paragraph 18 of the Application, clause 1.2.13 of the resolution plan provides CoC with a discretion to adopt a different manner of distribution prior to the approval by the

CoC and not post the approval of the CoC. Further, as per Section 30(4) of the Code, the CoC, inter alia, is required to consider the manner of distribution proposed under the resolution plan, prior to voting upon the resolution plan. Therefore, a change in the distribution mechanism under a CoC approval resolution plan is not permissible. The clause 1.2.13 of the resolution plan doesn't apply to situations where the CoC has already approved the resolution plan and the same is pending for approval before the Adjudicating Authority. Considering that the agenda item, viz. re-allocation of proceeds under resolution plan, was not an agenda item, the purported oral voting cannot be considered as voting as being canvassed by the Applicant and is not in terms of the provisions of the Code. Further, the minutes of the 21st CoC meeting were revised to the extent required in terms of the suggestions of the CoC members and a revised minute of the 21st CoC meeting dated 21st December, 2021 was shared with the CoC members on 25th January, 2022. A copy of the revised minutes of the 21st CoC meeting dated 21st December, 2021 is annexed as Exhibit 'F'.”

15. The application IA No.127 of 2022 came before the Adjudicating Authority on 17.10.2023 on which the Adjudicating Authority directed the Resolution Professional to convene meeting of the CoC to consider the resolution as proposed by the Bank of Baroda in its IA. In Para 4 of the order, it has been noticed that the counsel for the Dissenting Financial Creditor sought liberty to file reply, however, the Adjudicating Authority

observed that being a member of the CoC they can express their opinion in the said meeting. Para 4 of the order is as follows:

“4) The Counsel for the Dissenting Financial Creditors seeks liberty to file Reply; however, this Bench feels that they, being a Member of the CoC, can express their opinion in the said meeting.”

16. In pursuance of the order dated 17.10.2023, the Resolution Professional placed the agenda before the CoC. Copy of the minutes of the 30th CoC meeting dated 27.10.2023 has been placed on record as Annexure 9. The minutes contained objection of State Bank of India and other Dissenting Financial Creditors that the distribution as approved cannot be changed and reallocation of Reliance Bhutan Loan cannot be allowed as per provisions of the Resolution Plan. The minutes captures the objections of the State Bank of India, which is captured in the minutes of meeting in following words:

“SBI representative stated that, we understand that reallocation of the Reliance Bhutan loan is not allowed as per the provisions of resolution plan. Reliance Bhutan loan is assigned to the assenting financial creditors and it cannot be proposed to now be reassigned to dissenting financial creditors and such re-allocation will effectively lead to modification of the plan.

SBI representative further stated that as per clause 1.2.12 of resolution plan, any reallocation in

accordance with the directions of NCLT or NCLAT on distribution amongst various class of creditors is subject to:

- i. the maximum amount payable by the Resolution Applicant as its liability and obligation under this Resolution Plan to the Stakeholders not exceeding the Total Resolution Amount;*
- ii. the Resolution Applicant or the Corporate Debtor, as the case may be, not being liable to make any further payments in excess of the aggregate of (a) Total Resolution Amount, (b) available cash balance and fixed deposit balances on the Effective Date (after payment of the CIRP Cost, Interim Management Cost, any other mandatory payments under the provisions of the Code and the creation of the Corpus), (c) assignment/transfer of the Reliance Bhutan Loan in accordance with sub-section 3.3.20 of Part B (Financial Proposal) of the Resolution Plan; and (d) Real Estate Monetisation Proceeds (as and when realised in accordance with this Resolution Plan)*

Further, Section 3.3.20 of Part B of financial proposal deals with the assignment of Reliance Bhutan Loan to assenting financial creditors or any other entity like trust for the benefit of assenting financial creditor. It does not mention that the same can be assigned to dissenting financial creditors.

