

**IN THE NATIONAL COMPANY LAW TRIBUNAL
JAIPUR BENCH**

**IA No.181/JPR/2024, IA No.182/JPR/2024 & IA No.334/JPR/2025
IN CP (IB) NO.16/7/JPR/2021**

*(Applications filed under Rule 11 of the National Company Law Tribunal Rules,
2016)*

IN THE MATTER OF:

1. **ASHOK KUMAR ROONGTA, S/O HARI RAM ROONGTA,
R/O KAMLA NEHRU NAGAR, JAIPUR**
2. **RAKESH KUMAR SHARMA, S/O SH. BHISM CHAND
SHARMA, R/O 79/87 SHIPRA PATH MANSAROVER, JAIPUR**
3. **RAMESH SINGH, S/O KARAN SINGH,
R/O GRAM RAJKOTA TEH KOTPUTLI, JAIPUR**
4. **VIRENDRA PRATAP SINGH RATHORE, S/O MOOL SINGH,
R/O VADODARA**
5. **RAMNIWAS SHARMA, S/O HARI NARAIN SHARMA,
R/O 33, RAMNATHPURI, KALWAR ROAD, JOTHWARA,
JAIPUR**
6. **KIRAN VERMA, W/O DL VERMA,
R/O 170-108 VIRAT DELUX-8, SHIVNAGAR-A
HARNATHPURA, NIWARU ROAD, JAIPUR**
7. **KOMAL DHAYAL, W/O PREM CHAND DHAYAL,
R/O GIDANIA CHIRAWA, JHUNJHUNU**
8. **RAMESH CHAND SHARMA, S/O NAND KUMAR SHARMA,
R/O A-264, KARDHINI KALWAR ROAD, JAIPUR**
9. **SNEHLATA BHANSALI, R/O A-6 SHREE VIHAR, BANGUR
NAGAR, BEAWAR, RAJASTHAN**
10. **SHANTILA BHANSALI, R/O A-6 SHREE VIHAR, BANGUR
NAGAR, BEAWAR, RAJASTHAN**
11. **ARUN REPSWAL, S/O VIDHYADHAR SINGH, R/O 264/848,
BHAMBHORI, KALWAR, JAIPUR- 303706**
12. **AKSHAY KUMAR SHARMA, S/O LATE SHRI GOPAL**

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**PRASAD SHARMA, R/o D-5/8 IInd FLOOR DLF EXCLUSIVE
FLOOR GURUGRAM**

13. **NITIN DEV, S/O SHRI SITARAM DEVANDA, R/O HOUSE NO.
137, ASHOK VIHAR EXTN., GOPALPURA BYPASS, JAIPUR**
14. **MAHESHWARI GAUTAM, W/O VIRENDRA KUMAR
GAUTAM, KOTPUTLI, JAIPUR**
15. **NEERU CHAUHAN, W/O YASHWANT SINGH, R/O P NO.171-
C, AMARNAGAR COLONY, KHATIPURA, JAIPUR**
16. **SANJU KANWAR, W/O MAN SINGH, R/O P-60, VINAYAK
ENCLAVE, THAKIYA KI CHOWKI, KALWAR ROAD,
JAIPUR**
17. **PRITAM SINGH SEKHAWAT, S/O SURESH SINGH
SHEKHAWAT, R/O KAILASH VIHAR, 100 FEET ROAD,
GOKULPURA, JHOTWARA, JAIPUR**
18. **KAVITA CHAUDARY W/O KUMAR BHISMA,
R/O JAGDAMBA NAGAR, KALWAR ROAD, JAIPUR**

.....Applicant/Homebuyers

Versus

**MR. SATYENDRA KHORANIA, RESOLUTION PROFESSIONAL
OF M/S TUSHAR REALHOME LLP**

Having Its Office At:

402, 4th Floor, Ok Plus DP Metro,
Opp- Pillar No.94, New Sanganer Road,
Jaipur- 302019, Rajasthan- 302019

.....Non-Applicant/Resolution Professional

AND IN THE MATTER OF:

