IN THE NATIONAL COMPANY LAW TRIBUNAL MUMBAI BENCH-II

IA (I.B.C) No. 5241/MB/2025, 5415/MB/2025

in

CP (IB) No. 646/MB/2024

[Under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 r/w Rule 11 of the National Company Law Tribunal Rules, 2016]

I.A. (I.B.C) No. 5241/MB/2025

PRIORITY COMMOTRADE PRIVATE LIMITED

Address: 2A, Ganesh Chandra Avenue, 7th Floor,
Room No. 5, Kolkata-700013, West Bengal. ….**Applicant**

V/s

1. **MR. RAM SINGH SETIA**
   RESOLUTION PROFESSIONAL OF BOMBAY RAYON CLOTHING LIMITED
   [Registration No. IBBI/IPA-001/IP-P01189/2018-19/11935]
   Address: Tower B-1104, Celestia Spaces, Tokershi Jivraj Road
   Sewri, Off Zakaria Bunder Road,
   Mumbai-400015, Maharashtra.
2. **EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED**
   Address: Edelweiss House, Windsor, LN, Kolivery Village,
   MMRDA Area, Kalina, Santacruz (East)
   Mumbai-400098, Maharashtra. ….**Respondents**

I.A. (I.B.C) No. 5415/MB/2025

ADVANTECH TECHNOLOGY PRIVATE LIMITED
IN CONSORTIUM WITH KW LEGACY LLP

Address: 20, Sir Hariram Goenka Street,
Kolkata-700007, West Bengal. ….**Applicant**

V/s

1. **MR. RAM SINGH SETIA**
   RESOLUTION PROFESSIONAL OF BOMBAY RAYON CLOTHING LIMITED
   [Registration No. IBBI/IPA-001/IP-P01189/2018-19/11935]

Address: Tower B-1104, Celestia Spaces, Tokershi Jivraj Road
Sewri, Off Zakaria Bunder Road,
Mumbai-400015, Maharashtra.

2. **COMMITTEE OF CREDITORS OF BOMBAY RAYON CLOTHING LIMITED**
Address: Edelweiss Asset Reconstruction Company,
Edelweiss House, Off CST, Kalina,
Mumbai-400098, Maharashtra ….**Respondents**

IN THE MATTER OF:

CATALYST TRUSTEESHIP LIMITED …Financial Creditor

V/s

BOMBAY RAYON CLOTHING LIMITED ...Corporate Debtor

Pronounced: **26.11.2026**

CORAM:

HON'BLE SHRI ASHISH KALIA, MEMBER (JUDICIAL)

HON'BLE SHRI BANWARI LAL MEENA, MEMBER (TECHNICAL)

Appearances: Hybrid

Applicant in IA No. 5241/2025: Sr. Adv. Prateek Seksaria a/w Adv. Pulkit Sharma, Adv. Rohan Vasa, Adv. Aditya Mishra, Adv. B. Baxi

Applicant in IA No. 5415/2025: Adv. Aishvary Vikram a/w. Adv. Lovely Singh i/b. Adv. Vidit Divya Kamat

Respondent (RP) in IA Nos. 5241/2025 & 5415/2025: Sr. Adv. Vikram Nankani, Adv. Shyam Kapadia, Adv. Ayush Rajani a/w. Adv. Priyank Jadav, Adv. Khusbhoo Rajani and Adv. Daksha K. i/b. AKR Legal

Respondent (CoC) in IA No. 5415/2025: Adv. Rohit Gupta a/w. Ekta Dalvi

ORDER

[Per: ASHISH KALIA, MEMBER (JUDICIAL)]