Further it was stated that assenting financial creditors along with RA can discuss any mechanism such as forming a trust for the benefit of assenting financial creditors and any amount realized will be distributed in the manner specified the section 1.2.3 of the Plan.

SBI representative further stated, in accordance with provisions of section 1.2.13 of the resolution plan, the re-allocation of Reliance Bhutan Loan is not allowed. Therefore, SBI has objection on this agenda. SBI further requested clarification on whether NCLT has directed to conduct voting on this agenda.”

17. Despite the objection raised by the Dissenting Financial Creditors, resolution was approved. Appendix-1 to the minutes is ‘List of voting matters’ where in the ‘Payment to Dissenting Financial Creditors’, ‘Assignment/transfer of the Reliance Bhutan Loan – INR 2,00,00,00,000’ is mentioned as was proposed by the Bank of Baroda. The said resolution was approved despite dissent of IDBI Bank and other Dissenting Financial Creditors. It is to be noted that IA No.127 of 2022 came for consideration before the Adjudicating Authority on 10.11.2023 on which date the application was disposed of as infructuous recording following:

“IA 127/2022

Ld. Counsel for the Applicant submits that prayer in IA 127/2022 pertains to convening of the CoC meeting, which has already been held in view of the directions of this Bench and appropriate resolution

has been passed. However, the Counsel for SBI intervening in the application, submits that CoC ought not to have passed a resolution setting out the distribution mechanism amongst the class of creditors in terms of the earlier plan approved by the CoC and if the voting was to take place it ought to have been on the whole plan.

*In view of above, the IA 127/2022 is **disposed of as infructuous.***”

18. We may also notice prayers made in IA No. 2708(MB)2025 filed by the IDBI Bank. IDBI Bank in the application has made following prayers in Para 55:

“55. IDBI therefore prays:

a) that this Hon'ble Tribunal be pleased to direct the SRA to pay the mandatory amount payable to IDBI (the Applicant) under the resolution plan and under section 30(2) of the Code immediately and within a period of 15 days from the date of the order under this application or within such period as this Hon'ble Tribunal may deem fit;

b) that this Hon'ble Tribunal be pleased to declare that any action taken by the CoC or the Monitoring Committee to enforce post-approval reallocations of the resolution proceeds, including reassignments of the RBL Loan is contrary to the NCLT Plan Approval Order, is (and shall be) non-binding on the Applicant;

c) that this Hon'ble Tribunal be pleased to declare that, the Applicant being a dissenting financial creditor is not required to execute the Assignment Agreement for assignment of the RBL Loan as the same is not in accordance with the NCLT Plan Approval Order;

d) that this Hon'ble Tribunal be pleased to direct the SRA to comply with section 30(2) of the Code and regulation 38(2) of the CIRP Regulations and pay the resolution proceeds to the Applicant in priority to the Approving Financial Creditors;

e) pending hearing and disposal of this application, direct the Respondents, to maintain status quo and not take any further actions; and

f) for such other appropriate orders, reliefs and directions as this Hon'ble Tribunal may deem fit and proper having regard to these facts.”

19. From the various clauses of the Resolution Plan, as noted above, which was approved by the Adjudicating Authority on 19.12.2023, it is clear that the Reliance Bhutan Loan was to be assigned by the Resolution Applicant to the Approving Financial Creditors and the pay-outs to the Approving Financial Creditors was to be made from other sources in addition to the assignment of loan. Clause 1.2.3 (e) of the resolution plan, as noted above, indicate that balance amount available from the total resolution amount after payment of CIRP Cost and Interim Management Cost, any other mandatory payments under the provisions of the Code shall

be distributed amongst the Approving Financial Creditors which also include Reliance Bhutan Loan. Thus, distribution of Reliance Bhutan Loan to Approving Financial Creditors was clearly contemplated in the resolution plan.