BHALA FINANCE PRIVATE LIMITED

Having Registered Office At:

6-B, 4th Floor, Man Upasana Plaza, C-44, Sardar Patel Marg,
C-Scheme, Jaipur

.....Applicant

Versus



**SATYENDRA P. KHORANIA, RESOLUTION PROFESSIONAL
OF TUSHAR REAL HOME LLP,**

Having Address At:

402, 4th Floor, OK Plus, DP Metro, Opp. Pillar No.94,
New Sanganer Road, Jaipur, Rajasthan 302019

.....Respondent

AND IN THE MATTER OF:

**VISHNU UPADHYAY, AUTHORISED REPRESENTATIVE,
HOMEBUYER IN PROJECT SHIVALIKA, DEVELOPED BY M/S
TUSHAR REALHOME LLP**

Having Its Office At:

G-104 Dwarka Apartments, Mansarovar,
Jaipur- 302020 (Raj.)

.....Applicant/Homebuyers

Versus

**Mr. SATYENDRA KHORANIA, RESOLUTION PROFESSIONAL
OF M/S TUSHAR REALHOME LLP**

Having Its Office At:

402, 4th Floor, OK Plus DP Metro Opposite Pillar No.94,
New Sanganer Road, Jaipur- 302019 (Raj.)

.....Non-Applicant/Resolution Professional

AND IN THE MATTER OF:

M/s BHALA FINANCE PRIVATE LIMITED

..... Financial Creditor

Versus

M/s TUSHAR REALHOME LLP

..... Corporate Debtor

Order pronounced on: 09.06.2026

Coram:

Sh. Praveen Gupta

: Member (Judicial)

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Appearances:

Ms. Anubha Singh, Adv.	:	<i>For the Resolution Professional/Respondent</i>
Sh. R.B. Mathur, Sr. Adv, along with Sh. Akshat Kulshrestha, and Ms. Surabhi Bairathi, Adv.	:	<i>For the IIFL/Non-Applicant</i>
Sh. Sameer Sharma, Adv.	:	<i>For the Applicant in IA 334 of 2025</i>
Sh. Anurag Kalavatiya, Adv. along with Ms. Parul Singhal, Adv.	:	<i>For the Applicant in IA 181 of 2024</i>
Ms. Mehak Jain, Adv for Sh. Shivangshu Naval, Adv.	:	<i>For the Applicant in IA 182 of 2024</i>

ORDER

Per: Praveen Gupta, Member (Judicial)

1. The instant applications have been filed under Section 60(5) of the IBC read with Rule 11 of the NCLT Rules, 2016, in which replies and written submissions have also been filed. Later, by way of the two separate orders passed on 10.03.2026, whereby the Hon'ble Judicial Member and Hon'ble Technical Member of the NCLT Jaipur Bench have given dissenting judgment/order and therefore the matter has been referred to me to hear the matter on the difference of opinion vide order dated 01.04.2026 [File No.- File No. 06/13/2026-NCLT (JPR)].
2. Accordingly, I have heard the matter on different dates by way of physical hearing as well as hearing through VC. I have also perused the documents with the abled assistance provided by all the Ld. Counsel representing the respective parties.

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BRIEF FACTS OF THE MATTER:

3. In order to set out the factual and legal premise, it would be worthwhile to notice the facts briefly hereunder:

I. Averments made by the Applicant in IA 181 of 2024:

- a. The present application has been filed by a group of homebuyers who have booked certain units in a real estate project, namely “Shivalika Residency”, being developed by the Corporate Debtor. It is averred/submitted by the Applicant that the present application has been filed in view of a revised collation of claims carried out by the subsequently appointed Resolution Professional (“RP”/“Respondent”), who allegedly enhanced the claim of IIFL Home Finance Limited (“IIFL”) from Rs. 6.14 crores to Rs. 75.04 crores at his own behest.
- b. It is further contended that this aspect of enhancement has been brought on record by way of an affidavit filed in IA No. 608 of 2023. The said IA No. 608 of 2023 infact was filed by IIFL, challenging the initial collation of its claim, which was limited to the extent of Rs. 6.14 crores.
- c. It is further contended that, as a result of such enhancement, the RP filed an IA No. 165 of 2024 to place on record the amended constitution of the Committee of Creditors (“CoC”) arising from the change in IIFL’s voting percentage share in its overall composition. It is submitted that, prior to such alleged illegal enhancement, the voting share of the present applicants was 56.30%, while IIFL held 16.40%. However, as stated above an affidavit was filed by the RP in IA No. 608 of 2023 (filed by IIFL), bringing on record the enhanced collation of IIFL’s claim from Rs. 6.14 crore to Rs. 75.04 crore. Immediately

