**IN THE NATIONAL COMPANY LAW TRIBUNAL**
**NEW DELHI BENCH**
**COURT-IV**

**I.A. 1637 ND 2026**
**IN**
**C.P. IB 284 (PB) OF 2021**

**IN THE MATTER OF:**

**DR. SUDIP SARAN**

**...Applicant**

**Versus**

**MR. NARENDRA KUMAR SHARMA**
**RESOLUTION PROFESSIONAL**
**SPAZE TOWERS PVT. LTD.**

**...Respondent No. 1**

**MR. SHAIKH NAFIS ANJUM**
**Authorised Representative of Real Estate Allottees**

**...Respondent No. 2**

**AND IN THE MATTER OF:**

**VIVEK KHANNA & ORS**

**...Financial Creditors**

**Versus**

**SPAZE TOWERS PVT. LTD.**

**...Corporate Debtor**

**Order Pronounced on: 05.10.2026**

**CORAM:**

**SHRI MAHENDRA KHANDELWAL**
**HON'BLE MEMBER (JUDICIAL)**

**SHRI ATUL CHATURVEDI**
**HON'BLE MEMBER (TECHNICAL)**

**PRESENT:**

**For the Applicant** : Mr. Nakul Mohta, Adv, PCS Lovkesh Batra.

**For the RP** : Mr. Karan Gandhi, Mr. Sikhar Tiwari, Mr. Pratham Bansal, Ms. Riya Jain, Ms. Vidhika Kapoor, Advs.

**For the AR** : Mr. Vishal, Adv.

**ORDER**

**PER: ATUL CHATURVEDI, MEMBER (TECHNICAL)**

**1.** The present Application has been filed by the Applicant under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 ("Code") read with Rule 11 of the National Company Law Tribunal Rules, 2016 ("NCLT Rules, 2016") seeking the following reliefs:

*"Final Reliefs:*

*iii. Declare that the actions undertaken during the CIRP, including the conduct of CoC meetings and consideration/approval of Resolution Plan(s) without due notice to, and participation of, the Applicant, are illegal, improper, and in contravention of the provisions of the Insolvency and Bankruptcy Code, 2016 and the CIRP Regulations framed thereunder:*

*iv. Pass an order for removal of Mr. Narender Sharma (IBBI Registration No. IBBI/IPA-002/IP-N00125/2017- as the Resolution 2019/10294). Respondent No. 1 Professional of the Corporate Debtor, and appoint another Insolvency Professional as Resolution Professional from the panel maintained by the Insolvency and Bankruptcy Board of India (IBBI);*

*v. Pass an order for removal of Mr. Shaikh Nafis Anjum, having IBBI Reg No. IBBI/IPA-003/IPA-ICAI-N-00211/2018-2019/12363, Respondent No. 2 as the Authorized Representative of the class of creditors, and appoint another Insolvency Professional as the Authorized Representative from the panel maintained by the Insolvency and Bankruptcy Board of India (IBBI); or in the alternative, direct the Committee of Creditors (CoC) to appoint a new Authorized Representative in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016 and the regulations framed thereunder:*

*vi. Issue appropriate directions for referring the matter to the Disciplinary Committee of the Insolvency and Bankruptcy Board of India (IBBI) for initiation of disciplinary proceedings against Respondent No. I and Respondent No. 2 for their acts of omission and commission;*

*vii. Direct the Resolution Professional to issue a fresh Form G and invite fresh Resolution Plan(s) in a fair, transparent, and compliant manner, after duly notifying all eligible creditors, including the Applicant, and permitting their effective participation in the CIRP:*

*viii.Direct the Resolution Professional to undertake comprehensive transactional and/or forensic audit of the Corporate Debtor in accordance*

*with the provisions of the Insolvency and Bankruptcy Code, 2016 and the applicable regulations framed thereunder:*

*ix. Pass such other order as the Hon'ble Tribunal may be deem fit and proper in the facts and circumstances of the instant case"*

**SUBMISSIONS OF THE APPLICANT:**

**2.** The Applicant had booked Service Apartment bearing Unit No. 1012A, admeasuring 641 sq. ft., in the Project namely "Spaze Apotel / Boulevard-II" of the Corporate Debtor for a total consideration of Rs.83,36,815/-. The Applicant had initially paid a booking amount of Rs.3,00,000/- and thereafter entered into a Builder Buyer's Agreement ("BBA") dated 15.04.2014. As per the BBA, possession of the Unit was to be handed over within 60 months, i.e. by April 2019.

