



IN THE NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH, COURT – IV

IA/2047/2024

IA/29/2024

In

C.P.(IB)/1389(MB)2020

(Under Section 30(6) and Section 31 of the Insolvency and Bankruptcy Code, 2016 r/w Regulation 39(4) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.)

IA/2047/2024

In the Application of:

Tejendrakumar Patel & Ors.

...Applicants

Versus

Prabhat Jain & Ors.

Resolution Professional of Vikas Procon Private Limited

...Respondents

IA/29/2024

Mr. Prabhat Jain ...Resolution Professional of the Vikas Procon Private Limited

In the matter of:

Tejendrakumar Patel

...Operational Creditor

Versus

Vikas Procon Private Limited

...Corporate Debtor

Order delivered on 05.09.2024

Coram:

Ms. Anu Jagmohan Singh

Hon'ble Member (Technical)

Mr. Kishore Vemulapalli

Hon'ble Member(Judicial)



Appearances:

For the Applicant/Resolution Professional :Mr. Amir Arsiwala a/w Mr. Akshay Petkar and Mr. Pratik Pandey.

For the Applicant in IA-2047/2024 :Mr. Shyam Kapadia a/w Ayush and Ashish Verma.

For the Respondents in IA- 2047/2024 :Mr. Amir Arsiwala a/w Mr. Akshay Petkar and Mr. Pratik Pandey i/b Adv. Aditya Sharma, Ld. Counsel for R1/RP; Mr. Prakhar Tandon i/b Agam Maloo, Ld. Counsel for R3; Mr. Shadab S. Jan i/b Joshua Borges, Ld. Counsel for R4, R5, R6 & R14; Mr. Aniruth Purusothaman, Ld. Counsel for R7,R8,R10,R13,R15 & R19; Mr. Nausher Kohli i/b Yahya Batatawala, Ld, Counsel for R11, R12 & R17; Mr. Malhar Zatakia i/b Tawar & Co, Ld. Counsel for R20; Mr. Prashansa Agarwal i/b Adv. Sankalp Shrivastav, Ld. Counsel for R9 & R16.



ORDER

IA-2047/2024

1. Before we deal with the Application for approval of Resolution Plan, it is important to deal with the I.A 2047/2024 filed by Tejendrakumar Patel & Ors. The reliefs sought in the said Applications are reproduced herein below:

- i. *That this Hon'ble Tribunal be pleased to remove the Respondent no.1 as a resolution professional and appoint an independent resolution professional from the panel of Resolution Professional's maintained by this Hon'ble Tribunal;*
- ii. *That this Hon'ble Tribunal be pleased to direct the newly appointed Resolution Professional to verify the claims of the Respondents herein and also conduct a forensic audit / report of the accounts of the Corporate Debtor (CD) & all 16 alleged Promissory Notes and admit only those claims of the Corporate Debtor, which are found to be genuine and in accordance with law;*
- iii. *That this Hon'ble Tribunal be pleased to set-aside the admission of claims (principal+interest) of the Respondent no. 4 to 20, being based on forged and fabricated promissory notes and remove the Respondent no. 4 to 20 their voting rights in full and shall not be considered Financial Creditors of the Corporate Debtor;*

SUBMISSION ON BEHALF OF THE APPLICANT:

2. The Applicant submits that the Applicant No. 1 is an Operational Creditor(OC) of the Corporate Debtor(CD) for an admitted amount of Rs.6,55,71,141/- and the Applicant no.2 and 3 are Financial Creditors(FC) of the Corporate Debtor for an admitted amount of Rs.13,00,000/-.

3. The Applicant submits that by an order dated 19.04.2023, the present Company Petition came to be admitted by this Tribunal and thereafter, the newspaper publication was published and the Applicant lodged its claim of Rs.6,61,69,594/- along with the requisite documents before the erstwhile Interim Resolution Professional (IRP), Mr. Vinod Nair (Respondent no.2), who was appointed by this Tribunal. The Committee of Creditors (CoC) was constituted by the IRP on the basis of the claims received by him.
4. The Applicant submits that the Committee of Creditors, comprised of the family members and relatives of the suspended management as well as ex-directors of the Corporate Debtor and consisting of the claimants, whose claims were based on the fabricated promissory notes which admittedly came not from the records of the Corporate Debtor but from the custody and certification of the Respondent no.3 herein, who is the auditor and also business associate of the Respondent no.4 and who has apparently submitted manipulated statement of accounts and records of the Corporate Debtor to the Interim Resolution Professional.
5. The Applicant submitted a list of “Related Party” Claims which were admitted and assigned voting rights at Committee of Creditor, as under:-