1. BACKGROUND

1.1 This Interlocutory Application bearing IA (I.B.C) No. 5241/MB/2025 (hereinafter referred to as "the Application") has been filed on 08.11.2025 by Priority Commotrade Private Limited (hereinafter referred to as "Applicant"), under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as "the Code") read with Rule 11 of the National Company Law Tribunal Rules, 2016 (hereinafter referred to as "NCLT Rules, seeking various reliefs which are as follows:

a) *Declare that the communications issued by the Respondent No. 1 dated October 16, 2025 (18:25 hrs) and October 18, 2025 (15:57 hrs) are illegal, arbitrary, and violative of the provisions of the Insolvency and Bankruptcy Code, 2016 and regulations framed thereunder and;*

b) *Direct the Respondents to consider the revised financial proposal dated October 19, 2025 submitted by Priority Commotrade Private Limited on equal footing with other bidders, in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016 and regulations framed thereunder;*

c) *Stay the consideration or approval of any resolution plan submitted in respect of the Corporate Debtor without considering and including the Applicant*

d) *Direct the Respondent No. 1 to place on record all minutes and correspondence of CoC meetings held on and after October 14, 2025, evidencing the process adopted;*

e) *Direct the Respondent No. 1 and Respondent No.2 to allow the Applicant to participate in all ongoing and future CoC deliberations and negotiations with respect to the resolution plan*

f) *Direct the Insolvency and Bankruptcy Board of India to initiate appropriate disciplinary and penal proceedings against Mr. Ram Singh Setia, Resolution Professional of the Corporate Debtor, under Regulation 11 of the IBBI (Insolvency Professionals) Regulations, 2016 read with Section 70(2) of the Code, for deliberate contravention and professional misconduct*

1.2 During the pending of the aforesaid Interlocutory Application, another Interlocutory Application bearing IA(IBC) No. 5415/MB/2025 was filed on 16.11.2026 by the consortium of Advantech Technology Private Limited Consortium and KW Legacy LLP, seeking various directions against the Respondents i.e., Mr. Ram Singh Setia, the Resolution Professional of Bombay Rayon Clothing Limited (hereinafter referred to as “RP”) as well as the Committee of Creditors (hereinafter referred to as “CoC”) of Bombay Rayon Clothing Limited (hereinafter referred to as “Corporate Debtor”) which are as follows:

a. *Declare that the approval of the resolution plan of the Successful Resolution Applicant decision is illegal, arbitrary, and inter alias violative of Clause 3.4.2 and Step VI of the RFRP, Section 30(2) of IBC and*

Regulations 39(2) and (3) and Regulation 36B (3) and (5) of the CIRP Regulations.;

b. *Set aside all actions and decisions taken by the Respondent No. 1 (Resolution Professional) and Respondent No. 2 (Committee of Creditors) which have resulted in the exclusion of the Applicant and/ or rejection of its revised Resolution Plan, being arbitrary, mala fide, and in violation of the provisions of the Insolvency and Bankruptcy Code, 2016, the CIRP Regulations, and the terms of the RFRP;*

c. *Declare that the Resolution Plan (revised) submitted by the Applicant complies with the RFRP, IBC and CIRP Regulations.*

d. *Direct the Respondent No. 1 to place the Applicant's revised Resolution Plan before the Committee of Creditors for due consideration, evaluation, and negotiation in accordance with the provisions of the IBC, the CIRP Regulations, and the principles of fairness, transparency, and equal opportunity;*

e. *Declare that the decision of the CoC to restrict evaluation, consideration and voting of plans submitted only by H1 and H2 Prospective Resolution Applicants is illegal, arbitrary, and violative of the CIRP Regulations;*

f. *Direct the Respondent No. 1 to furnish to the Applicant all communications, documents, and minutes of the meetings of the CoC relevant to the consideration and evaluation of resolution plans, including all correspondence pertaining to the Applicant's plan, within a period to be stipulated by this Hon'ble Tribunal;*

g. *Defer the adjudication and decision on any application for the approval of the resolution plan of the successful resolution applicant (if any) submitted by the Respondent No. 1;*

h. *Grant appropriate interim relief to protect the rights of the Applicant in terms of prayers (a) to (g); and*

i. *Pass such other order(s) as this Hon'ble Tribunal may deem fit in the interest of justice, equity, and good conscience.*

