NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH COURT III

Item No. 01
I.A. 1471/2022
In
C.P.(IB)-3799(MB)/2018

CORAM:

SH. HARIHARAN NEELAKANTA IYER	Ms. LAKSHMI GURUNG
Member (Technical)	Member (Judicial)

ORDER SHEET OF THE HEARING ON **11.09.2026**
(HEARING THROUGH: HYBRID MODE)

NAME OF THE PARTIES: Responsibility Fair Agriculture Fund
V/s.
Abhay Nutrition Pvt Ltd.

Appearance

For Applicant : None appeared

For Respondent/Liquidator: Adv. Aniruth Purusothaman G. (PH)

SECTION 7 OF THE IBC, 2016

ORDER

I.A. 1471/2022 [Sec.60(5)]

The above Interlocutory Application is listed for pronouncement of order. The same is pronounced in the open court, vide a separate order.

Sd/-	Sd/-
HARIHARAN NEELAKANTA IYER	LAKSHMI GURUNG
Member (Technical)	Member (Judicial)

---Shripad---

IN THE NATIONAL COMPANY LAW TRIBUNAL

MUMBAI BENCH COURT III

I.A.1471 of 2022
IN
CP/(IB)/3799/MB/2018

Under Section 60(5) of the Insolvency and Bankruptcy Code, 2016.

Roshan Raghunath Totla
Krishna Vatika, Railway Station Road, Jalna, MH 431203.
.... Applicant
Vs.

Vikas Prakash Gupta
Liquidator of Abhay Nutrition Private Limited.
Dipti Enterprises, 55, Nehru Pulta, Itwari
Nagpur, Maharashtra 440002.

.... Respondent/ Liquidator

In the matter of

[*Under Section 7 of the Insolvency and Bankruptcy Code,2016]*

Responsibility Fair Agriculture Fund
Green Acre, 1st Floor, 31, Union Park Road 5, Khar West, Mumbai – 400052.
.... Financial Creditor
Vs.

Abhay Nutrition Private Limited
Gut No- 84, Gundewadi, Bhodardan Road, Jalna, Maharastra -431203.

[CIN: U17121MH2008PTC182247]
...Corporate Debtor

Order pronounced on: 11.09.2026

Coram:
Hon'ble Ms. Lakshmi Gurung, Member (Judicial)
Hon'ble Sh. Hariharan Neelakanta Iyer, Member (Technical)

Appearances:

For the Applicant: Adv. Ninad Deshpande, Adv. Aishwarya Darda.

For the Respondent: Adv. Aniruth Pursothaman, Adv. Moksh Godani, Adv. Rudresh Kawade.

PER: MS. LAKSHMI GURUNG, MEMBER (JUDICIAL)

ORDER

1. This Interlocutory Application has been filed by Roshan Raghunath Totla, an Advocate by profession (**'the Applicant')**, against the Liquidator of M/s. Abhay Nutrition Pvt. Ltd. (**'Corporate Debtor'**) under Section 60(5) of the Insolvency and Bankruptcy Code **('the Code')**, 2016, seeking following reliefs: -

   a) *This Tribunal may be pleased to allow this Interlocutory Application.*

   b) *This Tribunal may be pleased to declare and order that the pending retainership fees of the Applicant during CIRP period forms part of the CIRP cost and the pending retainership fees during the liquidation period forms part of the Liquidation Cost.*

   c) *This Tribunal may be pleased to direct the Respondent to make payment of pending retainership fees of the Applicant during the CIRP period as well as the Liquidation Period, as CIRP Cost/Liquidation Cost respectively in accordance with section 53 of the Insolvency and Bankruptcy Code, 2016.*

   d) *Any other suitable relief in the facts and circumstances of the case, as maybe just and proper, may kindly be granted in favour of the Applicant.*

2. **CIRP and Liquidation Order of the Corporate Debtor:**

2.1. Upon an application filed under section 7 of the Code, this Tribunal had admitted the Corporate Debtor into Corporate Insolvency Resolution Process **('CIRP')** vide order dated 02.04.2019 and the

Respondent was appointed as the Interim Resolution Professional **('IRP')**.

2.2. Subsequently, this Tribunal passed order dated 07.02.2020 directing the liquidation of the Corporate Debtor and appointed the Respondent as the liquidator.