Related Party name of Mr. Dipak Shekalia (ex-director) as challenged in Ex	Amount as per books of account In Rs.	Amount Admitted by IRP/RP In Rs.	Relation to Mr. Dipak Shekalia Promoter, shareholder, ex Director of Vikas
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IN THE NATIONAL COMPANY LAW TRIBUNAL,
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In

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Director Mr. Praful Bhanderi I.A			Procon Private Limited
Shivam Fashion (Prop. Anusuyaben Madhavjibai Shekalia)	14,41,000	80,56,879	Mother
Shivam Embroidery (Prop. Jayesh Madhavjibhai Shekalia)	13,50,000	81,59,676	Brother
Shivam Tex (Prop. Shardaben Devshibhai)	25,00,000	1,15,43,862	Mother-in-law of the Jayesh M Shekalia
Dhirubhai Anandbhai Viradia	4,00,000	25,50,349	Father-in-law
Nikita Sandeepbhai Bhogra	1,00,000	14,01,416	Daughter-in-law of maternal Aunt
Devshibhai Veljibhai Bhakar	8,00,000	46,13,732	Father-in-law of the Jayesh M Shekalia
Equilateral Enterprise Limited	49,00,000	1,64,83,481	
Melul Vinodbhai Jagani	12,00,000	48,25,153	

Related Party name of Mr. Dipak Shekalia (ex-	Amount as per books	Amount Admitted	Relation to Mr. Dipak Shekalia Promoter,
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director) challenged Creditor Mr. Amit Rungta I.A	as in In Rs.	of account In Rs.	by IRP/RP In Rs.	shareholder, ex Director of Vikas Procon Private Limited
Vipul Bhatukbhai Bhuva		4,40,000	17,51,302	
Aarti Maheshbhai Viradiya		8,59,500	33,18,705	Spouse of Brother-in-law
Manish Dhirubhai Viradiya		8,59,500	33,16,945	Brother-in-law
Rina Vipulbhai Bhuva		8,59,500	33,16,945	
Shivam Creation- Madhavji Shekalia		8,59,500	33,16,945	Father
Naynaben Bharatbhai Shekhalia		11,90,121	49,93,597	Aunty (Father's brother's wife)
Vishal Ghanshyambhai Kachhadiya		8,15,092	33,00,832	
Vishwas Fashion- Bhanubhai Bhutani- Ex-director		33,42,500	1,29,67,735	Suspended Director (Initially Rejected by IRP)

6. The Applicant submits that it has got a valuation of the assets of the Corporate Debtor at his own costs and the report is as follows:
Fair Market Value: - Rs. 77,00,00,000/-
Liquidation Value: - Rs. 57,75,00,000/-
7. The Applicant submits that I.A 2924/2023 was filed highlighting the irregularities and malpractices committed by the Respondents as also

the falsity of the purported promissory notes which had a huge 24% interest and that the accounts of the Corporate Debtor had no provision for the alleged interest claim by the Corporate Debtor. That vide order dated 17.07.2023, this Tribunal had held that the interest claimed by the Applicants and admitted by the Resolution Professional is not in accordance with the books of accounts maintained by the Corporate Debtor and also directed that the Committee of Creditor be re-constituted without admission of the alleged interest, for which the issue would be later determined. The Applicant submits that these interim directions were never vacated by this Tribunal.

8. The Applicant submits that there was some settlement between the ex-directors, Resolution Professional as well as the Applicants in all the three I.A's, i.e. I.A. 2924 of 2024, I.A. 3292 of 2023 and I.A. 4389 of 2023, where the illegalities committed in the admission of fabricated claims as well as inflated interests was challenged and the said I.A's came to be withdrawn. The Resolution Professional then, admitted the entire claims of the other Respondents herein, including the interest portion.
9. The Applicant submits that on October, 2023 several creditors/unit purchasers of the Corporate Debtor also filed complaint with the CID Gandhinagar against the offenses committed by the management of the Corporate Debtor.
10. Therefore, the Present Application.