2. CONTENTIONS OF APPLICANT IN IA(IBC) NO. 5241/2025

2.1 It is submitted that the Applicant had submitted its resolution plan with an Earnest Money ‘deposit of INR 10 crore on 29.09.2025, and was invited to present its plan before the CoC during the 5th CoC meeting. However, within hours of being invited to the 7th CoC meeting by the RP/Respondent No. 1 on 16.10.2025, the Applicant was abruptly informed that the CoC had decided to negotiate only with H1 and H2 bidders. The Applicant, shocked by this exclusionary approach, immediately recorded its objection through a detailed letter dated 16.10.2025 (23:08 hrs), demonstrating that such decision violated Regulation 39(1A) of the of the Insolvency and Bankruptcy Board of India (Insolvency Process for Corporate Persons) Regulations 2016 (hereinafter referred to as “CIRP Regulations”) and Section 25(2)(i) of the Code.

2.2 Thereafter, despite multiple requests, the Applicant was denied entry into the 7th CoC meeting held on 17.10.2025, and the RP, through his subsequent email dated 18.10.2025, alleged that the Applicant had not submitted a "final compliant plan" a term neither recognized in the Request for Resolution Plan (hereinafter referred to as “RFRP”) nor in the CIRP Regulations.

Notwithstanding this discrimination, the Applicant, acting with utmost good faith, submitted on October 19, 2025, an Addendum to the Financial Proposal, substantially enhancing its financial offer from Rs. 135 Crores to Rs. 186 Crores, demonstrating its serious intent to maximize the value of the Corporate Debtor.

2.3 However, the RP/Respondent No. 1, in complete disregard to the process stipulated under the Code and without providing a proper opportunity to the Applicant to submit an improved and binding amended and restated resolution plan, as allowed under the CIRP Regulations, *vide* his e-mail dated 05.11.2025 informed the Applicant that the CoC had already voted on a resolution plan and indicated that the earnest money deposit provided by the Applicant shall be refunded in due course. This was provided by the Applicant shall be refunded in due course. This was subsequently confirmed by the RP's legal counsel in the hearing before this Hon'ble Tribunal on 06.11.2025 wherein it was informed that the application for approval of resolution plan has been filed.

2.4 It is further submitted that the Applicant has dutifully participated in the process is eligible and complied with all the requirements and thereafter been excluded from the process. The Applicant remains a bona fide and serious contender committed to the revival of the Corporate Debtor, having fulfilled the obligations under the RFRP, including payment of Earnest Money Deposit (EMD) and submission of an improved financial plan.

2.5 The Ld. Counsel for the Applicant contended that the actions and conduct of the RP/Respondent No. 1 reveal procedural bias, misrepresentation, and deliberate suppression of the Applicant's improved proposal. Such conduct constitutes professional misconduct under Regulation 7(2)(h) and Regulation

11 of the IBBI (Insolvency Professionals) Regulations, 2016, and deliberate contravention under Section 70(2) of the Code.

3. CONTENTIONS OF RESPONDENT IN IA(IBC) NO. 5241/2025

3.1 The Ld. Sr. Counsel for the RP/Respondent No. 1 submitted that the Prospective Resolution Applicants (PRAs) were informed on 14.10.2025 to submit revised Resolution Plans in compliance with the provisions of the Insolvency and Bankruptcy Code, 2016 and the applicable Regulations, after curing all discrepancies and addressing the observations which were also communicated, such revised resolution plan was to be submitted on or before 16 October 2025 and it was also categorically stated in the said email that no further extensions would be allowed.

3.2 It is further submitted that the 7th meeting of the CoC was held on 17.10.2025 and the 8th meeting of the CoC was held on 24.10.2025. The extended timeline for submission of resolution plans expired on 16.10.2025. In accordance with Section 30 of the Code read with Regulation 39(1B) (c) of the CIRP Regulations, it was a conscious decision of the CoC that only IBC-compliant resolution plans would be considered. It is imperative to note that sharing an" invite" for attending. A CoC meeting is part of the overall process. However, since the Applicant admittedly had never submitted the final unconditional resolution plan by 16.10.2025 and hence in CoC's commercial wisdom there was no reason to have any further discussions with the PRA who is not interested to abide by the timelines as were communicated duly in advance, which is not challenged.

