



**THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH-I**

IA(L.B.C)/2708 (MB)2025

Under Sections 60(5) of the Insolvency and Bankruptcy Code, 2016 r/w Rule 11 of NCLT Rules, 2016

IDBI Bank Limited

...Applicant

V/s

Mr. Anish Niranjan Nanavaty,

Insolvency Professional, Member of Monitoring
Committee of Reliance Communications Infrastructure
Ltd and Ors

...Respondent

In the matter of

COMPANY PETITION (IB) NO.3025/(MB) of 2019

STATE BANK OF INDIA

...Petitioner

V/s

RELIANCE COMMUNICATIONS INFRASTRUCTURE
LTD

...Respondent

Order delivered on: 10.10.2025



Coram:

Shri Prabhat Kumar

Hon'ble Member (Technical)

Shri Sushil Mahadeorao Kochey

Hon'ble Member (Judicial)

Appearances:

For the Applicant : Adv. Rishi Thakur a/w Adv. Dhvani Gala
For the Respondent No.1 : Adv. Udit Raghuvanshi
For the Respondent No.2 : Adv. Nishit Dhruva a/w Niyati Merchant
For the Respondent No.3 : Adv. Surbhi Pareek

ORDER

1. This Application has been filed by IDBI Bank Limited (“Applicant/IDBI”) Section 60(5) of the Insolvency and Bankruptcy Code, 2016 (“Code”) r/w Rule 11 of the National Company Law Tribunal Rules, 2016 seeking following reliefs in Corporate Insolvency Resolution Process (“CIRP”) of M/s Reliance Communication Infrastructure Limited (“Corporate Debtor/RCIL);

- 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.*
2. On 25th September 2019, this Tribunal, Mumbai Bench admitted the Corporate Debtor for the CIRP under the Code and appointed Mr. Anish Niranjana Nanavaty (“erstwhile RP/Respondent No. 1/Monitoring Committee Member), as the Resolution Professional of the Corporate Debtor.
 3. The CoC appointed registered valuers to determine the liquidation and fair value of the Corporate Debtor. The Corporate Debtor's liquidation value is Rs 428.51 crore - the liquidation value for IDBI's loan under section 53 of the Code is stated to be Rs 48.22 crore.
 4. At the 18th CoC meeting, held on 05.08.2021, the RP presented the Resolution Plan dated 17.07.2020 as amended until 21.06.2021 submitted by M/s Reliance Digital Platform & Project Services Limited (Respondent No. 3/SRA) before the CoC for its approval, which was approved by CoC on 30.08.2021 with 67.97% votes. The CoC approved Resolution Plan was filed before this Tribunal vide IA No. 2429 of 2021 by RP for approval of this Tribunal in terms of Section 31 of the Code. The Applicant, herein, voted in dissent to the said plan This Tribunal vide order dated 19.12.2023 approved the said Resolution Plan.
 5. The Applicant has filed this Application seeking a direction to the Respondents to pay the resolution proceeds to the Applicant, a dissenting financial creditor, in priority to the assenting financial creditors in terms of the approved Resolution Plan. It is case of the Applicant that the Respondents now require the Applicant to execute an Assignment Agreement to assign the Corporate Debtor's receivables from Reliance Bhutan Loan towards payment of the Applicant's debt, however, the assignment of Reliance Bhutan Loan's receivables in its favor towards satisfaction of its claim violates the approved



resolution plan and this Tribunal's order dated 19th December 2023 approving the said plan. The Applicant has insisted that the successful resolution applicant must pay the Applicant from "other sources" and in priority to the assenting Financial Creditors in the manner as provided in the plan.

6. Respondent No. 1, erstwhile Resolution Professional, filed his reply to place on record certain facts relating to the (i) approval of the resolution Plan qua the Corporate Debtor by this Hon'ble Tribunal vide order dated 19th December, 2023 ("Plan Approval Order"), and (ii) assignment of the loan granted to Reliance Bhutan Limited ("RBL") by the Corporate Debtor valued at INR 195 crore to the Dissenting Financial Creditors (including the Applicant) pursuant to the decision taken in the 30th meeting of the committee of Creditors ("CoC") held on 27th October, 2023 read with order dated 10th November, 2023 as passed by this Tribunal. It is submitted that the role of the Respondent No.1, as the erstwhile RP of the Corporate Debtor and thereafter as a member of the MC of the Corporate Debtor is limited. The Respondent No.1, as the erstwhile RP, is guided by and will abide by the directions of this Tribunal. The Resolution Professional also submitted that amount distributable to IDBI is worked out to Rs. 48.11 crore, which is to be settled through assignment of Royal Bhutan Loan amounting to Rs. 29.46 crores and the balance amounting to Rs. 18.66 crore from available cash balance.
7. Respondent No. 2, Bank of Baroda, an assenting financial creditor, filed its reply objecting to the present application stating that (i) the Applicant has sought to reopen settled issues, despite not challenging the Resolution Plan at the relevant time, nor questioning the CoC decision when it was taken; (ii) the commercial wisdom of the Committee of Creditors ("CoC") is non-justiciable and cannot be interfered with by the Adjudicating Authority, save for limited grounds expressly provided under the Insolvency and Bankruptcy Code, 2016; and (iii) the Applicant's statutory rights under Section 30(2)(b) of the Code are fully preserved -it is receiving not less than liquidation value as dissenting creditor.
8. Respondent No. 3, the SRA, filed its reply stating that (i) the issues involved in the captioned Application are inter-se disputes between the CoC members and the Resolution Applicant has no role to play in relation to the same; (ii) the Resolution



