

ITEM NO.44

COURT NO.5

SECTION XVII-B

S U P R E M E C O U R T O F I N D I A
R E C O R D O F P R O C E E D I N G S

Civil Appeal No(s). 8446/2026

RARE ASSET RECONSTRUCTION LIMITED

Appellant(s)

VERSUS

EXPRESS RESORTS AND HOTELS LIMITED & ORS.

Respondent(s)

FOR ADMISSION

IA No. 177757/2026 - PERMISSION TO FILE ADDITIONAL DOCUMENTS/
FACTS/ANNEXURES and IA No. 177761/2026 - STAY APPLICATION

Date : 16-06-2026 This matter was called on for hearing today.

CORAM : HON'BLE MR. JUSTICE JOYMALYA BAGCHI
HON'BLE MR. JUSTICE VIPUL M. PANCHOLI

[PARTIAL COURT WORKING DAYS BENCH]

For Appellant(s) Dr. A.M. Singhvi, Sr. Adv.
Mr. Mohit D. Ram, AOR
Ms. Nayan Gupta, Adv.
Ms. L. Nidhiram Sharma, Adv.For Respondent(s) Mr. Balbir Singh, Sr. Adv.
Mr. Himanshu Satija, Adv.
Mr. Raheel Patel, Adv.
Ms. Neha Mehta Satija, AOR
Ms. Ripul Swati Kumari, Adv.
Mr. Anshul Rao, Adv.Mr. Varun Kalra, Adv.
Mr. Nishant Thakur, Adv.
M/s DSK Legal, AORUPON hearing the counsel the Court made the following
O R D E R

1. Dr. A.M. Singhvi, learned senior counsel for the appellant assails the National Company Law Appellate Tribunal (NCLAT) order dated 25.05.2026 on the ground that the resolution plan was approved by the Committee of Creditors (CoC) in October, 2020 when the Covid Pandemic was raging. Soon thereafter 90% creditors

including appellant's assignor resiled from the decision. The NCLT had rightly taken these circumstances into consideration and declined to approve the resolution plan. It is further contended that the resolution plan merely covers 10% of the admitted debts and other statutory dues were also not included. He further argues that the valuation of the assets of the company were incorrectly made which led NCLT to disallow the plan under Section 31(2) of IBC, 2016.

2. In rebuttal, Mr. Balbir Singh, learned senior counsel for the respondents submitted that the appellant was not a member of the CoC and that the commercial wisdom of the CoC has already been approved by this Court in the earlier round of litigation. It is submitted that the resolution plan had been approved in 2020 and his clients have furnished necessary guarantees and funds for implementation of the plan.

3. It is true that in the earlier round of litigation, the issue whether the CoC could revisit its earlier approval had been decided against them. However, the matter was remitted to NCLT for a fresh look. NCLT after considering various aspects including inadequate valuation of the Net Present Value (NPV) (as assessed in 2020 during pandemic period) and refused to approve the resolution plan. The order has been overturned by NCLAT primarily on the ground that NCLT has not specifically stated which provision of Section 30 of the Act was contravened in the plan.

4. Having gone through the impugned judgment, we are of the opinion, the following issues, inter alia, fall for consideration:

(i) Whether the NCLT was justified in holding that the resolution

plan failed to comply with requirements under section 31(1) of IBC, 2016?

(ii) Whether the litigation with regard to properties at Neemrana and Jamdoli was correctly assessed and considered while approving the resolution plan?

(iii) Whether valuation of NPV in the resolution plan, undertaken during covid pandemic, was a true and correct estimation of the net value of the company? If not, can such issue be examined by this Court under Article 142 to do complete justice inter parties?

5. Appeal is admitted.

6. Issue notice, returnable on 24.07.2026.

7. Let counter affidavit be filed by 17.07.2026. Rejoinder affidavit thereto, be filed by 23.07.2026.

8. Any decision taken by NCLT shall abide by the result of the appeal and no party shall claim any equity in respect of such decision.

(KANCHAN CHOUHAN)
SENIOR PERSONAL ASSISTANT

(CHETNA BALOONI)
COURT MASTER (NSH)