3.3 Relying upon the provision of Regulation 39 of the CIRP Regulations, it is stated that the Resolution Professional is also required to place any non-compliant Resolution Plans also before the CoC. While the commercial decision to approve or reject a resolution plan lies with the CoC through voting, such a decision can be taken only in respect of plans that comply with the provisions of the Insolvency and Bankruptcy Code and the CIRP Regulations. So, the RP has merely adhered to the provisions and Regulations which requires him to also discuss non-compliant plans so that the CoC is aware of such non-compliances.

3.4 It is an admitted position that the unsuccessful Resolution Applicant cannot question the CoC's commercial wisdom as to negotiate further only with the H1 and H2 Bidders. There plethora of judgements on the subject matter and it is held that the CoC' s commercial wisdom has to be upheld. Furthermore, the Applicant is not even an unsuccessful Resolution Applicant since it never submitted the unconditional Resolution Plan. The RP/Respondent No. 1 presented the Resolution Plan before the CoC as received till the last date including the belatedly received Financial Proposal not the signed Revised Resolution Plan.

3.5 To substantiate its contention, the Respondent No. 1 relied upon the ruling of Hon'ble NCLAT (Chennai) in ***M.K Rajagopalan Vs S. Rajendran., [2023 SCC OnLine NCLAT 839 (Chennai Bench)]*** wherein it was held that an unsuccessful Resolution Applicant stands no locus to submit its Resolution Plan or its implementation as he is not a stakeholder as per Section 31(1) of the Code. Further, the Hon'ble NCLAT in ***Ganga Construction (Consortium) v. Anil Kumar Mittal & Ors., [Company Appeal (AT) (Insolvency) No. 185***

of 2025] held that a Resolution Applicant who had merely submitted a preliminary plan and failed to submit a final Resolution Plan has no locus to challenge the Resolution process.

4. CONTENTIONS OF THE APPLICANT IN IA(IBC) NO. 5415/2025

4.1 It is contended that the RP/Respondent No. 1 informed the Applicant that the CoC/Respondent No. 2 have restricted the consideration of the Resolution Plan and negotiation on the Resolution Plan only to the H1 and H2 Resolution applicant, excluding other Prospective Resolution Applicants, including the Applicant, in complete defiance of the procedure set out in the RFRP documents and Regulation 39 of the CIRP Regulations.

4.2 It is submitted that the Applicant, based on the Information Memorandum dated 28.07.2025 and RFRP dated 04.08.2025 16. submitted the Resolution Plan and documents which were required in terms of the RFRP issued by the Respondent No. 1, by an email dated 29.09.2025 addressed to the Respondent No. 1. It seems that this submission complied with Step I contemplated in the RFRP document. On 06.10.2025, the Respondent No. 1 issued an email requesting that the Applicant to submit a Word file of the resolution plan for examination and ease of reference. It is submitted on the same day, i.e., 06.10.2025, the Applicant submitted the Resolution Plan to the Respondent No. 1. It is submitted that on 14.10.2025, the Applicant requested the Resolution Professional in an email dated 14.10.2025 to share the contact number of the concerned person, as he had some queries regarding the attached Excel sheets.

4.3 Subsequently, the Respondent No. 1, in its email dated 14.10.2025, provided particular preliminary enquiries to the Resolution Plan submitted by the Applicant and requested the Applicant to submit the completed and unconditional Resolution Plan after addressing all the queries, on or before 16.10.2025, along with a revised submission that compiles with all requirements under the IBC, 2016, with duly supported annexures and confirmations.