**3.** The Applicant made payments from time to time and, despite the Corporate Debtor's email dated 24.08.2020 assuring possession within 75 days from receipt of payment, possession was not handed over. The Applicant had paid a total sum of Rs.94,38,457/- by 17.09.2020, but possession remains undelivered.

**4.** The Corporate Debtor was admitted into CIRP on 21.10.2024. Pursuant to the Public Announcement dated 24.10.2024, the Applicant submitted his claim in Form CA dated 06.11.2024, seeking delivery of possession of the fully

constructed Unit and execution of the registered deed. The Applicant claimed Rs.94,38,457/- along with interest at 18% p.a., amounting to Rs.2,43,37,913/-.

**5.** The Applicant's claim was admitted only to the extent of Rs.92,14,110/- in the List of Creditors dated 24.12.2024, while Rs. 2,24,347/- forming part of the principal amount was kept under verification. Subsequently, the said amount was rejected in the List of Creditors dated 31.07.2025. The rejection, without affording a reasonable opportunity of being heard, is contrary to the principles of natural justice.

**6.** Even if interest is calculated at 8% p.a. in terms of Regulation 16A(7) of the CIRP Regulations, the Applicant's claim along with interest comes to Rs.1,60,60,438/-. The Respondent No.1/RP, however, failed to admit any interest, thereby adversely affecting the Applicant's status and voting share in the Committee of Creditors ("CoC"). The "financial debt" includes interest and, therefore, failure to include the applicable interest component has resulted in an incorrect assessment of his claim and voting share.

**7.** Regulation 13(1) of the CIRP Regulations mandates verification of claims within seven days. However, the Applicant's claim was kept under verification for more than six months, constituting substantial and material non-compliance with Regulation 13 of the CIRP Regulations.

**8.** The Applicant was deprived of notices, minutes and other material documents required to be circulated under the CIRP Regulations. The Respondent No.2/Authorised Representative ("AR") failed to circulate the documents contemplated under Regulation 16A, thereby depriving the Applicant of the opportunity to participate in discussions, deliberate upon matters and exercise his voting rights during the CIRP, including in relation to the Resolution Plan.

**9.** Section 25A of the Code casts a duty upon the Authorised Representative to circulate the agenda and minutes of CoC meetings to the financial creditors represented by him. Regulation 16A(9) further requires circulation of the agenda and seeking preliminary views of creditors in a class, while Regulation 25(6) requires circulation of minutes and announcement of the voting window. However, Respondent No.2 failed to share any notice, agenda, minutes or relevant documents pertaining to the CoC meetings with the Applicant and consequently failed to seek his preliminary views.

**10.** The Respondent No.2 also failed to seek prior voting instructions from the Applicant in accordance with Section 25A(1), (3) and (4) of the Code, thereby affecting the Applicant's right to vote.

**11.** Regulation 16A(10) casts various duties upon the Authorised Representative, including assisting creditors in understanding the discussions of the CoC, facilitating informed decision-making, assisting in evaluating resolution

plans, ensuring access to relevant information and documents, regularly updating creditors regarding the CIRP and making suggestions for modifications to resolution plans. The Respondent No.2 failed to discharge these duties and did not furnish necessary documents or provide updates regarding the CIRP.

**12.** The Resolution Plans were never shared with the Applicant, despite the obligation under Regulation 16A(10)(e) and (h). The Applicant was also not provided crucial documents including notices and agendas of CoC meetings, supporting documents, Form G, RERP, Evaluation Matrix, Information Memorandum, lists of prospective Resolution Applicants, Resolution Plans, Section 29A due diligence reports, Section 30(2) compliance reports, Feasibility and Viability Reports and relevant NCLT/NCLAT applications or orders.