Applicant cannot be asked to infuse any additional amount over and above the Total Resolution Amount; and (iii) the Resolution Applicant is in readiness to implement the Resolution Plan, however the delay is attributable to and on account of the other stakeholders.

9. Heard the Learned Counsel and perused the material on record.
10. The issue for consideration in the present application is inter-se distribution between assenting creditors and dissenting creditors arising from decision of CoC on 27.10.2023 by 67.55% votes in terms of clause 1.2.13 to pay the dissenting financial creditors out of “Assignment/transfer of the Reliance Bhutan Loan – INR 200 Crores; and balance from such other sources in accordance with the Resolution Plan and the decision of the CoC”. The said decision was taken pursuant to the order dated 17th October, 2023 passed by this Tribunal on an Application IA 127 of 2022 filed by Respondent No. 2 Bank of Baroda directing to Respondent No. 1 RP for convening a CoC meeting to decide the manner of distribution amongst the Financial Creditors as stipulated in the clause No. 1.2.13 of the Resolution Plan on the submission of Bank of Baroda that the said determination would clarify the understanding between the Assenting and Dissenting Financial Creditors. This Tribunal vide said order directed the erstwhile Resolution Professional to convene a meeting of the CoC of the Corporate Debtor, to be held before 01.11.2023.
11. Clause 1.2.13 of Part B (Financial Proposal) provides as under :

”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 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 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.”*

12. It is also pertinent to refer to clause 3.3.20 of the approved Resolution Plan dealing with assignment of Royal Bhutan Loan, which is subject matter of present application. The said clause reads as under :

”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 the 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.”

13. The approved Resolution Plan contemplated total payment of Rs. 475,52,00,000/- (clause 1.2.11 of the Plan), which includes Rs. 57 crores to be infused by the SRA (which may be increased by an additional amount of Rs. 35 crore to meet the mandatory payment requirements) as the resolution amount, Rs.123.52 crore as available 'cash balance' and 'fixed deposit', Rs.195 crore as assignment/transfer of Reliance Bhutan Limited's loan ("RBL Loan"), and Rs.90 crore as real estate monetization proceeds. The approved Resolution Plan, inter-alia, provides for payment to financial creditors as under :

“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.



1.2.9 Based on the above and the facts of the CIRP relating to the Corporate Debtor, a summary of the allocation of the Total Resolution Amount to various Stakeholders in accordance with Code, has been summarised below:

1. a

. j The Financial Creditors who do not vote in favour of this Resolution Plan (“Dissenting Financial Creditors”) will be entitled to receive at least the amount that they would have received in accordance with sub-section (1) of



Section 53 of the Code in the event of a liquidation of the Corporate Debtor, in priority to the payments being made to the Financial Creditors who vote in favour of the Resolution Plan (“Mandatory Dissenting Financial Creditor Payments”). Therefore, Section 30 of the Code and Regulation 38 of the CIRP Regulations would be complied with, even with respect to any Financial Creditors who do not vote in favour of the Resolution Plan.”

14. This Tribunal had approved the Resolution Plan vide its Order dated 19.12.2023, however, the IA 2429 of 2021 seeking approval of the Resolution Plan was reserved for orders on 17.10.2023. At page 11 of the said order, it is recorded that “*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.*”
15. There is no dispute that no addendum to the approved Resolution Plan was filed to incorporate the decision dated 27.10.2023 of CoC, wherein the proposal for modification of manner of distribution was placed for consideration before all CoC members, including dissenting financial creditors. It is also pertinent to note that the said meeting of CoC was held by after approval of Resolution Plan by the said CoC and the members of CoC had voted basis financial proposal contemplated in such plan. Further, at the time of holding of such meeting, it was known who is dissenting financial creditor and assenting financial creditor.



16. This Tribunal vide its order dated 17.10.2023 had stated that they (Dissenting Creditors), being a Member of the CoC, can express their opinion in the said meeting. Minutes of the Thirtieth Meeting of the Committee of Creditors held on 27.10.2023 records that :

“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. BOB representative highlighted that all these arguments have already been put before the Hon'ble NCLT during the hearing. After multiple hearings and counter arguments in the matter Hon'ble NCLT has passed an order and directed RP to conduct the voting and inform the outcome by 1st November 2023.