4.4 It is submitted that the revised resolution plan under the RFRP was to be requested by the Respondent No. 1 from the prospective resolution applicant only after the negotiations and discussions between the Prospective Resolution Applicants and the Respondent No. 2, i.e. the CoC; however, the Applicant was never called upon for negotiations with the Respondent No. 2, i.e. the CoC. In the meantime, on 15.10.2025, the Respondent No. 1 requested that the Applicant take note of the Transaction Audit report and the List of Creditors updated up to 15.10.2025, along with the submission of the updated Resolution Plan.

4.5 On 16.10.2025, the Applicant stated that the Respondent No. 1 has provided no opportunity to the Applicant to discuss and negotiate the Resolution Plan with the members of the CoC, as contemplated under Step III of the RFRP documents, and without following the process, has sought the revised Resolution Plans.

4.6 To the utter shock of the Applicant No. 1, on 16.10.2025, the Applicant received another email dated 16.10.2025, informing the Applicant that on 14.10.2025, the Respondent No. 2, in its 14th CoC Meeting decided that negotiations would only be held with H1 and H2 Resolution Applicant and since

the Resolution Plan of the Applicant is not within the top two resolution plans, the Respondent No. 2 is not inclined to consider the plan other than of the H1 and H2 Resolution Applicant.

4.7 On the same day, the Applicant again wrote an email dated 16.10.2025 to the Respondent No. 1, stating that the alleged decision of the CoC at the 14th Meeting violates the procedures set out in the RFRP documents and is contrary to the aim and objective of the Code, which is value maximisation. Nevertheless, the Applicant submitted the Revised Resolution Plan to the Respondent No. 1.

4.8 It is submitted that the Applicant waited from 17.10.2025 to 30.10.2025 for any communication from the Respondent No. 1; however, none was received. The Applicant believed that, possibly due to the Diwali holidays, the COC had yet to consider the Resolution Plans. Even after more than 10 days, when the Applicant had not received any information from the Respondent No. 1, the Applicant sent an email dated 30.10.2025 requesting that the Respondent No. 1 provide information regarding the Resolution Plan.

4.9 It is submitted that the Applicant is not, in any manner, questioning the commercial wisdom of the Committee of Creditors, however, the Applicant is constrained to challenge the exercise of such commercial wisdom when it is founded upon a process that is vitiated by procedural illegality, arbitrariness, and discrimination. The commercial wisdom of the CoC must operate within the boundaries of the IBC, the CIRP Regulations, and the Request for Resolution Plan (RFRP). In the present case, the actions of Respondent No. 1 and Respondent No. 2 are in complete defiance of these mandatory provisions, rendering the resultant exercise of commercial wisdom unlawful

and unsustainable. The acts and conduct of the Respondent Nos. 1 and 2 are in clear violation of Clause 3.4.2 and Step VI of the RFRP and in violation of Section 30(2) of the Code and Regulations 39(2) and (3) and Regulation 36B (3) and (5) of the CIRP Regulations, which amounts to material irregularity, non-compliance of regulations and acting in complete violation of the procedure contemplated in RFRP.

4.10 Relying upon the decisions of Hon'ble Supreme Court in ***K. Sashidhar v. Indian Overseas Bank, [(2019) 12 SCC 150]*** and ***Essar Steel India Ltd. v. Satish Kumar Gupta, [(2020) 8 SCC 531],*** the Applicant contended that while the commercial decision of the CoC is not to be substituted, the process leading to such decision must be transparent, fair, and compliant with the statutory framework. It is submitted that at present, the Applicant is unaware of the details of the successful resolution applicant, and undertakes to implead the successful resolution applicant, as and when the details of the same are provided to the Applicant.

5. CONTENTIONS OF THE RESPONDENT IN IA NO. 736/2026

5.1 It is submitted that the Applicant were invited in the 7th CoC meeting held on 17.10.2025; issues were raised with regards to the email dated 14.10.2025 and 16.10.2025; the Representative of the Applicant would have raised their grievances on the said meeting itself which they did not, hence this Application is afterthought with some mala fide intentions and is trying to derail and hinder the CIRP Process.