20. The fact that the Bank of Baroda, the Approving Financial Creditor, sought to change the said distribution mechanism by filing an application praying for calling for meeting of CoC to reassign the Reliance Bhutan Loan to the Dissenting Financial Creditors is clear proof that what was contemplated in the resolution plan was sought to be changed by the Bank of Baroda by filing an application. The law is well settled that after the resolution plan is approved by the CoC, the said approved resolution plan is binding on the Resolution Applicant as well as the CoC. Section 30(4) provides that the CoC may approve a resolution plan by vote of not less than 66% of voting share of the financial creditors, after considering its feasibility and viability, **the manner of distribution proposed**. When the resolution plan was approved by the CoC in its meeting dated 05.08.2021 (by e-voting on 31.08.2021), the said approval of resolution plan shall also be approval of resolution plan regarding manner of distribution of assets, which is statutory requirement under Section 30(4). Manner of distribution when once finalized, which contemplate assignment of Reliance Bhutan Loan to Approving Financial Creditors for their pay-outs, the said distribution mechanism could not have been allowed to be altered even by the CoC after approval of the Resolution Plan and when application for approval of plan

was already filed before the Adjudicating Authority on 31.08.2021 and was pending. We may notice judgment of Hon'ble Supreme Court in **“State Bank of India & Ors. vs. Consortium of Murari Lal Jalan and Florian Fritsch & Anr., 2024 SCC OnLine SC 3187”** wherein in Para 125 of the judgment following was laid down:

“125. In light of the aforesaid, it is clear that the existing insolvency framework does not provide any scope for effecting further modifications or withdrawals of the resolution plan approved by the CoC, at the behest of the successful resolution applicant, once the plan has been submitted to the adjudicating authority. The submitted resolution plan is binding and irrevocable as between the CoC and the successful resolution applicant in terms of the provisions of IBC and the 2016 Regulations as well. In other words, once a CoC approved resolution plan is submitted to the adjudicating authority i.e. NCLT, it immediately becomes binding on the CoC and the SRA, even if the adjudicating authority has not yet given its stamp of approval on the same. While deciding so, this Court re-emphasised the object under Section 31(1) IBC and observed that once the adjudicating authority has approved the plan under Section 31(1) IBC, the resolution plan is binding on all the stakeholders including those stakeholders who are not direct participants of CIRP. Therefore, there is absolutely no scope for modification of the terms of a resolution plan which has received the imprimatur of

the adjudicating authority, be it by the adjudicating authority itself, the CoC or the SRA.”

21. Now we come to the submission of the Appellant that in view of the order passed by the Adjudicating Authority in IA No.127 of 2022 where the Adjudicating Authority permitted the CoC to consider the redistribution, the said decision has become final and shall operate as res judicata for deciding any subsequent application even application filed by IDBI Bank IA No. 2708(MB)2025. We have already noticed the order passed by the Adjudicating Authority on 17.10.2023 where in Para 4 and 5 following was provided:

“4) The Counsel for the Dissenting Financial Creditors seeks liberty to file Reply; however, this Bench feels that they, being a Member of the CoC, can express their opinion in the said meeting.

5) In view of the aforesaid, we direct the erstwhile Resolution Professional to convene a meeting of the CoC of the Corporate Debtor, to be held before 01.11.2023 to consider the following:

“In terms of Sub-section 1.2.13 of Part B (Financial Proposal) and other relevant provisions of the Resolution Plan submitted by Reliance Projects and Property Management Services Limited (Resolution Plan) which was approved by the Committee of Creditors (CoC) vide resolution passed in the 18th meeting of CoC held on August 05,2021, to approve the following manner of re-allocation of payments to be made to the financial creditors of the Corporate Debtor:”