**13.** The Applicant came to know from the order dated 27.02.2026 that an application, I.A. (Plan) No.68/ND/2025, had been filed by the Resolution Professional for approval of the Resolution Plan. No mechanism was made available to the Applicant to convey his views, objections or preferences in relation to the Resolution Plan(s), thereby depriving him of an opportunity to participate and deliberate upon the resolution process affecting his rights and financial interests.

**14.** The conduct of Respondent No.1 is stated to be part of a pattern of lack of transparency and non-disclosure. The Applicant has relied upon the order dated 11.07.2024 of the Disciplinary Committee of IBBI whereby a penalty of Rs.2,00,000/- was imposed upon Respondent No.1 for certain non-compliances. The Applicant further submits that Respondent No.2 failed to regularly update him regarding the progress and material developments in the CIRP.

**15.** The Applicant, having invested a substantial amount and fulfilled his obligations under the BBA, holds a legitimate stake in the CIRP. He has been kept entirely outside the decision-making process, including discussions and negotiations concerning the Resolution Plan(s), and the Resolution Plan has significant implications for his rights as an Allottee. Further, Respondent No.1 failed to provide electronic means of communication between the AR and the Applicant as contemplated under Regulation 16A(6).

**16.** Respondent Nos.1 and 2 have, in collusion, kept the Applicant outside the discussions, considerations and decision-making process by withholding relevant information and have failed to discharge their duty of adequate representation of the interests of creditors in the class. The Applicant apprehends that similarly placed creditors/homebuyers may also have been excluded from the CIRP and voting process, which appears to have undermined the transparency, fairness and integrity of the CIRP.

**17.** The Respondents have failed to facilitate effective participation by the Applicant and have violated the statutory duties imposed under the Code and the Code of Conduct for Insolvency Professionals, particularly the requirements of timeliness, absence of mala fide or negligence and proper information management. The Respondents have failed to provide access to relevant information, thereby restricting his participation in commercial decisions concerning value maximization.

**18.** In view of the aforesaid facts and circumstances, the Applicant has lost faith and confidence in the Respondents and seeks their removal so that the CIRP may be conducted in a fair, transparent and impartial manner.

**SUBMISSIONS OF THE RESPONDENT NO. 1/RESOLUTION PROFESSIONAL:**

**19.** Pursuant to the initiation of CIRP vide Order dated 21.10.2024 and the Public Announcement in Form-A dated 24.10.2024, the Applicant submitted his claim in Form CA dated 06.11.2024 for Rs.94,38,457/- plus interest @18% per annum. The IRP admitted the claim of Rs.92,14,110/- and the remaining amount of Rs.2,24,347/- was kept under verification.

**20.** The erstwhile Resolution Professional kept the amount of Rs.2,24,347/- under verification and the same was finally not admitted. As per the books of the Corporate Debtor, only an amount of Rs.92,14,110/- was received by the Corporate Debtor and accordingly the amount of Rs.2,24,347/- was not

admitted by the Respondent. The Respondent can only collate and verify the claim as per the information available with him. The scope of power of the IRP/Resolution Professional is restricted to verification of claims as per the records of the Corporate Debtor, and he has no adjudicatory power in this relation.

**21.** As per the Applicant's own case, the remaining amount appears to have been paid to some other entity but not the Corporate Debtor.

**22.** Another grievance of the Applicant is that, being one of the members of the CoC, he was never provided with any document related to the entire CIRP. The Applicant has alleged that he has not received certain information/documents such as Request for Resolution Plan ("RFRP"), Evaluation Matrix, Information Memorandum and copy of Resolution Plans, Section 29A certificates etc.

**23.** As per the records of the Corporate Debtor, the email address of the Applicant is saranhospital@hotmail.com. The said details, along with other communication details of all the financial creditors in class, were shared by the Answering Respondent with the Authorised Representative. Upon recent enquiry and as per the reply received from the Authorised Representative, the emails containing the requisite information/documents have been shared with the Applicant at the said email address. This very email ID was also provided by the Applicant in his claim.

**24.** The erstwhile RP also issued a letter dated 16.11.2024 to the Applicant informing him of the initiation of the CIRP and various communications were also made to the Applicant by the Authorised Representative.