5.2 The bidding will be undertaken between the H1 and H2 Bidders was filtered by the CoC to final negotiation between the H1 and H2 Resolution Applicant which

are IBC-Compliant and unconditional in nature. The Applicant cannot question the CoC's Commercial Wisdom and the decisions of the CoC to hold negotiation between H1 and H2 bidders. Hence, these allegations are baseless and the present application deserves to be dismissed.

5.3 The initial resolution plan dated 29.09.2025 was for a meagre amount of Rs. 54.91 Crores. As of 14.10.2025, this was the last available resolution plan and hence communication was sent that the Applicant is neither H1 nor an H2. Subsequently the Applicant chose to submit an updated resolution plan dated 16 October 2025 (close to midnight) which too was found to be conditional in nature and was discussed at length in the meeting held on 17.10.2025 (7th CoC meeting).

5.4 There are substantial changes in the Resolution Plan dated 16.10.2025 which are also found to be conditional in nature for instance the definitions like 11 Excluded Event", "Exclusion of time" came to be inserted in the said plan. Furthermore, reference is made to page 297 of the IA wherein the cumulative net worth is shown as 146.26 crores while the so-called proposed resolution plan offered on paper for an amount of Rs. 249.35 crores (on the face of it a difference of Rs. 104 crores) over and above the net worth disclosed by the applicant. Furthermore, zero clarity on the source of funds and to simply stated that the source of funds in the implementation of the Resolution plan is out of existing resources with the Resolution Applicant and its associates and bank borrowings if required.

5.5 It is trite law that the resolution plan is a document authored by the Resolution Applicant and the RP is not bound to keep giving repeated chances to a given PRA to keep refiling and modifying the plans endlessly while it is not in dispute

that the final cut off of providing an unconditional resolution plan was as of 16 October 2025.

5.6 The conditionality went further as evident from the perusal of the present Interlocutory Application by a caveat being inserted by the applicant regarding “early payment discount" against the offer amount of Rs. 249 crores for the secured financial creditor and completely silent on the time lines or even the rate of discounting. This ought to be considered with the fact that prior plan was for a meagre amount of Rs. 54.91 crores, the offer jumped 5 times on paper followed by several additional conditionalities inserted within the resolution plan. To substantiate its contention, the Respondents relied upon the decision of Hon’ble Supreme Court in ***EBIX Singapore Private Limited vs. Committee of Creditors and Another., [2021 2 SCC 401]***

6. ANALYSIS AND FINDINGS

6.1 We have perused all the documents and pleadings and heard both the Ld. Senior Counsel for the Applicants and the Respondents in the present Interlocutory Applications.

6.2 The sole issue to be decided in both the Interlocutory Applications is whether they are maintainable or not.

6.3 As far as the **IA(IBC) No. 5241/2025** is concerned, the Applicant’s main grievance is that its rights as an unsuccessful resolution applicant have been illegally and arbitrarily prejudiced by the action of the Respondents in outrightly refraining to consider the resolution plan submitted by the Applicant and limiting the consideration of the resolution plans only with top two bidders, that too during the pendency of submission of revised final Resolution Plans by

other resolution applicants, including the Applicant, which is contrary to the established general practice.

6.4 In this connection, it would be worthwhile to refer to the email correspondences between the parties having bearing on the issue at hand. The first such e-mail is dated 14.10.2025 at 19:51, addressed by the RP to the Applicant which is reproduced below:

> *"On Tue, 14 Oct 2025 at 19:51, Bombay Rayon wrote:*
>
> *To*
>
> *Resolution Applicant,*
>
> *Dear Sir,*
>
> *Please find attached the preliminary queries in respect of the Resolution Plan submitted by you in the matter of Bombay Rayon Clothing Limited.*
>
> *You are requested to submit the fully completed and unconditional Resolution Plan after addressing all the queries, on or before 16th October 2025, via email.*
>
> *Kindly ensure that the revised submission complies with all requirements under the Insolvency and Bankruptcy Code, 2016, and is duly supported with necessary annexures and confirmations.*
>
> *Please note that no further extension shall be granted."*