Sr. No.	Particulars	Amount	Source
1.	<i>Payment to Dissenting Financial Creditors</i>	<i>As determined in accordance with the Resolution Plan, applicable law and the decision of the committee of creditors</i>	<i>Assignment/transfer of the Reliance Bhutan Loan - INR 2,00,00,00,000</i>
			<i>Such other sources – In accordance with the Resolution Plan and the decision of the committee of creditors.</i>
2.	<i>Assenting Financial Creditors</i>	<i>As determined in accordance with the Resolution Plan, applicable law and the decision of the committee of creditors</i>	<i>Available cash balance and fixed deposit balance on the Effective Date- In accordance with the Resolution Plan and the decision of the committee of creditors</i>
			<i>Total Resolution Amount- In accordance with the Resolution Plan and the decision of the committee of creditors</i>
			<i>Real Estate Monetisation Proceeds- In accordance with the Resolution Plan and the decision of "the committee of creditors</i>

22. The order dated 17.10.2023 does not indicate that any decision on merits was given by the Adjudicating Authority regarding entitlement of the CoC to modify the distribution mechanism as was earlier approved by the CoC. Only direction was permitting Resolution Professional to convene the meeting and place the agenda. The subsequent order dated 10.11.2023, we have also extracted above, which only notice that the meeting has already

been held. The order also noticed the objection of the State Bank of India that CoC ought not have passed a resolution setting out the distribution mechanism amongst the class of creditors, however, the Adjudicating Authority without determining any issues on merit, disposed of the application as infructuous. Neither the order dated 17.10.2023 nor order dated 10.11.2023 could be read to mean to decide any issues between the parties. There is no decision on merits and the application was disposed of as infructuous. We fail to see how *res judicata* may apply to subsequent application filed by the IDBI Bank.

23. The further statutory scheme contemplated by the I&B Code is that after approval of the Resolution Plan, the CoC itself is also bound by its finality and cannot be allowed to tinker with or modify the resolution plan including the mechanism of distribution. Thus, the decision of the CoC taken on 27.10.2023 could not be said to be in accordance with the I&B Code and is clearly contrary to the scheme and object of the I&B Code. Furthermore, the resolution plan as was submitted by the Respondent No.3, without any modification, was approved by the Adjudicating Authority on 19.12.2023. The Adjudicating Authority while approving the plan has also noticed the Clauses of resolution plan where Reliance Bhutan Loan was to be assigned to the Approving Financial Creditors. When in final approval of resolution plan assignment of the Reliance Bhutan Loan was to the Approving Financial Creditor, we fail to see any justification/ validity in

action of the CoC in reassigning the Reliance Bhutan Loan to the Dissenting Financial Creditors.

24. The submission that CoC in its commercial wisdom is free to decide any mechanism of distribution and commercial wisdom taken in the meeting dated 27.10.2023 cannot be questioned or agitated before the Adjudicating Authority does not commend us. Learned counsel for the appellant has relied on the judgment of the Hon'ble Supreme Court in '**K. Sashidhar' Vs. 'Indian Overseas Bank & Ors.'**' reported in **(2019) 12 SCC 150**, (paragraph 52) in support of his submission that commercial wisdom of the CoC entails what amount has to be paid to different classes or sub-classes of creditors in accordance with the provisions of the I&B Cosw. Further reliance has been placed on the judgment of the Hon'ble Supreme Court in '**India Resurgence ARC Pvt. Ltd.' Vs. 'Amit Metaliks Ltd. & Anr.'**' reported in **(2021) 19 SCC 672** (paragraph 17). Hon'ble Supreme Court in '**K. Sashidhar' (supra)**' in paragraph 52 laid down following:

“52. ...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. The opinion on the subject-matter expressed by them after due deliberations in CoC meetings through voting, as per voting shares, is a collective business decision. The legislature, consciously, has not provided any

ground to challenge the “commercial wisdom” of the individual financial creditors or their collective decision before the adjudicating authority. That is made non-justiciable.”

