NATIONAL COMPANY LAW APPELLATE TRIBUNAL
PRINCIPAL BENCH, NEW DELHI

Comp. App. (AT) (Ins) No. 112 of 2025 &
I.A. No. 499 of 2025

IN THE MATTER OF:

The Nasik Merchants Co-operative Bank Ltd. ...Appellant(s)

Versus

Kailash T Shah Erstwhile Resolution Professional of Yug Weave Tech Pvt. Ltd. & Anr. ...Respondent(s)

Present:

For Appellant(s) : Mr. Avinash R. Khanolkar, Mr. Mahesh Kumar T Nulolu & Mr. Dhanashree Patki, Advocates

For Respondent(s) : Ms. Honey Satpal, Mr Nipun Singhvi, Mr. Aman & Ms. Tanvi Gupta, Advocates for R-1

O R D E R
(Hybrid Mode)

18.11.2026 We have heard Shri Anuj Kumar Khanolkar, Learned Counsel appearing for the Appellant, as well as Ms. Honey Satpal, Learned Counsel appearing for the RP and perused the record.

The instant appeal has been preferred by the Appellant, being one of the secured creditors of the Corporate Debtor, aggrieved by the impugned order dated 12.12.2024, whereby an application moved by the Resolution Professional (RP) of the Corporate Debtor (CD) - M/s. Yug Weave Tech Private Limited being I.A. No. 335 of 2023, has been disposed of with the directions that the pending CIRP cost/professional fees of the Applicant/Resolution Professional amounting to Rs. 16,48,000/-, shall be paid to him within 15 days from the order.

Learned Counsel for the Appellant submits that the Learned Adjudicating Authority has committed a mistake by passing the impugned order, as the Appellant was only obliged to pay such fee to the Resolution Professional which it has ratified. In this regard, the attention of this Appellate Tribunal has been drawn

on the 6th CoC meeting held on 02.11.2021, in order to show that in this CoC meeting the fee of the Resolution Professional up to the month of October 2021, has been ratified and approved for payment and therefore, the Appellant was not obliged to pay any fee to the Resolution Professional beyond what has been approved in this meeting i.e. till October 2021.

The attention of this Court has also been drawn to Regulation 34 of CIRP Regulations, 2016, and schedule II of the same in order to show that the fees of the Resolution Professional could only be paid until the closure of the CIRP, and therefore this aspect of the matter has not been considered by the Learned Adjudicating Authority.

It is further submitted that the Learned Adjudicating Authority has committed a mistake by allowing the application moved by the Resolution Professional and therefore, the impugned order may kindly be set aside

Learned Counsel appearing for the RP vehemently submits that, in the 1st CoC meeting held on 25.11.2020, the fee of the Appellant/Resolution Professional was fixed at Rs. 1 lac in accordance with Regulation 34 of the CIRP Regulations, 2016, and schedule II of the regulations.

She further submits and has drawn our attention towards the 6th CoC meeting minutes held on 02.11.2021 to show that in this meeting the Authorised Representative of the sole member of the CoC has asked the RP to reduce the outstanding fee and the RP had informed him that all the works related to CIRP and compliances with regard to the Corporate Debtor are to be done by him timely and there are other works also which is to be handled by him regularly and the fee is already less and he will continue his fee of Rs. 1 lac per month till the appointment of liquidator by the Learned Adjudicating Authority.

It is further submitted that, since the aforesaid fee was never modified either by the CoC or by the Learned Adjudicating Authority, the Appellant was obliged to pay the same until the CD had gone into liquidation vide order dated 06.07.2022.

It is further submitted that the reliance of the Appellant on schedule II of the CIRP Regulations, 2016, is patently wrong, as the said schedule only provides the minimum fixed fee, and it says that the minimum fixed fee shall be applicable for the period from appointment as Interim Resolution Professional or the Resolution Professional, as the case may be, till the time of either submission of application for approval of the Resolution Plan or to liquidate the Corporate Debtor or submission of application under Section 12A of the Code, or till order for closure of CIRP (whichever is earlier) and since in this case the liquidation order has been passed on 06.07.2022 the Appellant was duty-bound to pay the fees up to the period of 06.07.2022.

We have heard Learned Counsel for the Parties and have perused the record.

It is reflected that in the 1st meeting of the CoC held on 25.11.2020 the fee of the Resolution Professional was decided to be fixed as Rs. 1 lac per month, plus professional charges. It is not in dispute that the RP has continued and has discharged his obligations throughout the CIRP. The only objection which has been raised by the Appellant is that the RP was not having any work to do and therefore after October 2021 the Appellant is not obliged to pay the fee of the RP, as the Appellant has ratified his fee till October 2021.

There are certain other objections which have been raised by the Appellant with regard to the allegations that the RP has not performed his duties up to the mark, and that some theft has been taken placed in the premises of the Corporate Debtor during the tenure of the RP and the same has not been properly pursued by

the RP. The defence of the counsel for the RP on this is that the RP had continued the services of the same security agency which was appointed by the Appellant and the FIR was also filed by the RP with regard to the said theft referred to by Learned Counsel for the Appellant.

Be that as it may, we notice that the Learned Adjudicating Authority, in the impugned order, has taken note of the fact that, in the CoC meeting held on 21.11.2020 the CoC resolved to appoint the IRP and his fee of Rs. 1 lac per month, plus (applicable taxes) was fixed and thereafter nothing is available on record which may suggest that the fee of the RP was ever curtailed and made subject to any specific function to be performed by him.

The reference of the 6th CoC meeting, which has been given by Learned Counsel for the Appellant, in our considered opinion, would not be of any help to the Appellant, as in the said meeting it has only been resolved that the fee of the RP up to the month of October 2021, is hereby ratified and approved for payment.

We are of the considered view that once the fee of the RP has been fixed by the CoC the same could only be altered by the CoC by considering a specific agenda for the same or by the Learned Adjudicating Authority and not otherwise.

We also notice that, in the 6th CoC meeting itself, when an objection has been taken by the representative of the Appellant with regard to continuance of payment of the fee to the RP, the RP has categorically replied that he has performed various statutory functions on behalf of the Corporate Debtor and thereafter, we notice that the matter has not been taken any further by the Appellant.

Having regard to all the facts and circumstances of this case, we are of the considered view that once the RP was appointed by the CoC and his fee has been approved as Rs. 1 lac per month and there is no change in that fee, the said fee is

to be paid in accordance with the eventualities described under schedule II of the CIRP, 2016.

In the instant case, by passing the impugned order, the Learned Adjudicating Authority had directed that the fee up to the initiation of the liquidation process against the Corporate Debtor i.e., till 06.07.2022 be paid to the RP.

We do not find any illegality or to say any irregularity in the observations/conclusions drawn by the Learned Adjudicating Authority and thus, in view of the aforesaid facts and circumstance, the appeal, in our considered opinion lacks merit and is hereby **dismissed**.

There is no order as to cost. The pending I.A., if any, is also disposed of.

We further direct the Appellant to immediately pay the balance fee of the RP, as determined by the Learned Adjudicating Authority, within a period of one month from today.

[Justice Mohammad Faiz Alam Khan]
Member (Judicial)

[Naresh Salecha]
Member (Technical)

KS/KM