**25.** All requisite documents, notices, agendas and information pertaining to the CIRP were duly shared by Respondent No.2 with the Applicant at the relevant times, in compliance with the provisions of the Code and the applicable Regulations. The Applicant, being part of the class of creditors represented through Respondent No.2, is bound by the decisions taken by the majority of the class creditors and cannot selectively challenge the CIRP process merely on vague and unsupported allegations of non-receipt of documents.

**26.** When the cause of action and subject-matter of the dispute relates to an action in personam, the prayers cannot be sought in rem. The prayers sought by the Applicant are general in nature and hit the CIRP, whereas the cause espoused, without admitting, in the Application is personal.

**SUBMISSIONS OF THE RESPONDENT NO. 2/ AUTHORIZED REPRESENTATIVE:**

**27.** With respect to the Applicant's request for a copy of the Resolution Plan along with all documents as received from the Resolution Applicant, Respondent No. 2 submitted that after receiving the list of creditors along with the voting percentage of creditors from the Resolution Professional, he duly circulated the Notice and Minutes of the 12th CoC meeting to the Applicant and other

class creditors vide emails dated 11.10.2025 and 17.10.2025, respectively. In the said CoC meeting, the Resolution Plans were placed before the CoC members for voting and were duly approved by the requisite majority.

**28.** The Applicant had never requested any documents during the CIRP period and had also not furnished any confidential undertaking under Regulation 36 of the CIRP Regulations for seeking the Information Memorandum and related documents. Therefore, in the absence of a confidential undertaking furnished by the Applicant, Respondent No. 2, being the Authorised Representative of the class of creditors, was unable to share the relevant documents in compliance with the applicable provisions of law.

**29.** With respect to the prayer seeking removal of Respondent No. 2 as the Authorised Representative, it is submitted that Respondent No. 2 has performed his duties diligently in full compliance with the provisions of the Code. Respondent No. 2 duly shared the CoC notices and minutes with the Applicant within the prescribed timelines and had also convened meetings of the class of creditors. All agenda notices and minutes of meetings were duly circulated to the Applicant on the email ID provided by the Resolution Professional. Notices and minutes of the 2nd to 11th CoC meetings were also circulated to the Applicant.

**30.** The Resolution Professional convened the 7th CoC meeting on 27.06.2025, wherein the agenda for approval of the Request for Resolution Plan ("RFRP")

in terms of Regulation 36B of the CIRP Regulations was placed before the CoC and was duly approved with 99.989% voting in favour. The Applicant neither communicated through email with Respondent No. 2 during the CIRP nor requested any documents from him.

**31.** Despite the presence of the Authorised Representative, the present Application has been filed by an individual Financial Creditor/Allottee as a member of the class of creditors. Regulation 16A(10)(j) of the CIRP Regulations provides that the Authorised Representative shall act as a representative for the creditors in a class before the Adjudicating Authority, NCLAT and other regulatory authorities. Respondent No. 2 has discharged his duties diligently, acted in good faith and represented the collective interests of the class of creditors (Real Estate-Shop & Home Buyers) in all CoC deliberations and proceedings before this Tribunal.

**32.** In view of the judgments of the Hon'ble Supreme Court in Jaypee Kensington Boulevard Apartments Welfare Association & Others v. NBCC (India) Limited & Others and Torrent Power Limited v. Ashish Arjunkumar Rathi, an application preferred by a single homebuyer challenging the Resolution Plan is not maintainable.

**ANALYSIS AND FINDINGS:**

**33.** We have heard the Ld. Counsel appearing for the parties, and have perused the pleadings and documents placed on record.

**34.** The Applicant has sought, inter alia, removal of the Resolution Professional and the Authorised Representative, initiation of disciplinary proceedings, issuance of a fresh Form G, invitation of fresh Resolution Plan(s) and a comprehensive transactional/forensic audit of the Corporate Debtor.

**35.** At the outset, it is necessary to observe that the CIRP is a structured statutory process governed by the Code and the Regulations framed thereunder. The Code prescribes the respective roles and functions of the Resolution Professional, Committee of Creditors and Authorised Representative and also provides the manner in which claims are to be submitted and verified, creditors in a class are to be represented, meetings of the CoC are to be conducted and resolution plans are to be considered. Therefore, an individual creditor cannot seek to bypass the procedure prescribed under the Code and the Regulations and seek orders which would have the effect of altering or re-opening the CIRP merely on the basis of his individual grievances.