3. **Submissions of the Applicant:**

3.1. It is submitted that the applicant is an Advocate practicing mainly before the District and Sessions Court at Jalna, Maharashtra. The Corporate Debtor had engaged the applicant to handle the legal cases by and against the corporate debtor, on retainership basis at a monthly fee of Rs. 40,000/-. It is submitted that the Corporate Debtor was paying said agreed monthly fee since 2014 till March 2019 however, from April 2019 no payment has been made.

3.2. The Applicant has continued to represent the Corporate Debtor and defend its interest even after the commencement of CIRP. The services were continued during the CIRP and the Liquidation period with the knowledge and approval of the Respondent.

3.3. It is submitted that the Applicant addressed an email dated 22.01.2022, seeking outstanding professional dues aggregating to Rs. 13,20,000/-but availed no response from the Respondent. The Applicant issued a demand notice dated 28.03.2023 for an amount of Rs. 13,20,000/-.

3.4. It is submitted that even after the commencement of liquidation, no instructions were issued to the Applicant to stop representing the Corporate Debtor, accordingly the Applicant continued providing services being duty bound by his duties.

3.5. The Liquidation process was nearing completion and the Respondent realized that the pending litigations would have to be closed and substantial amounts could be recovered in the form of refund of court fees in certain civil suits therefore the Applicant tried Contacting the ex-Managing Director of the Corporate Debtor.

3.6. It is submitted that the Applicant has been repeatedly following up with the Respondent for the payment of his fees for the services rendered during the CIRP and Liquidation period. The Applicant has also submitted his retainership bills for Rs. 13,20,000/- towards the retainership fees from 01.04.2019 to 31.12.2021 vide his email dated 22.02.2022.

3.7. The dues of the Applicant for the services rendered during the CIRP and liquidation period clearly forms a part of the CIRP Costs and Liquidation cost. Therefore, no separate claim from is required to be filed by the Applicant, since the services are ongoing and will continue until the dissolution of the Corporate Debtor.

4. **Reply by the Respondent:**

4.1. It is submitted that the Sixteenth meeting of the Stakeholders Consultation Committee **(‘SCC’)** was held on 03.10.2023. Certain relevant extracts from the Sixteenth meeting of the SCC are as follows:

i. List of cases filed under Section 138 of the Negotiable Instruments Act, 1881 and recovery petitions pending were presented before the various forums and the civil matters.

ii. The stakeholders were informed that the Applicant had filed an application before the NCLT for recovery of his dues. Thereafter, NCLT on 06.08.2023 had directed the Applicant to share the required information sought by the Respondent. The Applicant informed the SCC that the information will be shared once it is received.

iii. The SCC were informed that the following details have not been provided by the Applicant:

a. Appointment/Engagement letter issued by the Corporate Debtor prior to CIRP;

b. Pleading papers and the copies of orders;

c. Attendance details for all the cases.

iv. The SCC was informed that, the Applicant has not provided Engagement Letter and instead has provided the Vakalatnama and his bank account statements.

v. Further it was apprised that from perusal of the bank statement, reflected that monthly fees on INR 18,000/- was credited to the account of the Applicant while in his invoice, the Applicant claims monthly fees of INR 40,000/- and also failed to produce any appointment letters evidencing fees of INR 40,000/- per month.

vi. The SCC was informed that the Applicant had failed to provide the appointment cum engagement letter duly quantifying the amount payable and that although a Vakalatnama should not be considered based on the amount being paid to the Applicant before the Commencement of the CIRP and the number of hearings the Applicant had attended.

vii. The Applicant's Vakalatnama was given in matters for which 245 hearings were held, out of which the Applicant attended 117 hearings, 68 hearings were not attended by the Applicant and the remaining 60 hearings were adjourned due to COVID 19.

viii. The SCC was informed that total courts fees paid by the Corporate Debtor in the various cases under Section 138 of the Negotiable Instruments Act, 1881 and the Civil cases for recovery amounted to INR 8,58,118/-. Further, the amount refundable from the courts on withdrawable of these cases would be approximately INR 4,29,059/-.