SUBMISSIONS ON BEHALF OF RESPONDENTS:

11. As per material available on record, the Respondent No. 3,4,5,6,7,8,9,10,11,12,13,14,15,16,17,19,20 have filed their affidavit in reply. The lead reply is filed by Respondent No. 1 who is the Resolution

Professional of the Corporate Debtor. The Respondents (unsecured creditors) have filed similar replies on two main aspects, firstly regarding allegations of Related party (by all Respondents except Respondents No. i.e. 11,12,13,15 and 17) and secondly regarding claims submitted by the Respondents to the Resolution Professional. The Respondents have also enclosed copy of the Promissory Note and their Bank Accounts statement evidencing the loan. During the course of hearing, Respondents (except Respondent No. 3) submitted that as their issues and submissions are similar and as the Resolution Professional has given a consolidated reply covering their submissions also, the reply of the Resolution Professional may be considered as the Lead reply. They also submitted that the documents annexed to their affidavit in reply regarding the Bank statement and Promissory Note may additionally be perused by the Bench.

12. The Resolution Professional submits that the Applicants herein have not alleged the Respondent Nos. 11,12,13,15 and 17 herein, namely Equilateral Enterprises, Mehul Jagani, Vipul Bhuva, Rina Bhuva and Vishal Kachadiya, to be related to the Corporate Debtor. With respect to Respondent Nos. 5,6,7,8,9,10,14,16,18 and 19 herein, the Applicants have alleged that the said respondents are 'Related Party entities' of the Corporate Debtor solely by virtue of their relation with one of the former directors of the Corporate Debtor, more particularly Respondent No.4 herein, Mr. Dipak Shekhalia.
13. It is submitted that Respondent No.4 herein served on the board of the Corporate Debtor, in capacity of a Director from 21.04.2016 to 03.10.2017, thereafter tendering his resignation from his directorship on 03.10.2017. That post the said resignation from the directorship of

Corporate Debtor, role of the said Respondent No.4 in the management and affairs of the Corporate Debtor was non-existent and that he is merely a shareholder of the Corporate Debtor with a shareholding in equity of nine percent only, thereby making him a minority shareholder. It was also submitted that name of the Respondent No. 4 has not been mentioned in any of the Annual Returns of the Corporate Debtor pertaining to Financial Years 2016-17 to 2021-22, as the 'Director' of the Corporate Debtor.

14. It is submitted that neither by virtue of shareholding of Respondent No.4 viz. merely nine percent equity shareholding in the Corporate Debtor nor by the virtue of his former directorship (which ceased on 03.10.2017) the Respondent No.4 herein reaches the threshold of a 'Related Party', as delineated under Section 5(24) (j) of IBC, 2016. It is therefore submitted that in the light of the above, the said former director is not a related party as on the date of Corporate Insolvency Resolution Professional (CIRP), as defined under section 5(24) of the Insolvency & Bankruptcy Code, 2016(IBC). Further, assuming without admitting that the Respondent No.4 was the director of the Corporate Debtor as on the date of initiation of CIRP, Respondent Nos. 7,8,9,10,14,16,18 and 19 would still not fall within the purview of 'Relatives' as is enunciated in Section 5(24)(a) of the IBC, 2016.
15. That with respect to Respondent No.20, it is submitted that the Respondent is a member of suspended board of Corporate Debtor and had submitted his claim in Form C in accordance with Regulation 8 of the IBBI (Resolution Process for Corporate Persons) Regs., 2016 to the Respondent No.1. It is submitted that Section 21 of the IBC, 2016 does not put an embargo on admission of claim of a related party but restricts the representation, participation and voting in the meetings of

Committee of Creditors of the Corporate Debtor of Related Parties. That the Respondent No.20 has not been inducted into the committee of creditors of the Corporate Debtor and consequentially has not been allocated any right to represent himself, participate or even vote in the meetings of the Committee of Creditors.

16. It is submitted that the Corporate Debtor herein had issued Promissory Notes to Respondent Nos. 5 to 20 as against respective debt amounts disbursed by them in favor of Corporate Debtor herein. That the said Promissory Notes, issued in favor of Respondents 5 to 20 have been appropriately attested and signed by the erstwhile directors of the Corporate Debtor and that the said Promissory Notes carry a component of Interest @ 24% on the respective principal amounts disbursed by the Respondents.
17. It is further submitted that the books of the Corporate Debtor pertaining to FY 2022-23 and bank statements annexed by the Respondents 5 to 20, reflect the said amounts received by the Corporate Debtor, and the said amounts are recorded under the head of Advances' as the said debts were raised by the Corporate Debtor for the purpose of their pending projects.
18. It is submitted that the said Respondents duly submitted their claims in FORM C, in accordance with Regulation 8 of the CIRP Regulations, 2016 as their respective debts emanated from the disbursement of debt against which Promissory Notes were issued to them by the suspended management of Corporate Debtor.
19. It is submitted that therefore the Respondent No. I herein, in lieu of duties bestowed upon him by Section 18 of the IBC, 2016 admitted the