**36.** Insofar as the Applicant seeks removal of Respondent No. 1/Resolution Professional is concerned, the Code itself provides a specific procedure under Section 27 of the Code. Section 27 contemplates replacement of the Resolution Professional by the Committee of Creditors where the CoC is of the opinion that the Resolution Professional is required to be replaced. Such replacement is to be approved by the CoC by a vote of sixty-six per cent of the voting shares and is subject to the written consent of the proposed Resolution

Professional. Thereafter, the name of the proposed Resolution Professional is forwarded to the Adjudicating Authority, which in turn forwards the same to the IBBI for confirmation. Thus, the statute specifically provides the manner in which a Resolution Professional can be replaced. Section 27 of the Code is reproduced hereinbelow:

> "*Section 27: Replacement of resolution professional by committee of creditors.*
>
> *27. (1) Where, at any time during the corporate insolvency resolution process, the committee of creditors is of the opinion that a resolution professional appointed under section 22 is required to be replaced, it may replace him with another resolution professional in the manner provided under this section.*
>
> *1[(2) The committee of creditors may, at a meeting, by a vote of sixty-six per cent. of voting shares, resolve to replace the resolution professional appointed under section 22 with another resolution professional, subject to a written consent from the proposed resolution professional in the specified form.]*
>
> *(3) The committee of creditors shall forward the name of the insolvency professional proposed by them to the Adjudicating Authority.*
>
> *(4) The Adjudicating Authority shall forward the name of the proposed resolution professional to the Board for its confirmation and a resolution*

*professional shall be appointed in the same manner as laid down in section 16.*

*(5) Where any disciplinary proceedings are pending against the proposed resolution professional under sub-section (3), the resolution professional appointed under section 22 shall continue till the appointment of another resolution professional under this section."*

**37.** The Applicant, however, seeks a direction from this Adjudicating Authority for removal of the Resolution Professional and appointment of another Insolvency Professional without following the procedure contemplated under Section 27 of the Code. The jurisdiction under Section 60(5) read with Rule 11 cannot be invoked to circumvent a specific statutory mechanism provided under the Code. Where the legislature has prescribed the manner in which the Resolution Professional may be replaced, the same procedure is required to be followed. The Applicant, being an individual creditor forming part of a class, cannot substitute the statutory mechanism under Section 27 by seeking such replacement directly through the present Application.

**38.** Similarly, the Applicant seeks removal of Respondent No. 2/Authorised Representative and appointment of another Insolvency Professional. In this regard also, the CIRP Regulations specifically provide a mechanism for replacement of an Authorised Representative. Regulation 16A(3A) provides that financial creditors in the class representing not less than ten per cent

voting share may seek replacement of the Authorised Representative with an Insolvency Professional of their choice by making a request to the Interim Resolution Professional or Resolution Professional, who is required to circulate such request to the creditors in that class and announce a voting window for the purpose. Regulation 16A(3A) of IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 is reproduced hereinbelow:

> *"Regulation 16A: Authorised representative.*
>
> *[(3A) The financial creditors in the class, representing not less than ten per cent. voting share may seek replacement of the authorised representative with an insolvency professional of their choice by making a request to the interim resolution professional or resolution professional who shall circulate such request to the creditors in that class and announce a voting window open for at least twenty-four hours."*

**39.** The Hon'ble NCLAT in Ashmeet Singh Bhatia v. Rakesh Verma & Anr., (2025) ibclaw.in 42 NCLAT, while considering a similar prayer for replacement of the Authorised Representative of homebuyers, has held that once a procedure for replacement of the Authorised Representative has been incorporated in Regulation 16A(3A), the statutory provision has to be followed. It was further held that an application by a single homebuyer for replacement of the Authorised Representative is not maintainable where the procedure

prescribed under the Regulations has not been followed. Relevant excerpt of the judgement is reproduced hereinbelow:

> *"**30.** There are more than one reasons for upholding the Order of the Adjudicating Authority, rejecting the IA filed by the Appellant being I.A. No.1158/2024:*
>
> *i. The Resolution Plan of the Corporate Debtor was approved by the CoC as early as on 15.07.2020 with 80.13% votes on behalf of the Financial Creditors in a class where the Authorised Representative voted in the Meeting of the CoC. The Application for approval of the Resolution Plan was filed by the RP on 13.08.2020, which remain under consideration till passing of the impugned Order dated 24.07.2024.*
>
> *The Application for replacement of the Authorised Representative has been filed by the Appellant only on 04.03.2024. Filing of the Application for replacement after more than 3-1/2 years when Plan was approved could not be entertained.*
>
> *ii. The Authorised Representative of Homebuyers ie., Financial Creditors in a class has to cast his vote in accordance with the prior instructions of Authorised Representative of the class. All Authorised Representative in a class are bound by the voting by majority of votes as reflected by the voting by the AR. A lone*

*Homebuyer cannot be allowed to question the voting by Authorised Representatives on behalf of majority of Financial Creditor in a class.*

***31.*** *When a procedure for replacement of the Authorised Representatives have been introduced in the Regulations by 16A(3A) inserted on 18.09.2023, the said statutory provision has to be followed for replacement of Authorised Representatives. Adjudicating Authority did not commit any error in relying on the Regulation 16A(3A) of the CIRP Regulations for not accepting the Application of the Appellant."*

**40.** In the present case, the Applicant has approached this Adjudicating Authority individually seeking removal of Respondent No. 2, without demonstrating that the statutory procedure under Regulation 16A(3A) has been invoked or complied with. Therefore, the prayer for removal of Respondent No. 2 cannot be granted in the manner sought by the Applicant. The statutory mechanism for replacement of the Authorised Representative cannot be bypassed by invoking the inherent jurisdiction of this Adjudicating Authority.

**41.** Coming to the grievance regarding the Applicant's claim, it is not in dispute that the Applicant submitted his claim in Form CA dated 06.11.2024 for Rs.94,38,457/- along with interest. An amount of Rs.92,14,110/- was admitted, whereas the balance amount of Rs.2,24,347/- was kept under verification and was subsequently not admitted. The Respondent No.1 has

explained that, as per the books and records of the Corporate Debtor, only Rs.92,14,110/- was reflected as having been received by the Corporate Debtor. The Resolution Professional is required to collate and verify the claims received against the Corporate Debtor on the basis of the information and records available to him. The Resolution Professional does not exercise the jurisdiction of a court or adjudicatory forum for determination of disputed questions of fact or contractual claims. Therefore, where the records of the Corporate Debtor do not reflect receipt of a particular amount, the Resolution Professional cannot be faulted merely because the creditor asserts that such amount was paid. In the present case, the Respondent has disclosed the basis for non-admission of the said amount and we find no material before us to conclude that the Resolution Professional acted beyond the scope of his statutory function.

**42.** We now come to the allegation regarding non-receipt of notices, agendas, minutes and other CIRP documents. The Applicant asserts that he was not provided with the relevant documents, whereas the Respondents have specifically denied the same. Respondent No.1 has stated that the email address of the Applicant, namely saranhospital@hotmail.com, was available in the records of the Corporate Debtor and was also furnished by the Applicant in his claim. It has further been stated that the relevant details of

the financial creditors in the class were shared with the Authorised Representative.

**43.** Respondent No.2 has specifically stated that notices and minutes of the CoC meetings were circulated to the Applicant at the said email address. It has been stated that the Notice and Minutes of the 12th CoC meeting were circulated by emails dated 11.10.2025 and 17.10.2025 respectively and that notices and minutes of the 2nd to 11th CoC meetings were also circulated. It has further been stated that the Applicant did not communicate with the Authorised Representative by email during the CIRP and did not request the documents which he now alleges were not provided to him. The Respondent No.1 has also referred to the letter dated 16.11.2024 issued by the erstwhile Resolution Professional informing the Applicant regarding initiation of the CIRP.

**44.** Thus, the allegation that the Applicant was wholly excluded from the CIRP process is not borne out from the material placed before us. The Respondents have disclosed the mode of communication and the email address to which the communications were sent. Merely because the Applicant states that he did not receive or access a particular communication cannot, in the circumstances of the present case, lead to a finding that the Respondents deliberately excluded him from the CIRP.