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thereafter, IA No. 608 of 2023 was withdrawn in terms of the order dated 05.03.2024. However, as a result of such alleged illegal enhancement of IIFL's claim, its voting share increased significantly from 16.40% to 68.49%, while the share of the Applicant/Homebuyers correspondingly decreased from 56.30% to 22.17%.

- d. It is further contended by the Applicant that Reliance Housing Finance Limited ("RHFL") had sanctioned three financial facilities vide its sanction letters dated 19.10.2016, one of which was utilized to repay the loan extended by Rajasthan State Industrial Development & Investment Corporation Limited ("RIICO") to the project of the Corporate Debtor. It is also contended that, upon perusal of the audited balance sheets for FYs 2017-18 and 2018-19, it would be evident that the loan availed from RHFL was not taken over by IIFL; rather, the said loan was repaid by the Corporate Debtor.
- e. It is further submitted that IIFL granted a financial facility of Rs. 70 crores vide its sanction letter dated 06.06.2018 by way of Non-Convertible Debentures ("NCDs") issued by ShivShakti Realhome Private Limited ("SRPL"). It is also contended that IIFL disbursed an amount of Rs. 70 crores towards full and final redemption of the NCDs. However, the RP has arbitrarily stated that Rs. 49.69 crore out of the said Rs. 70 crore was to be utilised by the Corporate Debtor, which, as per the stand of the Applicant, is allegedly incorrect, as the RP has failed to demonstrate by way of any evidence that any portion of the alleged Rs. 49.69 crore was actually disbursed to the Corporate Debtor by IIFL.
- f. It is further submitted by the Applicant that IIFL also extended a loan of Rs. 95 crores to SRPL under an agreement dated 20.12.2019. Out of the said amount, a sum of Rs. 78.2 crores was initially utilised

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towards the redemption of NCDs, and the remaining amount was disbursed to SRPL. It is therefore contended that no portion of the said Rs. 95 crores was actually disbursed to the Corporate Debtor. It is further submitted that SRPL, being a separate and independent entity, has acknowledged its liability to the extent of Rs. 84.04 crore in favour of IIFL. It is also submitted that another loan of Rs. 30 crore was sanctioned by IIFL to SRPL, out of which it was agreed that Rs. 25 crores would be utilised for the project of the Corporate Debtor; however, out of this only an amount of Rs. 7.11 crores was actually disbursed to the Corporate Debtor.

- g. It is thus contended that, out of the total disbursements, only an outstanding amount of Rs. 6.14 crore remained, which was duly admitted by the erstwhile IRP. However, in the absence of any valid grounds, the present RP enhanced the collation of IIFL's claim to Rs. 75.04 crore. It has thus been interalia prayed as under:

"a) To allow the instant application;

b) To dismiss the application bearing no. I.A.-165/JPR/2024 filed by RP for placing on record amendment in constitution of Committee of Creditors of the Corporate Debtor;

c) To reject and declare the Report dated 08.03.2024 filed by RP certifying reconstitution of CoC (Amended) as incorrect and unlawful;

d) To maintain the status-quo on the constitution of Committee of Creditors of the Corporate Debtor till the resolution of the instant application;

e) To restrain the RP from convening CoC meetings and voting till the pendency of the present application;

f) Pass such order or further order as this Hon'ble Tribunal may deem fit and proper in the facts and circumstances of the instant case."