claims of the Respondent Nos. 5-20 herein as the books of the Corporate Debtor and respective bank statements duly recorded the receipt of debt by the Corporate Debtor. Further, the Auditor of the Corporate Debtor has classified the sum recorded as 'Interest' accrued on aforesaid Promissory Notes as Financial Cost, as Contingent Liability in the Financials Statement as on 31.03.2023.

20. Further, the Respondent nos. 5 to 20, with their respective claim forms have submitted original and translated copies of Promissory Notes issued to them by the Corporate Debtor along with Bank Statements reflecting the transfer of amounts to the Corporate Debtor and it is reiterated that the receipt of said debts from aforesaid Respondents are recorded in the books of Corporate Debtor from the date of disbursal.
21. It is further submitted that the Respondent No.1 herein convened the 5th meeting of the Committee of Creditors of Corporate Debtor on 03.08-2023 wherein the members of the said Committee granted their approval vide requisite majority thereby appointing GTech Valuers Pvt. Ltd. (IBBI/RV-E/052020/124) and Value Edge Professionals Pvt. Ltd. (IBBI RV- E/02/2022/159) as the valuer's in respect of Financials Assets and Land & Building of Corporate Debtor in accordance with Regulation 35 of the CIRP Regulations, 2016.
22. It is submitted that the Valuation Report submitted by the Applicants herein does not warrant any genuineness or authenticity in its valuation and numerical arrived at. That the said valuation report submitted by the Applicants herein is devoid of the contours of Regulation 27 and Regulation 35 of the IBBI (Insolvency Resolution Process-of-Corporate Persons) Regs., 2016.



23. It is submitted that with respect to reliance placed by the Applicants herein on order dated 17.07.2023 passed by this Tribunal in I.A No. 2924/2023, it is submitted that the said reliance is absolutely misplaced and has no relevance to matter at hand as the said I.A 2924/2023 stood withdrawn on 18.01.2023 by the Applicants herein thereby vacating every interim order/s passed by this Tribunal, and the Applicants in I.A No. 2924/2023 were distinct entities than Applicants in the captioned Application.

FINDINGS:

24. We have perused the submissions made by the Learned Counsel for the Applicant and the Respondents.
25. We observe in this case that the Committee of Creditors constitutes mainly of Unsecured Financial Creditors, Operational Creditors and other Creditors. The claim of the Unsecured Financial Creditor is arising out of Unsecured Loans given by them to the Corporate Debtor and which are reflected as “*other long-term liabilities*” (Unsecured Loans) in the Financials of the Corporate Debtor. We also observe that such Loans are reflected in the Balance sheet of the Corporate Debtor since Financial Year 2016-2017. However, no Finance Cost/Interest has been shown in the Financials statements of the Corporate Debtor attributable to these Unsecured Loans.
26. The Resolution Professional has submitted that the said claims were submitted by the creditors in Form C and the same are also evidenced from the Bank Account of the Corporate Debtor. The Resolution Professional has also submitted that the Unsecured Creditors have also handed over which Promissory Note signed by the erstwhile director of

the Corporate Debtor which reflect interest of 24% therein. Taking these into account, the Resolution Professional admitted the claim of Principal Amount and Interest.

27. We also take note of the reply given by Respondent/Unsecured Creditors wherein they have annexed copies of the Promissory Note dating between 2015-2017 and also copies of their respective Bank Statements evidencing that the monies were transferred through Banking channels.
28. The Applicant in the present I.A has in the pleadings (though this issue is not part of the prayers of the applicant) taken objection that the Unsecured Creditors are all Related parties and that the Committee of Creditors comprises of the Family members and Relatives of the Suspended Directors. The Applicant has stated that the Unsecured Creditors have Relation to Mr. Deepak shekalia who was the ex-director of the Corporate Debtor. He has given a chart detailing the relationship of some of the Unsecured Creditors with Mr. Shekalia.
- 28.1 We take note of the reply filed by the Resolution Professional wherein he has stated that Respondent No.11 ,12,13,15,17 have not been alleged to be Related Parties of the Corporate Debtor. With reference to the other Respondents, they have been placed as Related Parties because of their Relationship with Mr. Deepak Shekalia (Respondent No. 4) who was on the Board of the Corporate Debtor as Director only from 21.04.2016 to 03.10.2017. Thereafter, he resigned and is merely a Shareholder of Nine percent in the Corporate Debtor. The Resolution Professional has also submitted that his name does not find mention in any of the annual returns as Directors of the Corporate Debtor from 2016-2017 to 2021-2022. The Resolution Professional

therefore, submits that none of these creditors can be defined as Related Parties in terms of section 5(24) of the IBC.