25. There can be no dispute to the proposition laid down by the Hon’ble Supreme Court in the above case. Commercial wisdom of the CoC has to be given due credence when it took a decision approving the resolution plan under Section 30(4) after considering all aspects including the amount to be distributed amongst the various stakeholders. **‘India Resurgence ARC Pvt. Ltd.’ (supra)** was a case where Hon’ble Supreme Court was considering challenge to approval of the resolution plan approved by the CoC. Resolution plan was approved by the Adjudicating Authority challenge to which was also rejected by this Tribunal. The Hon’ble Supreme Court noticed the facts of the case and arguments in paragraphs 1, 3 & 4. In paragraph 17 of the judgment, following was laid down:

“17. Thus, what amount is to be paid to different classes or sub-classes of creditors in accordance with provisions of the Code and the related Regulations, is essentially the commercial wisdom of the Committee of Creditors; and a dissenting secured creditor like the appellant cannot suggest a higher amount to be paid to it with reference to the value of the security interest.”

26. There can be no dispute to the proposition laid down by the Hon’ble Supreme Court in the above case. However, in the present case, commercial

wisdom was exercised by the CoC when the resolution plan submitted by resolution applicant came to be approved by the CoC on 05.08.2021. The application filed by the Bank of Baroda subsequent to the approval of the resolution plan was to change the distribution mechanism as approved on 05.08.2021. The judgment of Hon'ble Supreme Court in '**K. Sashidhar**' (*supra*) and '**India Resurgence ARC Pvt. Ltd.**' (*supra*) does not in any manner supports the Appellant's submission with respect to decision of the CoC which was taken on 27.10.2023 to permit change in distribution mechanism which was earlier approved. CoC had exercised its jurisdiction under Section 30(4) when it approved the resolution plan on 05.08.2021 which plan became binding on all stakeholders including the CoC. CoC could not have exercised any discretion to change the distribution mechanism which was once approved and had become final.

27. We, thus are of the view that above judgments relied by counsel for the Appellant does not in any manner supports the submission of the Appellant that CoC has jurisdiction to change the distribution mechanism which was once approved on 05.08.2021.

28. It is true that the CoC with commercial wisdom can take a decision regarding different aspects of the plan including manner of distribution, which is also statutory scheme under section 30(4) but once the commercial wisdom has been exercised by approving the resolution plan in meeting dated 05.08.2021, the modification of the said distribution mechanism,

which is impermissible, cannot be saved in the name of commercial wisdom of the CoC.

29. Learned counsel for the Appellant has relying on Clause 3.3.20 has submitted that the plan itself contemplates that before the effective date the Approving Financial Creditors and the Resolution Applicant may agree on an alternative mechanism for transfer of the Reliance Bhutan Loan in favour of Approving Financial Creditor or **such other entity as may be identified by them**. The submission of the Appellant is that the Approving Financial Creditors are free to identify **any such other entity** including the Dissenting Financial Creditors.

30. We have noticed that in the meeting dated 27.10.2023, the State Bank of India clearly pointed out that 'such other entity' as referred to in Clause 3.3.20 may be a Trust or any entity as decided by the Approving Financial Creditors for assignment of Reliance Bhutan Loan. When the Approving Financial Creditors amongst themselves were to decide about the assignment of Reliance Bhutan Loan, it clearly means that they amongst themselves may agree to assign Reliance Bhutan Loan to Approving Financial Creditor(s) or any other entity of their choice but the said provision cannot be read to mean that they can identify a Dissenting Financial Creditor as entity to whom the Reliance Bhutan Loan can be assigned.

31. Section 30(2)(b) as amended by Act 26 of 2019 provides that the financial creditors, who do not vote in favour of the resolution plan shall be paid amount which is not less than the amount to be paid to such creditors in accordance with sub-section (1) of Section 53 in the event of a liquidation of the Corporate Debtor. Thus, the Dissenting Financial Creditors are mandated to be paid amount which is not less than their liquidation value, which is clearly reflected in the resolution plan that resolution plan referred to mandatory payments. 'Mandatory payment under the Code', is expression which is also used in Clause 1.2.3(e), as noted above, cannot be asked to include assignment/transfer of Reliance Bhutan Loan. The Resolution Professional has already intimated the lenders that inspite of notice issued neither any payment has been received nor any reply has been received with regard to the Reliance Bhutan Loan, which statement itself has been noticed by the Appellant in its appeal at Item 21 of the List of Dates.