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REPLY FILED BY THE RP/RESPONDENT IN IA 181 OF 2024

- a. It has been averred in the reply that the present application has been filed by homebuyers holding only 1.87% voting share. It is further stated that the Corporate Debtor is engaged in the development of a real estate project, and that three projects were being developed simultaneously, which were managed by SRPL, a 99% partner in the Corporate Debtor.
- b. It is also submitted that the RP has acted in accordance with Regulation 8 of the CIRP Regulations, and that there is no requirement that only the records of the Corporate Debtor be considered while collating claims. In this regard, reliance has been placed on the judgment of the Hon'ble NCLAT in the matter of *Ashique Ponnamparambath & Anr. V/s BMW India Financial Services Pvt. Ltd. [Company Appeal (AT) (CH) (Ins) No.301/2021 (IA Nos.638/2021, 84/2022)]*, wherein it has been observed that actual disbursement is not mandatory to determine the liability of a co-borrower.
- c. It is contended that a claim of Rs. 75.04 crores has been collated against a total claim amount of Rs. 143 crores, and that sufficient clarification was provided while revising the admitted claim from Rs. 6.14 crores to Rs. 75.04 crores. It is further averred that, as per the loan agreements, co-borrowers are jointly and severally liable for all loans, including

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disbursements made to any of the borrowers, and that such liability is co-extensive.

- d. It is therefore asserted that the RP, after examining all materials and documents on record, in consultation with his team of professionals, and in light of the judgment of the Hon'ble Supreme Court in *Maitreya Doshi v. Anand Rathi Global Finance Ltd. And Anr.*, [Civil Appeal No. 6613 of 2021] admitted the claim of IIFL to the extent of Rs. 75.04 crores as against the total claim of Rs. 143 crores. It is further contended that the affidavit was filed after such collation of the claim based on the material available on record warranting such enhancement.
- e. It is also submitted that the RP cannot justify the earlier collation carried out by the erstwhile IRP, as the same was based only on the loan of Rs. 30 crores while ignoring the loan of Rs. 95 crores.

I. AVERMENTS MADE BY APPLICANT IN IA 182 OF 2024:

- a. This application has been filed by Bhala Finance Limited, which had earlier initiated the proceedings under Section 7 of the Code pursuant to which CIRP of the Corporate Debtor came to be commenced, and which is also a member of the CoC having an initial voting share of 13.13%. It has been noted that the legal averments made in the present application are substantially similar to the facts already recorded in I.A. No. 181 of 2024. However, certain additional submissions advanced by the Applicant

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in the present application have also been taken into consideration for composite adjudication. The principal grievance raised by the Applicant pertains to the bonafide and necessity of reviewing the claims earlier admitted by the erstwhile IRP, which, according to the Applicant, resulted in subsequent amendment/reconstitution of the CoC and consequential reduction of the Applicant's voting share from 13.13% to 4.49%.

- b. The Applicant, in support of its submissions, has also placed on record a tabulated chart depicting the changes in the voting share percentages of the members of the CoC consequent to the revision/reconstitution of the CoC, as follows: -

Date	Particulars	Bhala Finance Pvt Ltd., Claim & Share	IIFL Share
06.05.2023	Ist COC Meeting	Rs. 4,92,22,349/- 9.48 %	Rs.25,12,29,000/- 48.42%
08.12.2023	IInd COC Meeting	Rs. 4,92,22,349/- 13.13%	Rs.6,14,72,507/- 16.40%
20.01.2024	IIIrd COC Meeting	Vide which the Erstwhile IRP was replaced by the present RP. (Resolution Proposed and passed by IIFL)	
26.03.2024	IVth COC meeting	Rs. 4,92,22,349/- 4.49%	Rs.75,01,44,146/- 68.49%

- c. The Applicant further contends that the report submitted by the RP is based merely on his personal understanding and is not supported by any empirical data, credible evidence, or documentary proof. It is also submitted that the change in opinion adopted by the present RP, as

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compared to the view earlier taken by the erstwhile IRP regarding the admissibility of the claims of IIFL, is not founded upon any new material or documents, as all relevant records were already available before the erstwhile IRP, as well.