**45.** Insofar as the Information Memorandum and other confidential CIRP documents are concerned, Respondent No.2 has submitted that the Applicant had not requested such documents during the CIRP and had also not furnished the requisite confidentiality undertaking for obtaining the Information Memorandum and related documents. The statutory scheme governing access to such information cannot be disregarded. An individual creditor cannot claim unrestricted access to confidential CIRP material dehors the procedure prescribed under the Code and Regulations.

**46.** We also take note of the submission of Respondent No.2 that the RFRP was approved in the 7th CoC meeting held on 27.06.2025 with 99.989% voting in favour and that the Resolution Plans were subsequently placed before the CoC for consideration and voting. The Applicant, being a member of the class of creditors represented through the Authorised Representative, is required to participate in the collective mechanism prescribed under the Code. The statutory scheme does not contemplate that every individual member of a class can independently challenge the collective process and seek re-conduct of the CIRP.

**47.** The allegation of collusion between Respondent Nos.1 and 2 is also not supported by any cogent material. Serious allegations of collusion and mala fide conduct cannot be accepted merely on the basis of apprehensions or assertions. The Applicant has not placed before us any material

demonstrating that the Respondents deliberately acted in concert to exclude him or otherwise compromised the CIRP.

**48.** The Applicant has relied upon the order dated 11.07.2024 of the Disciplinary Committee of the IBBI whereby a penalty was imposed upon Respondent No.1 in respect of certain non-compliances. Such previous proceedings, by themselves, cannot establish misconduct in the present CIRP. The allegations in the present Application have to be examined on the basis of the facts and material relating to the present CIRP, and no material has been placed before us which would warrant a finding of misconduct on this basis.

**49.** The prayer seeking issuance of a fresh Form G and invitation of fresh Resolution Plan(s) is consequential in nature and cannot be granted in the absence of a finding that the CIRP has been vitiated by a fundamental illegality. The Applicant has failed to establish such illegality. The mere fact that the Applicant raises an individual grievance regarding his participation or claim does not warrant setting aside the process undertaken by the RP and the CoC in accordance with the statutory framework.

**50.** The Applicant has also sought a comprehensive transactional and/or forensic audit. No specific material has been placed before us demonstrating circumstances warranting such a direction. A general allegation or apprehension cannot, by itself, justify directing an audit of the affairs of the Corporate Debtor, particularly when the Code itself prescribes the

circumstances and mechanism for examination of transactions and the duties of the Resolution Professional in this regard.

**51.** It is also relevant that the Applicant is one of the creditors forming part of a class of creditors for whom an Authorised Representative has been appointed. Regulation 16A and Section 25A provide the statutory framework for representation of such class. The Authorised Representative has submitted that he has represented the collective interests of the class and has discharged his duties in accordance with the Code. The Applicant cannot, merely on the basis of an individual grievance, seek to displace the statutory mechanism of collective representation.

**52.** We are conscious that the jurisdiction under Section 60(5) of the Code is wide. However, such jurisdiction cannot be exercised in a manner which renders otiose a specific procedure expressly provided under the Code and Regulations. Where the Code provides a particular procedure for the CoC to replace of the Resolution Professional under Section 27 and the Regulations provide a specific procedure for replacement of the Authorised Representative under Regulation 16A(3A), the same cannot be circumvented by invoking Section 60(5) read with Rule 11.

**53.** In the present case, the Applicant has neither followed the statutory mechanism for seeking replacement of the Resolution Professional nor demonstrated compliance with the procedure prescribed for replacement of

the Authorised Representative. More importantly, the allegations made against the Respondents, even otherwise, do not establish such fundamental illegality or misconduct as would warrant interference with the CIRP or justify the sweeping reliefs sought in the present Application.

**54.** In view of the foregoing discussion, we find no merit in the present Application. Accordingly, I.A. 1637 (ND) 2026 is **dismissed**.

No order as to costs.

**-SD/-**

**ATUL CHATURVEDI**
**MEMBER (TECHNICAL)**

**-SD/-**

**MAHENDRA KHANDELWAL**
**MEMBER (JUDICIAL)**