ix. The Representative of BIRAC (one of the SCC members) suggested that the correct basis of determination of fees would be to determine the total number of effective and non-effective hearings. The representative of SBI supported the view and suggested that Rs. 2,500/- shall be paid for effective hearing and Rs. 1,250/- per non-effective hearing subject to overall upper cap of INR 5,50,000/- for all matters.

x. Further, it was suggested that the cases should be withdrawn as the effective outcome could be zero considering the fact that the case were filed since 2015 by the Corporate Debtor and, if continued, shall increase the burden of Liquidation cost. The representative of the SBI requested for details once again so that necessary approval can be taken for withdrawal of cases from appropriate authorities.

xi. After detailed discussion about the work done, the present status of the pending cases under Section 138 of the Negotiable Instruments Act 1881, pending recovery suit, history of the fees paid to the Applicant during the Pre-CIRP period, the SCC in its Sixth CoC Meeting held on 03.10.2023 passed the following resolution unanimously.

"Resolved that the Fees of Rs. 2500/- for per effective hearing and Rs. 1000 for non-effective hearing the hereby approved to be paid to Advocate Roshan Totla subject to

overall upper sealing of INR 5,50,000/- and also subject to submission of the order copies of the hearing.

FURTHER RESOLVED THAT the liquidator is authorized to adjust the amount of refund on account of withdrawal and/or closure of any case (if any) from the fees payable to Mr. Roshan Totla."

xii. The Applicant agrees to the fees proposed by the SCC of the Corporate Debtor, 50% of the proposed fees would be paid upfront to the Applicant and the balance 50% will be paid on disposal/withdrawal of the cases filed under Section 139 of the Negotiable Instruments Act, 1881.

5. **Additional Affidavit dated 01.10.2025 on behalf of the Applicant:**

5.1. It is submitted that the process of refund or court fees in Maharashtra is governed by the Maharashtra Court Fees Act, 1959, and in available only in limited circumstances.

5.2. It is further clarified that, as per the established procedure, any refund of court fees is invariably credited only to the account of the plaintiff or complainant, and not to the advocate representing the party. The refund process is strictly carried out in the name of the claimant who originally paid the court fee.

5.3. It is submitted that the Hon'ble Supreme Court, in ***Jage Ram v. Ved Kaur & Ors. 2025 LiveLaw (SC) 138,*** has clarified that refund of court fees is strictly governed by statute and permissible only in cases where the matter is referred to a recognized ADR mechanism. Refund is not available in cases of private settlement or withdrawal. That in the present case, the proceedings have not been referred to any such ADR process, and thus the remedy of court fee refund is not available.

5.4. Even in cases where refund is available, the process is cumbersome, bureaucratic, and time-consuming, often taking several months and yielding only partial recovery. Moreover, it excludes reimbursement of any professional costs or legal expenses incurred by the Applicant. Such refund, even when granted, does not constitute fair or adequate compensation for the services rendered nor does it satisfy the financial obligations owed by the Corporate Debtor.

5.5. It submitted that the Applicant has discharged his professional duties and made appearance, filed pleadings and documents. That during the liquidation, the Applicant followed up with the Liquidator regarding the professional fees due, as well as sought instructions in pending matters.

5.6. It is submitted that despite multiple formal communications between June 2023 and November 2024, the Liquidator failed and neglected to provide any specific instructions on whether to withdraw the cases or pursue them. Unless specific instructions, there was no way in which cases could be withdrawn.

FINDINGS AND OBSERVATION

6. Heard the Ld. Counsel for the parties on each side and perused the record.

7. The Applicant has submitted that:

    i. For legal services he was engaged at Rs.40,000/- per month and he continued to provide services to the Corporate Debtor even during CIRP but no payment was made to him. He contends that his outstanding dues Rs.40,000/- per month from CIRP shall be treated as CIRP Cost till the date of Liquidation order and thereafter be treated as the Liquidation cost.

ii. The Professional fees due to the Applicant arise from legal services rendered for and on behalf of the Corporate Debtor during CIRP and liquidation period.

8. The Respondent in response has submitted that:

i. The Applicant had failed to provide the appointment cum engagement letter duly quantifying the amount payable to the Applicant, Attendance details for all the cases, Pleading papers and the copies of orders.

ii. It was decided in the Sixteenth SCC Meeting held on 03.10.2023 that, the Fees of Rs. 2500/- for per effective hearing and Rs. 1000 for non-effective hearing with an overall upper cap of INR 5,50,000/- for all matters shall be paid to the Applicant. The Minutes of Sixteenth SCC Meeting are annexed as *Annexure B3* to the Reply.