28.2 We observe that the Statutory Auditor of the Corporate Debtor in his notes to accounts on the Financials of the Corporate Debtor has not reflected any Related Party Transactions.

28.3 We have gone through the provisions of sections 5(24) and are inclined to agree with the submissions of the Resolution Professional that the parties as listed herein cannot be held to be Related Parties in terms of the provision of the Insolvency & Bankruptcy Code, 2016.

29. Having held that the Unsecured Creditors/Respondent in this I.A do not fall within the definition of Related Party as per section 5(24) of the Insolvency & Bankruptcy Code, 2016, we now examine the aspect of the Unsecured Loans. The Resolution Professional has stated that receipt of these Loans is reflected in the Bank Account of the Corporate Debtor. We have perused the Financials of the Corporate Debtor and find that the Balance Sheet of the Corporate Debtor reflects Unsecured Loan from 2016 onwards (though no breakup or list of creditor is provided in the Financials). We have also perused the Bank Account Statements of the Respondents produced by them to show that monies were transferred to Corporate Debtor through Banking channels. There can therefore not be any doubt regarding the existence of the Unsecured Loans. **The only issue of contention which remains is the Interest Component of the said Loans.**

30. The Respondents i.e. Resolution Professional and the Unsecured Creditors in their Affidavit in reply have relied on Promissory Notes from the year 2015 till 2017 which records Interest Component @ 24% p.a. to be calculated on 31st March every year. They have also sought to

rely on the Financials of the Corporate Debtor for the Financial Year 2022-2023 wherein the Statutory Auditor has shown the interest cost as a contingent liability in the notes to account.

31. We have perused the Financial statements of the Corporate Debtor from 2016 onwards and observe that Interest on the said Unsecured Loan is not provisioned for in the Financial statements of the Corporate Debtor. Section 128(1) of the Companies Act, 2013 mandates “...*Every company shall prepare and keep at its registered office books of account and other relevant books and papers and financial statement for every financial year which give a true and fair view of the state of the affairs of the company, including that of its branch office or offices, if any, and explain the transactions effected both at the registered office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting*”. Accordingly, interest payable, if any should have been reflected in the Financial statements as per Accounting standards. Since, no Financial Cost with reference to these Loans was reflected in the Books of Accounts of the Corporate Debtor it can be inferred that these Unsecured Loans were Interest free Loans and cannot be claimed as Interest bearing Loans.
32. The reliance by the respondent on Financials of the Corporate Debtor for Financial Year 2022-2023 does not hold much substance as the accounts and Financials for the said year were prepared subsequent to the admission of the Corporate Debtor into CIRP and after the claims were filed by the said creditors based on Promissory Note which were not found in the premises of the Corporate Debtor but were given to the Resolution Professional by the Creditors. Infact, interest on the said loans is shown as “**Contingent Liability**” by the Statutory Auditor in the notes to Accounts with a disclaimer that he was not in knowledge

of the existence of the said Promissory Notes until production of the same before him by the claimants of the Corporate Debtor, post the initiation of CIRP in respect of Corporate Debtor.

33. In this regard we take note of the affidavit in reply filed by the Statutory Auditor of the Corporate Debtor Respondent No. 3 herein where he has stated: -

“13. It is submitted that the Deponent herein was not in the knowledge of existence of the said Promissory Note/s until the same were produced before him for the sole purpose of translations, of the same, from Gujrati to English, by the claimants of the Corporate Debtor.

14. It is submitted that the said Promissory Notes were produced before the Deponent herein, by the claimants of the Corporate Debtor, pursuant to order dated 19.04.2023 of this Hon’ble Tribunal whereby Corporate Insolvency Resolution Process (hereinafter referred to as ‘CIRP’) was initiated in respect of the Corporate Debtor.