SBI representative added that we have objected in the court as well. However, the court has asked us to express the opinion in Coe meeting. Therefore, if we object here, it is not violation of the order of the NCLT.

BoB representative stated that our submission in the matter is to put up the agenda for voting as per the direction of the NCLT. Our objection is on putting the matter on trial in the Coe meeting. As this is as per directions of NCLT, it cannot be a part of debate.

The representative of Union Bank of India highlighted that the order clearly mentions that Coe members can express their opinion in the meeting, so SBI is expressing their opinion. Further, they were also of the same view as SBI, because resolution plan has already voted upon. The re-allocation would tantamount to change in resolution plan therefore, they also objected on the voting on this agenda.



IDBI Bank representative concurred with the view of SBI & Union Bank of India that if the resolution amount, which was due to each dissenting financial creditors is undergoing a change, we cannot make our vote right now, we will have to go back to our approving authorities. As there is a change we are objecting to it and this has also been deliberated in the order of the NCL T that the COC members need to discuss and examine this issue.

RP clarified that being an appointee of the NCL T, he will be bound by the order in letter and spirit.

SBI representative sought clarification on what RP is bound to do as per NCLT order in addition to discussion and clarification.

SAM team clarified that the NCLT has given a specific direction in Paragraph 5 of the order that directs the RP to convene a meeting of the COC, which has to be held prior to the 1st of November 2023, in which this particular agenda needs to be considered by the COC. Any consideration and decision by the Coe has to be made by way of voting, in terms of the Code and hence to comply with the direction given by the NCLT, the agenda is placed by the RP for consideration by COC.

SAM team further clarified that, since this matter is related to the distribution, as per the section 30(4) of the Code, the manner of distribution requires approval of agenda by 66%. JSA representative concurred with the views of SAM team.

.....”

17. The Bank of Baroda and RP placed heavy reliance on clause 1.2.13, which vests discretion in the CoC to adopt a different manner of distribution in accordance with Applicable Law, as well as 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.
18. Indubitably, the vote on the Resolution Plan was casted by the Financial Creditors on the basis of proposals 1.2.9, which specifically provided for assignment/transfer of Reliance Bhutan Loan to the Approving Financial Creditors. The Financial Creditors,



while exercising their vote, knew what they are voting for and exercised their right on the basis of expected pay-outs to Approving or Dissenting Financial Creditors under such Plan. This Plan finally came to be approved by this Tribunal. On exercise of votes by the members of CoC, there became two class(es) of Financial Creditors i.e. Approving Financial Creditors and Dissenting Financial Creditors, as they were to be treated differently. The amount available to each such class of Financial Creditors became crystallised on exercise of vote. It is pertinent to note that all financial creditors, who had dissented to the approved Resolution Plan, also dissented to the resolution passed in meeting held on 27.10.2023.

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.

20. Having said so, it is pertinent to refer to second para of Annexure 2 to the Approved Resolution Plan, which reads as under :

“Notwithstanding any contained in the Resolution Plan, if the mandatory payments prescribed under the Code (including the CIRP Cost, payments to Operational Creditors and Mandatory Dissenting Financial Creditors Payments) are not sufficient to be met out of the total financial outlay set out in this Resolution Plan including the Total Resolution Amount and the available cash balance and fixed deposits of the Corporate Debtor in this Resolution Plan then only in such an event, the Resolution Applicant will infuse such additional funds as may be necessary solely to meet the shortfall in making the mandatory payments specified under the Code which shall not exceed INR 35,00,00,000 (Indian Rupees Thirty-Five Crores only). Such additional infusion shall become part of the Total Resolution Amount and the Total Resolution Amount shall stand increased by such additional amount infused to the shortfall, which shall not exceed INR 35,00,00,000 (Indian Rupees Thirty-Five Crore Only). Based on the information provided by the Resolution Professional and in the Resolution Applicant's assessment, the payments proposed under the Resolution Plan including the amount upto INR 35,00,00,000 (Indian Rupees Thirty-Five Crore only) solely to meet the shortfall in such mandatory payments as above are sufficient to meet the mandatory payments required to be made towards the CIRP Costs, the payments to Operational Creditors and the payments to Dissenting Financial Creditors in accordance with the provisions of the Code”

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21. The above para contained in the approved resolution plan obligates SRA Respondent No. 3 to infuse additional amount of 35.00 Crores in case there is short fall in meeting mandatory payments. Accordingly, the Respondent No. 1 shall work out the amounts and make the SRA to contribute additional sums not exceeding Rs. 35.00 Crores, if there is shortfall in payment of mandatory payments in terms of approved resolution plan.
22. In view of the aforesaid, IA 2708 of 2025 is allowed and disposed of.

-Sd/-

Prabhat Kumar
Member (Technical)

-Sd/-

Sushil Mahadeorao Kochey
Member (Judicial)