9. On perusal of the above facts, the limited issue that arises for determination is

i. Whether the Applicant is entitled to receive amount of Rs. 13,20,000/- as CIRP Cost and Liquidation Cost of the Corporate Debtor.

10. We note that CIRP was initiated against the Corporate Debtor on 02.04.2019 and the Respondent was appointed as the Interim Resolution Professional **('IRP')** who was later appointed as the Resolution Professional. It is pertinent to note that once CIRP is initiated the management and control of the Company rest with the IRP/ Resolution Professional **('RP').**

11. We note that no instructions were given by the Resolution Professional authorizing or instructing the Applicant to continue with the pending Litigations. Moreover, the Applicant himself has submitted that there

were no specific instructions provided by the Resolution Professional to appear or withdraw cases of Negotiable Instrument Act, despite the same the Applicant continued to pursue pending Litigations.

12. Subsequently, vide order dated 07.02.2020 liquidation was commenced against the Corporate Debtor and the Respondent was appointed as the liquidator.

13. On appointment as a liquidator of the Corporate Debtor the Liquidator did not give any instructions to the Applicant to represent the Corporate Debtor in legal proceedings. The Applicant on his own continued to appeared in cases despite being aware of the fact that Liquidation was commenced against the Corporate Debtor, based on a vakalatnama given to him by erstwhile management.

14. Further, the Respondent vide its letter dated 18.11.2021 requested the suspended director to provide case papers of pending litigations. The suspended director vide email dated 17.12.2021 requested the Applicant to provide necessary case papers to settle the pending litigations. The said email of the suspended director is reproduced as under:

> *"Dear Roshan*
> *With reference to below email, request u to please provide all the case papers to the RP team with regards to ANPL which you're your senior were looking into Mr. Vikas Gupta will address all of them and at the same time settle all your pending dues at your end with them. Please do not approach us for any pending dues as we have no authority for the same.*
> *Regards*
> *Ashish Mantri"*

15. The Applicant vide its email dated 22.01.2022 addressed to the Resolution Professional, sought consideration of his outstanding professional dues aggregating to Rs. 13,20,000/-. The Applicant vide

letter dated 02.03.2022 again requested the Respondent to pay pending retainership fees and informed the Respondent about the pending matters filed before the JMFC Jalna and Civil Judge Junior Division Jalna is reproduced as under:

> *"Respected Sir*
> *Sub: Regarding my pending Retainership Legal Fees Bill of Abhay Nutrition Pvt Ltd.*
>
> *With reference to the above-mentioned subject I am to inform you that I have been appointed as legal advisor to handle the matters of Abhay nutrition pvt Ltd of civil and criminal nature since 2014.*
>
> *I have been regularly attending the matters since 2014 till date. I have also taken care that none of the matter remain unattended. However, my fees from the period 01st April 2019 till 28th feb 2022 still remains unpaid.*
>
> *That on 22 Jan 2022, I have also raised bill of Rs 13.20,000/- (Rs Thirteen lacs twenty thousand) for the period of 01st April 2019 till 31st Dec 2021 however till date there is no communication or reply regarding my pending bill.*
>
> *It is worthy to mention here that now the matters are in such a position that if we did not take proper remain steps then it will be dismissed by court itself. We have to remain present on each and every date as if we absent the court will dismissed the matters. Then in that case we cannot claim refund of court fees in this matter in We are trying our level best to keep the matters alive however now it is very high time.*
>
> *Similarly, there are Patent Suits filed on behalf of Abhay nutrition of which one is pending before Dist. Court Jalna and three are pending before Bombay High Court. Kindly do reply us as to what to be done in those suits also.*

That Court fees paid in Civil matters, 138 matters and Patent Suits is around 10,18,000/- (Rs. Ten Lacs eighteen thousand only). If we withdraw the matters we will get refund of Rs. 5,09,000/- (Rs Five Lacs Nine Thousand). However, if the matters are dismissed then we cannot claim any refund of court fees which please note sir.