The next relevant e-mail sent by the RP to the Applicant (Priority Commotrade) on 16.10.2025 at 18:25 is extracted below for ready reference: -

> *"From: Bombay Rayon Date: Thu, 16 Oct 2025 at 18:25*
>
> *Subject: Re: Observations on the Resolution Plan in respect of Bombay Rayon Clothing Ltd*
>
> *To: PRIORITY COMMOTRACT*
>
> *Cc: Ram Setia*
>
> *Dear Sir,*

In continuation to our earlier communication dated 14th October 2025, we would like to inform you that, the Committee of Creditors, in its meeting dated 14th October 2025 decided that negotiations would be held only with Hl and H2 Resolution Applicants. Your plan not being amongst the top 2 resolution plans as per the current stack of plans, COC is not inclined to consider plans other than the top 2."

6.5 It is a matter of record that the Applicant failed to submit a fully completed and unconditional resolution plan after addressing all queries of the RP via e-mail on or before 16.10.2025 and that it actually submitted addendum to the financial proposal forming part of its Resolution Plan dated 29.09.2025 on 19.10.2025 much beyond the stipulated timeline, i.e., 16.10.2025. It cannot be denied that the Applicant was well aware of the timeline for submission of the revised completed and unconditional resolution plan on or before 16.10.2025 and despite this, it failed to comply with the said timeline. It is noticed from the record that since the Applicant had failed to submit the revised resolution plan by 16.10.2025 which was the final cut-off date, it was not permitted to attain the CoC meeting held on 17.10.2025. Having missed the specified timeline, i.e., 16.10.2025, the Applicant cannot claim that the revised plan furnished by it on 19.10.2025 be treated on equal footing with other bidders. Such a contention is supported neither by the provision of the IBC nor those of the CIRP regulations.

6.6 In this context, it will be pertinent to take note of the Evaluation Process of the Resolution Plans submitted by the Resolution Applicants as specified in the RFRP which comprised of the following steps:

Step I - Submission and receipt of Resolution Plans on the Submission Date

Step II - Evaluation of Resolution Plans for compliance with the IBC, CIRP Regulations and other Applicable Laws

Step III - Negotiations/discussion with one or more Resolution Applicants and Due Diligence of Resolution Applicants

Step IV - Submission and receipt of revised Resolution Plans on the Revised Submission Date

Step V - Evaluation of Resolution Plans for compliance with the IBC, CIRP Regulations and other Applicable Laws

Step Vl - Voting on Resolution Plan

6.7 Thus, on perusal of the para 4.4.4.1 of Step III of the Evaluation Process, it is evident that the CoC reserved the right to negotiate any of the terms of the Resolution Plans with any or all Resolution Applicants at any stage in their sole discretion, in order to assess all the Resolution Plans on the mentioned parameters. The CoC and/or the Resolution Professional (acting on the Instructions of the CoC) may, at their sole discretion, decide any method or process for negotiation, finalization and determination of the Successful Resolution Applicants and each Resolution Applicant shall be bound by the terms governing such a process, which shall be decided by the CoC. In view of this, the Applicant cannot challenge the commercial wisdom of the CoC in deciding to hold the negotiations not with all the Resolution Applicants but only with the H1 and H2 bidders.

6.8 Thus, it emerges that no material irregularity in the resolution plan evaluation process can be alleged by the Applicant specially when (i) it was not among the H1 and H2 bidders and (ii) it had failed to submit its revised, completed and unconditional resolution plan to the RP latest by the prescribed deadline i.e., 16.10.2025. Consequently, the Applicant has failed to make out a case for staying the approval of Resolution Plan. Therefore, in our considered view, the **IA(IBC) No. 5241/MB/2025** is bereft of merit and the same is **dismissed**.