- d. As already noted while recording the submissions in I.A. No. 181 of 2024 regarding the various credit facilities availed by the Corporate Debtor, the Applicant has further submitted, with respect to the loan availed from RHFL, that the said liability stood discharged by the Corporate Debtor through utilisation of funds received from the related entity, namely SRPL, as reflected in the books of accounts of the Corporate Debtor as on 31.03.2019. Consequently, the assertion of the RP that the loans of RHFL were subsequently taken over by IIFL is erroneous and contrary to the records placed.
- e. The Applicant further submits that the loan facility of Rs. 70 Crores sanctioned vide sanction letter dated 06.06.2018 was granted to SRPL against issuance of certain NCDs. Upon redemption of the said amount of Rs. 70 Crores, the alleged disbursement of Rs. 49.69 Crores to the Corporate Debtor, as asserted by the RP, is unsupported by any documentary proof evidencing such disbursement. It is further submitted that the records available with the RoC do not reflect any loan in the nature of NCDs in the books of the Corporate Debtor as on 31.03.2019,

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whereas the loan availed from IIFL stood acknowledged in the books of the SRPL as on 31.03.2020.

- f. Accordingly, the Applicant contends that the admission of the claim by the erstwhile IRP to the extent of Rs. 6.14 Crores and the consequent assignment of 16.40% voting share to IIFL was proper and justified, whereas the subsequent recalculation undertaken by the present RP is baseless and unjustified and materially affects the voting share of the Applicants in the CoC.

REPLY FILED BY THE NON-APPLICANT, i.e., IIFL HOME FINANCE LIMITED IN IA 182 OF 2024:

- a. The Non-Applicant, in support of its admitted claim, submits that a perusal of the loan documents clearly reflects that both the Corporate Debtor as well as its related entity were designated as co-borrowers under the loan transaction. Accordingly, it is contended that the question as to which co-borrower actually received the disbursed amount is irrelevant for determining the liability of the co-borrowers towards repayment of the entire loan amount. The Non-Applicant further submits that direct disbursal of the loan amount to the Corporate Debtor is not a sine qua non for classification of the liability as a “financial debt” under the provisions of the Code.
- b. The Non-Applicant further emphasizes that Section 5(8) of the Code defines “financial debt” as a debt disbursed against consideration for the

time value of money, and does not mandate that such disbursement must necessarily be made directly to the Corporate Debtor. It is further contended that transactions in the nature of “balance transfer” also fall within the ambit of “debt” as defined under Section 3(11) of the Code.

- c. The Non Applicant further clarifies that, with respect to the loan facility of Rs. 70 Crores, the same was extended by taking over two existing loans of SRPL and one loan of the Corporate Debtor from RHFL by way of assignment/balance transfer, including an amount of Rs. 13.99 Crores pertaining to the “Shivalika Project” of the Corporate Debtor. In support thereof, reliance has been placed upon the share subscription account statement, which, according to the Non-Applicant, reflects disbursement/drawdown of an amount of Rs. 11.45 Crores out of the aforesaid Rs. 13.99 Crores.
- d. The Non-Applicant has further relied upon the No Objection Certificate dated 30.06.2018 issued by RHFL in relation to the assignment/balance transfer of the loan, as well as the letter dated 12.06.2018 whereby both SRPL and the Corporate Debtor had jointly applied for financial assistance from the Non-Applicant. It is further submitted that, consequent to redemption of the premium amount payable on the NCDs aggregating to Rs. 70 Crores, an amount of Rs. 8.52 Crores remained outstanding towards coupon payments, out of which Rs. 5.39 Crores was

payable in relation to the Corporate Debtor on the principal amount of NCDs aggregating to Rs. 44.30 Crores.