32. The submission of the learned counsel for the Appellant that filing of the application by the IDBI Bank is an afterthought also cannot be accepted. We have observed that in IA No.127 of 2022 which was filed by the Bank of Baroda, the Dissenting Financial Creditors prayed for time to file reply to object to the application, which was not allowed by Adjudicating Authority observing that the Dissenting Financial Creditors can express their opinion in the meeting of the CoC. Thus, from the very beginning the Dissenting Financial Creditors has raised their objection against proposed alteration of

distribution mechanism, which is sought to be prayed by the Bank of Baroda. Hence, submission of the Appellant that it is an afterthought cannot be accepted.

33. The Adjudicating Authority in the impugned order after considering all relevant clauses has rightly come to the conclusion that the decision of the CoC dated 27.10.2023 is contrary to the approved resolution plan and cannot bind the Dissenting Financial Creditors. It was rightly held that the Dissenting Financial Creditors are entitled to receive payment in the manner provided in the approved resolution plan and the CoC cannot alter the financial layout in respect of their entitlement under the plan. Interpretation of Clause 3.3.20 on the expression 'or such other entity' as also been correctly decided by the Adjudicating Authority. We may usefully notice Para 19 of the order of the Adjudicating Authority, which is as follows:

“19. In our considered view, clause 1.2.13 vests discretion in CoC members to vary the manner of distribution of assets/funds available to financial creditors under each of such class inter-se that class, and such discretion could not have varied the manner of distribution inter-se Approving and Dissenting Financial Creditors as has been done in the CoC meeting held on 27.10.2023, unless the Financial Creditors were allowed to recast their vote on the earlier approved Resolution Plan with such proposed modification. This proposition is supported by clause

3.3.20 which vests right in Approving Financial Creditor and Resolution Professional to decide on an alternative mechanism for transfer of Reliance Bhutan Loan in favour of Approving Financial Creditors or such other entity as may be identified by them. Clause 3.3.20 vests right in Approving Financial Creditors to decide on an alternative mechanism for transfer of Royal Bhutan Loan as the later part thereof contemplates transfer in their favour only. As regards the words "or such other entity as may be identified by them" can not be read to mean that such Approving Financial Creditor can decide to assign such loan in favour of dissenting financial creditors, who become a separate class after exercise of votes by the Financial Creditors on the resolution plan. Had it been intended so, the word "dissenting financial creditor" would have been expressly stated as that class was known to Resolution Applicant. However, the Resolution Applicant chose the word "entity" so as to allow the approving financial creditor to identify their nominee for assignment instead of taking it over themselves and dissenting financial creditors can not be such nominee if such assignment is decided in their favour in substitution to what they are entitled to in terms of provisions of the Code. Hence, we are of considered view that the said decision of CoC is contrary to the approved Resolution Plan and can not bind the dissenting financial creditors, if such modification in financial proposals set out in approved resolution plan are not consented by them, which they have not. The Dissenting financial creditors are

entitled to receive the payments in manner provided in the approved resolution plan and the CoC decision dated 27.10.2023 can not alter the financial layouts in respect to their entitlements thereunder. Consequently, the dissenting financial creditors are not required to execute the Assignment Agreement for assignment of the RBL Loan as the same is not in accordance with the approved resolution plan.”

34. We are in full agreement with the view taken by the Adjudicating Authority as noted above. The Adjudicating Authority did not commit any error in allowing IA(IBC)/2708(MB)2025 filed by the IDBI Bank. We do not find any good ground to interfere with the decision of the Adjudicating Authority. We do not find any merit in the appeal. Appeal is dismissed.

**[Justice Ashok Bhushan]
Chairperson**

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

NEW DELHI

23rd December, 2025

Archana