So, Sir, I request you to kindly, I request you to kindly settle in my pending dues amicably as the fees is remaining since long. Awaiting your reply on the same please.

Thanks, and regards
Adv. Roshan. R. Totala Jalna"

16. We note that the Applicant sent various reminders to the Respondent. We note that this Tribunal in vide its order dated 08.08.2023 noted as follows:

> *"The above application is filed by Mr. Roshan Raghunath Totala claiming certain legal professional fees for the services rendered for the Corporate Debtor as a retainer of the Corporate Debtor and the direction to the Liquidator to include the same in CIRP cost. The learned counsel appearing for the Liquidator submits that, if the information, terms and scope of the professional engagement of the Petitioner is shared with him, he will be placed before the Stakeholders Committee and he will try to its level base to resolve the issue. Accordingly, the Petitioner is directed to share the required information sought by the Liquidator within two weeks from today and report the Bench on the next date of listing."*

17. Accordingly, the Applicant vide its email dated 31.08.2023 submitted copy of dates, court website data, matters attended by him to the Respondent.

18. The Respondent vide its email dated 06.09.2023 requested the Applicant to send required documents such as Appointment letter issued by the Corporate Debtor prior to CIRP, pleading papers and the orders uploaded by the courts and Attendance details to the Respondent at the earliest.

19. The Applicant vide email dated 07.09.2023 informed the Respondent that a copy of his Vakalatnama was shared which was the only appointment letter and also informed the Applicant that he had shared extract of each case which showed dates and appearances.

20. We note that subsequently the Stakeholders Consultation Committee **('SCC')** in their sixteenth CoC Meeting held on 03.10.2023 considered applicants representation and passed resolution which is reproduced below:

> *"Resolved that the Fees of Rs. 2500/- for per effective hearing and Rs. 1000 for non-effective hearing the hereby approved to be paid to Advocate Roshan Totla subject to overall upper sealing of INR 5,50,000/- and also subject to submission of the order copies of the hearing.*
>
> ***FURTHER RESOLVED** THAT the liquidator is authorized to adjust the amount of refund on account of withdrawal and/or closure of any case (if any) from the fees payable to Mr. Roshan Totla."*

21. The said resolution was communicated to the Applicant by email dated 06.11.2023. The email dated 06.11.2023 is reproduced as under:

> *"Dear Mr. Totla,*
> *We Wish to inform you that Liquidator in the SCC Meeting duly discussed the agenda regarding payment of bills raised by your good self. The SCC Members think that the fees charged in the bill have no valid basis and have decided a basis to be adopted for payment.*
>
> *Accordingly, in the 16th SCC meeting, it was decided to pay 2500 per effective hearing and for non-effective hearing the*

amount to be paid should be 1000 per hearing during the CIRP period subject to a total cap of Rs 550000 for all the matters.

Further it was directed to the liquidator to adjust the amount of refund on account of withdrawal of cases and or closure of any case (if any) from the fees payable.

That please note that even after repeated reminders and requests, you have failed to provide us the order copies to calculate the effective hearings.

We once again request you to share all the order copies for the purpose of payment."

22. We note that the Applicant in response to email dated 06.11.2023 asked the Respondent whether the amount of Rs. 5.5 Lakhs included or excluded the pocket expenses and informed the Responded that getting a certified copy of each and every order would be tedious and expensive therefore it would be better to get certified copies of Roznama.

23. We note that the Respondent vide email dated 16.11.2023 clarified that the amount of Rs. 5,50,000/- were inclusive of other pocket expenses and requested the Respondent to provide details of Roznama to determine effective and noneffective hearing and stated that payment of fees would be made to the Applicant after complete details required are furnished to the Respondent.

24. We also note that the Applicant vide email dated 08.06.2024 and 04.11.2024 again notified the Respondent about the pending matters filed before the JMFC Jalna and Civil Judge Junior Division Jalna and sought instructions from the Respondent how to proceed with the matters and also requested the Respondent to pay his pending dues.

25. We note the Respondent vide email dated 10.06.2024 requested the Applicant to share details of case two three days prior to listing for instruction and vide email dated 17.06.2024 again requested the Applicant for sharing the details of the matters on case to case basis.