15. It is further submitted that the certification by the Deponent herein on the said Promissory Notes is limited to the purpose of translation of the said Promissory Notes, from Gujrati to English, and that the same has been emphatically stated on Promissory Note/s by way of such certification.

16. Therefore, it is reiterated, that the Deponent herein was not in the knowledge of existence of the said Promissory Notes until production of the same before him by the claimants of the Corporate Debtor, post the initiation of CIRP in respect of Corporate Debtor.

17. It is further submitted that on submission of the said Promissory Notes the Respondent No. 2 herein requested the erstwhile management of the Corporate Debtor to furnish other relevant document to conduct a review appropriately however the said documents were never submitted to the Respondent No. 2 herein for his perusal.



18. In consequence of the above the Respondent No. 3 herein classified the said sum recorded as Interest as Financial Cost, which is in nature of contingent liability to the effect of which the Respondent No. 3 herein has recorded his qualification appropriately in notes to account in the Balance sheet as on 31.03.2023.”

34. In view of the aforesaid affidavit by the Statutory Auditor that he was unaware of the Promissory Notes and Accounted for the same (interest) as a “**Contingent Liability**” only after he was handed over the Promissory Note by the claimants after the Corporate Debtor went into CIRP and that the erstwhile management did not provide any documents to him regarding the same, and the fact that the Financials of the Corporate Debtor from Financial Year 2016 onwards do not record any Interest Component on the said Unsecured Loans and the fact that the Law of Land provides that the Companies are legally mandated under Section 128(1) of the Companies Act, 2013 to maintain Accounts on accrual basis, it can be held that the said Loans did not carry any Component of Interest on them.
35. The Resolution Professional has submitted that Interest was taken into account based on Promissory Note produced by the Creditors after initiation of CIRP. We note that all these Promissory Note are dated between 2015-2017 and have a mention 24% interest p.a. However, from the facts of the case it is clear that this aspect of Interest was neither ever claimed by the Lenders nor was it provided for by the borrower either per annum or ever in the last 6 to 7 years prior to CIRP. The interest aspect of the loans was thus never acted upon. The Financials of the Corporate Debtor as well as the conduct of the Lender and Borrower clearly reflect that these were Interest Free Loan. In view of the facts and circumstances of the case, we are of the shared view that

there was never any provision of Interest in the said Loans and such Loans were not Interest bearing. The production of Promissory Note by the Creditors post the Corporate Debtor going into CIRP and the Auditor not being aware of such Promissory Note or the Financials not reflecting Finance cost/interest clearly establishes that this was an afterthought by the Creditors.

36. The Applicant has also raised the issue of valuation report. The Resolution Professional has submitted that the valuation of the Corporate Debtor was done by the valuers appointed from the IBBI panel and that the Committee of Creditors have approved the valuation report as submitted by the Registered valuer with the requisite majority vote. This Bench is not inclined to interfere in this matter as we neither have the expertise to go into the technicalities of the valuation report nor are we mandated to interfere in the report submitted by IBBI approved valuer which has been approved by Committee of Creditor in their commercial wisdom. The **Hon'ble Supreme Court of India** in the matter of *Ramkrishna Forging Limited versus Ravindra Loonkar, RP in ACIL Limited & Anr.*, has held that the aspect of valuation of assets of Corporate Debtor by registered valuers and submission of valuation reports thereby falls within purview of 'Commercial Wisdom of the Committee of Creditor of Corporate Debtor'.
37. In view of our findings and observations given supra we are of the shared view that the claims of the Unsecured Financial Creditor have to be modified suitably to exclude the 'interest' component therein. With these observations **I.A 2047/2024 is partly allowed** only to the extent of claims relating to the "interest" portion allowed to the unsecured creditors.



I.A 29/2024

38. This Application has been filed on 16.04.2024 by the Resolution Professional under Section 30(6) of the Insolvency and Bankruptcy Code, 2016 on behalf of the Committee of Creditors seeking approval of the Resolution Plan submitted by the Successful Resolution Applicant.
39. In view of our findings in **I.A 2047/2024** that the claims of the Unsecured Creditors have to be reworked by excluding the interest portion, the Resolution Plan is remanded back to Committee of Creditors for fresh consideration.
40. The **approval** of the Resolution Plan in consideration hereto, stands **disposed-of**.

Sd/-

ANU JAGMOHAN SINGH
MEMBER (TECHNICAL)

Sd/-

KISHORE VEMULAPALLI
MEMBER (JUDICIAL)