6.9 On the issue regarding the CoC's commercial wisdom, the Hon'ble Supreme Court in various judgments held that the Commercial wisdom of the CoC cannot be set aside unless there is a 'material irregularity' as defined under Section 30(2) of the Code. The observations of Hon'ble Supreme Court in following judgments are as under:

a) Kalpraj Dharamshi v. Kotak Investment Advisors Ltd., [(2021) 10 SCC 401], it has been held that:

> ***"155.*** *It would thus be clear, that the legislative scheme, as interpreted by various decisions of this Court, is unambiguous.* ***The commercial wisdom of CoC is not to be interfered with, excepting the limited scope as provided Under Sections 30 and 31 of the I&B Code."*** **(Emphasis Added)**

b) In ***Jaypee Kensington Boulevard Apartments Welfare Association and Ors. vs. NBCC (India) Ltd. and Ors., [(2022) 1 SCC 401],*** it was held that:

> ***"The Adjudicating Authority has limited jurisdiction in the matter of approval of a resolution plan, which is well-defined and***

circumscribed by Sections 30(2) and 31 of the Code. *In the adjudicatory process concerning a resolution plan under IBC,* ***there is no scope for interference with the commercial aspects of the decision of the CoC; and there is no scope for substituting any commercial term of the resolution plan approved by Committee of Creditors. … ."*** **(Emphasis Added)**

6.10 The Hon'ble NCLAT Chennai in ***M. K. Rajagopalan v. S. Rajendran Resolution Professional VHCPL.,*** **[Company Appeal (AT)(Ins) No.58/CN/2023]** observed about the unsuccessful resolution applicant having no locus to challenge the resolution plan or its implementation in following words:

"31. On a careful consideration of the respective contentions advanced on either side, this `Tribunal', keeping in mind of a vital fact that the `Petitioner / Appellant', being an `Unsuccessful Resolution Applicant', has no `Locus', to `assail' a `Resolution Plan' or its `implementation', coupled with a candid fact that he is not a `Stakeholder', as per Section 31 (1) of the I & B Code, 2016, *in relation to the `Corporate Debtor', this `Tribunal', without any `haziness', holds that the `Petitioner / Appellant', is not an `Aggrieved Person', coming within the ambit of Section 61 (1) of the I & B Code, 2016, especially, when he is not a `Privy', to the `Resolution Plan'. Viewed in that perspective, the `Leave', sought for in IA No. 215 of 2023 in Comp. App (AT) (CH) (INS.) No. 58 of 2023, sans merits."* **(Emphasis Added)**

6.11 As far as the maintainability of **IA(IBC) No. 5415/2025** is concerned, upon perusal of available documents, it is observed that the present present

Interlocutory Application, filed by the Applicant, is premature, inasmuch as the Resolution Plan has not yet been approved by the Committee of Creditors (CoC). It is noted that the CoC has merely indicated its intent to consider the resolution plans of the H1 and H2 bidders in its meeting dated 14.10.2025. The said decision has separately been challenged by two prospective resolution applicants whose plans were not considered by the CoC on the ground of being non-compliant and conditional. Thus, in view of the foregoing, the **IA(IBC) No. 5415/MB/2025** does not deserves to be admitted and the same is **dismissed**.

ORDER

In view of the above discussions, the **IA (I.B.C) No. 5241/MB/2025** & **IA (I.B.C) No. 5415/MB/20265**, filed by Priority Commotrade Private Limited and Advantech Technology Private Limited in consortium with KW Legacy LLP respectively, Applicants in CP (IB) No. 646/MB/2024, are **dismissed.**

The designated Registrar is directed to forward the electronic version of this Order to the IBBI, only for the purposes of information and record. Ordered accordingly.

Sd/-
BANWARI LAL MEENA
MEMBER (TECHNICAL)

Sd/-
ASHISH KALIA
MEMBER (JUDICIAL)

//Supriya/LRA-Tanmay Jain//