26. Before we proceed, it would be relevant to refer to the definitions of CIRP Cost and Liquidation Cost. Section 5(13) read with Regulation 31 of IBBI (Insolvency Resolution Process for Corporate persons) Regulation, 2016 defines CIRP Cost which is reproduced as under for ease of reference.

(13) Insolvency Resolution Process cost means-

a) the amount of any Interim Finance and the costs incurred in raising such finance;

b) the fees payable to any person acting as a resolution professional;

c) any costs incurred by the resolution professional in running the business of the corporate debtor as a going concern;

d) any costs incurred at the expense of the Government to facilitate the insolvency resolution process; and

e) any other costs as may be specified by the Board."

Regulation 31. Insolvency Resolution Process Cost. -

Insolvency resolution process costs" under Section 5(13)(e) shall mean-

(a) amounts due to suppliers of essential goods and services under Regulation 32;

(aa) fee payable to authorised representative under [sub-regulation (8)] of regulation 16A;

(ab) out of pocket expenses of authorised representative for discharge of his functions under [section 25A];

(ac) fee payable to facilitator under clause (c) of sub-regulation (1) of regulation 16C.

(b) amounts due to a person whose rights are prejudicially affected on account of the moratorium imposed under section 14(1)(d);

(ba) fee payable to the Board under regulation 31A;

(c) expenses incurred on or by the interim resolution professional to the extent ratified under Regulation 33;

(d) expenses incurred on or by the resolution professional fixed under Regulation 34; and

(e) other costs directly relating to the corporate insolvency resolution process and ***approved by the committee****.*

Regulation 33: Costs of the interim resolution professional

33. (1) The applicant shall fix the expenses to be incurred on or by the interim resolution professional.

(2) The Adjudicating Authority shall fix expenses where the applicant has not fixed expenses under sub-regulation (1).

(3) The applicant shall bear the expenses which shall be reimbursed by the committee to the extent it ratifies.

(4) The amount of expenses ratified by the committee shall be treated as insolvency resolution process costs.

Regulation 34:

Resolution professional costs. The committee shall fix the expenses to be incurred on or by the resolution professional and the expenses shall constitute insolvency resolution process costs.

27. Conjoint reading of above provisions under the Code and Regulations, indicate that once the corporate debtor is admitted into CIRP, then each and every expense by IRP/RP has to be approved/ ratified by CoC in its meeting so as to be covered under the scope of CIRP cost. In the present case, the corporate debtor was admitted into CIRP on 02.04.2019. Thereafter the control and management of corporate debtor vested in the IRP/RP under supervision of CoC. The Applicant has failed to produce any communication to IRP/RP during the period from April

2019 to 2022. It was on 22.01.2022 for the first time that he communicated with the RP for his fees.

28. The Applicant is demanding his retainership fee of Rs.40,000/- per month based on the engagement by the erstwhile management. However, neither engagement letter with monthly retainership fee of Rs. 40,000/- nor any other evidence is placed on record to show that the applicant has been submitting his monthly bills which are accepted by the Corporate Debtor.

29. Further, there are no instructions received by the Applicant from the IRP/RP during the CIRP period. Rather from the tone and tenure of his email dated 17.12.2021, it appears that the Applicant has been receiving instructions from the suspended director of the corporate debtor and it is only when the suspended director asked him to demand fees from RP that the Applicant for the first time on 22.01.2022 communicated with the RP for his fees demanding retainership fee @ Rs. 40,000/- per month. The Hon'ble NCLAT in the case of ***Bharat Hotel Ltd vs Tapan Chakraborty (Company Appeal (AT) (Ins) No. 1074/2022)*** observed as follows:

> *"5. ....Question of cost and its approval lays in the domain of CoC. The CoC may ratify, modify or set aside the cost claimed. These issues may be decided in the meeting of CoC and are not to be examined by the Adjudicating Authority even before the CoC takes a decision. It shall be open for the appellant to raise issue regarding the cost in the meeting of the Committee of Creditors.*

30. We note that the fee has neither been approved by CoC nor ratified by CoC. Therefore, we are of considered view that the Applicant is not entitled to retainership of Rs. 40,000/- per month either during CIRP period.