- e. With respect to the loan facility of Rs. 95 Crores, the Non-Applicant submits that the said loan was initially advanced by IIFL in June 2019 to SRPL, the Corporate Debtor, along with the promoter group entities, and was subsequently taken over by the Non-Applicant. It is further submitted that the loan documents specifically record both the Corporate Debtor and SRPL as borrowers in relation to the projects, including the Corporate Debtor's project namely "Shivalika Residency."
- f. With respect to the loan facility of Rs. 30 Crores, the Non-Applicant submits that the said amount was advanced by the Non-Applicant to SRPL, the Corporate Debtor, and other borrowers. According to the Non-Applicant, out of the sanctioned amount, an amount of Rs. 25 Crores was earmarked for utilisation towards the Corporate Debtor's project, namely "Shivalika Residency," while Real Lease Facility Management Pvt. Limited acted as guarantor for the said facility. It is further submitted that, upon the request of the Corporate Debtor, an amount of Rs. 7.08 Crores was disbursed by the Non-Applicant to the guarantor, which disbursement stands certified by the monitoring agency, namely Cushman & Wakefield, appointed for supervision and completion of the project. The Non-Applicant further submits that an additional disbursement of Rs. 53.10

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Lakhs towards processing fees on the additional Rs. 30 Crore loan, along with interest amounting to Rs. 78.70 Lakhs on the aforesaid Rs. 7.08 Crores released to the guarantor, was also made.

- g. The Non-Applicant further contends that the Applicants have no locus standi to raise submissions on behalf of the Corporate Debtor and deny liability in respect of loans admittedly availed by the borrowers under the loan documents. In support of its contention, the Non-Applicant relies upon the fact that the charges created in relation to the aforesaid loan facilities are duly reflected on the MCA portal of the Corporate Debtor and also stand recorded before the RERA authorities.

II. AVERMENTS IN IA 334 OF 2024:

This application has been filed by the Authorised Representative of the homebuyers of the projects of the Corporate Debtor, collectively holding 56.30% voting share in the Committee of Creditors. It has been noted that the averments made in the present application are substantially similar to the facts already recorded in I.A. No. 181 of 2024 and I.A. No. 182 of 2024. However, certain additional submissions advanced by the Applicant in the present application have also been taken into consideration for composite adjudication.

- a. The Applicant submits that, as reflected in the balance sheet of the Corporate Debtor for FY 2019–2020, the Corporate Debtor had paid an

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amount of Rs. 9.34 Crores to SRPL, which, according to the Applicant, demonstrates that no amount had been received by IIFL up to FY 2019–2020. It is further submitted that relying upon the capital account of SRPL in the books of the Corporate Debtor and that during the financial year ending on 31.03.2019, an amount of Rs. 12.81 Crores stood increased on account of repayment of the loan of RHFL by SRPL and interest amounting to Rs. 1.85 Crores payable to SRPL. Accordingly, the Applicant contends that the amount of Rs. 9.34 Crores disbursed to SRPL was towards such repayments.

- b. The Applicant further submits that, with respect to the loan facility of Rs. 70 Crores, the Corporate Debtor merely acted as a security provider and was neither a borrower nor a co-borrower under the loan transaction with IIFL. It is additionally contended that no charge in relation to the said loan amount was created or reflected on the MCA portal of the Corporate Debtor. The Applicant has also submitted that an LLP has no authority in law to issue Non-Convertible Debentures and that only a company is competent to issue such instruments. With respect to the loan facility of Rs. 95 Crores, the Applicant reiterates its stand that no amount was disbursed towards completion of the project being developed by the Corporate Debtor.

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REPLY FILED BY THE RESPONDENT IN IA 334 OF 2024:

It has been noted that the contentions advanced in the present reply are substantially similar to the facts already recorded in the reply filed in I.A. No. 181 of 2024. However, certain additional submissions raised by the Respondent in the present application have also been taken on record for composite consideration.

- a. The Respondent contends that all actions undertaken in relation to verification and subsequent admission of the claim of IIFL were carried out strictly in compliance with Regulation 14(2) of the IBBI (CIRP) Regulations, 2016.
- b. It is further contended that the amount disbursed towards the Corporate Debtor has been incorrectly portrayed by the Applicant, inasmuch as while considering the loan sanctioned by RHFL, only an amount of Rs. 14 Crores has been treated as disbursed, whereas the balance transfer amount of Rs. 8.14 Crores paid to RIICO also formed part of the disbursement to the Corporate Debtor.
- c. The Respondent further submits that thereafter IIFL sanctioned a facility of Rs. 70 Crores to SRPL for completion of the projects “Shivalika Residency”, “Shivraj Residency” and “Shankara Residency”, including the project of the Corporate Debtor, as reflected in the Term Sheet/Sanction Letter dated 06.06.2018, wherein the purpose clause

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specifically contemplated utilisation of the funds towards construction, project expenses, and retirement of existing liabilities of the said projects.