31. As already noticed that the Applicant as emerging from the averments that the Applicant has for the first time communicated with the Respondent on 22.01.2022 which is during liquidation period. For the same reasons, he is also not entitled for retainership during liquidation period which commenced on 07.02.2020. Further, Regulation 31-A of the IBBI (Liquidation Process) Regulations, 2016 states that the Liquidator shall constitute consultation committee who shall advise the Liquidator on remuneration of professionals. It is pertinent to note that the SCC, in their Sixteenth SCC Meeting held on 03.10.2023 after taking into consideration the documents submitted by the Applicant passed a resolution to pay to the Applicant on the basis of per hearings based on effective and non- effective hearings and to cap total amount to Rs. 5,50,000/- and authorized the Liquidator to adjust the amount of refund from withdrawal and/or closure of any case (if any) to the fees payable to the Applicant.

32. In the case of ***CMA Harshad Deshpande vs. Shri Rakesh Kumar Relan (RP) and Anr, ([2026] ibclaw.in 687 NCLAT],*** the IRP had challenged the order of this Tribunal reducing the monthly fee of the appellant which was initially agreed to Rs. 2,50,000/- per month to Rs. 50,000/- per month. The Hon'ble NCLAT upheld the order dated 07.10.2025 passed by this Tribunal in IA No. 4549/2024 in CP (IB) No. 1135/MB/2021, thereby reducing the fee of the appellant and found it reasonable and commensurate with the work and efforts of the appellant. The relevant paragraphs are set in below:

> *"56. We also do not find merit in the submission of the Appellant that because fees at the rate of Rs. 2.50 Lakhs per month were initially contemplated, the CoC became permanently bound to continue payment at the same rate irrespective of subsequent developments. The CoC agreed to pay at this rate during the period prior to stay. For the period after the CoC had gone by the rates provided in the regulations. The question of CIRP costs and fee ratification falls within the commercial domain of the CoC, subject of course to judicial scrutiny where the decision is shown to be arbitrary or contrary to law. In the present case,*

the reduction during the stay period and payment as per the regulations after vacation of stay had direct nexus with the restricted functioning of the CIRP during the relevant period and therefore the same cannot be said to be mala fide or irrational.

58. *We are therefore of the considered opinion that the Adjudicating Authority correctly appreciated the factual matrix and adopted an equitable approach by granting reasonable remuneration proportionate to the functions actually performed by the Appellant during the restricted CIRP period. For the reasons recorded above, we find no material irregularity in the impugned order dated 07.10.2025 passed by the Adjudicating Authority in IA No. 4549/2024 in CP (IB) No. 1135/MB/2021."*

33. Since all cost incurred on behalf of the Corporate Debtor during CIRP and Liquidation needs the approval of CoC/SCC, we do not wish to interfere with the decision of the SCC as far as it pertains to the basis of the fee payable to the Applicant. However, the decision of the SCC for adjustment of the fees with the refund of court fees, after withdrawal of cases cannot be accepted. The Applicant has submitted that in view of the judgment of Hon'ble Supreme Court in ***Jage Ram v. Ved Kaur & Ors. 2025 LiveLaw (SC) 138,*** refund of court fees is not available in cases of withdrawal of cases. In any case, the Applicant's fee cannot be made subject to the receipt of the refunded court fee. If a professional has rendered services to the corporate debtor during CIRP period and liquidation period he is entitled to receive his fee as approved and ratified by CoC/SCC. While we endorse the decision of SCC to make payment to the Applicant on the basis on effective and non-effective hearings (which is a cogent and justified reasoning), what we do not approve is that such fee be capped to Rs. 5,50,000/-. Any professional is entitled to the receive fees commensurate with his efforts. Further, payment of fee to the Applicant cannot be made dependent on refund of court fees. The SCC can take independent steps to get the refund of court fees from the respective courts.

34. Therefore, the Liquidator is directed to release payment to the Applicant as per the decision of SCC in their Sixteenth meeting held on

03.10.2023 without capping the fee to Rs.5,50,000/- and without adjusting it with the refund of court fees. The Applicant shall submit the evidence of effective and non-effective hearings and accordingly the Liquidator shall release payment.

35. Accordingly, I.A. 1471 of 2022 is **partly allowed** in above terms.

SD/-	**SD/-**
Hariharan Neelakanta Iyer	**Lakshmi Gurung**
Member (Technical)	**Member (Judicial)**

/Apurva/