- d. The Respondent further contends that the loan availed from RHFL in relation to the Corporate Debtor was subsequently taken over by IIFL and an amount of Rs. 11,45,50,007/- payable towards RHFL was discharged through the subscription account maintained by IIFL. Reliance has also been placed on the Demand Promissory Note dated 12.06.2018 executed by the Corporate Debtor/Tushar RealHomes LLP to contend that the loan was intended for and utilised in the Corporate Debtor's project, thereby disputing the Applicant's contention that SRPL alone was the borrower and the Corporate Debtor merely acted as a security provider. It is further submitted that, consequent to utilisation of the loan across three projects, IIFL issued a No Objection Certificate dated 27.12.2019 bifurcating the amounts disbursed for each project, wherein out of the balance transfer amount of Rs. 78,52,84,383/-, an amount of Rs. 49,69,72,830.96 attributable to the Corporate Debtor's project was paid at the time of takeover of the loan.
- e. The Respondent additionally contended that under the subsequent sanction dated 20.12.2019, IIFL granted a joint loan facility of Rs. 95 Crores to SRPL, Corporate Debtor and others, wherein the sanction letter itself contemplated balance transfer to the existing financier and, pursuant

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thereto, the aforesaid amount of Rs. 49,69,72,830.96 stood allocated towards the Corporate Debtor's project. Accordingly, the Respondent asserts that the Applicant's contention that no amount from the Rs. 95 Crore facility was utilised for the Corporate Debtor's project is factually incorrect and misleading. The Respondent further submits that Covid moratorium and RBI one-time restructuring benefits were granted vide confirmation letter dated 31.08.2020 and restructuring arrangement letter dated 24.02.2021, and therefore the claim verification carried out by the Respondent RP is proper, duly supported by documentary evidence, and based upon the correct factual matrix.

4. It is noted that all the parties have filed Written submissions and the same has been taken into due consideration and not repeated herein for the sake brevity.

FINDINGS:

5. I have heard the Learned counsels representing all the parties and, with their able assistance, perused the entire record and pleadings. I have also heard the Learned counsels on the points of difference arising from the orders passed by the Hon'ble Judicial Member and the Hon'ble Technical Member. The relevant concluding paragraphs of the order dated 10.03.2026, passed by the Hon'ble Judicial Member, read as under:

"15. Thus, the aforementioned judgments and documentary record placed before this Adjudicating Authority demonstrates that to bring any existence of debt within the ambit of the

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definition of "Financial Debt", disbursement of money is sine qua non. In the instant case, as observed above, the substantial portions of the admitted claim by the Resolution Professional pertain to liabilities not disbursed to the Corporate Debtor and the Financial Creditor has failed to substantiate disbursement of the admitted claim amount in favour of the Corporate Debtor.

16. Accordingly, the RP is hereby directed to recalculate the claim of IIFL Home Finance Limited by considering only the amount actually disbursed in favour of Corporate Debtor keeping in view the observation made in Para 8 to Para 12 of this Order and reconstitute the CoC within 7 days of passing of the order on the basis of revised voting share of the various stakeholders."

6. Similarly, the concluding paragraphs of the order of the same date, i.e., 10.03.2026, passed by the Hon'ble Technical Member, read as under:

"12. (a) The Resolution Professional shall permit the Applicants in I.A. 181/JPR/2024 and I.A. 334/JPR/2025 (through AR) and the Applicant in I.A. 182/JPR/2024 to file a brief consolidated note of objections (restricted to core points of disbursement nexus, contractual liability, related-entity attribution, and computation heads) together with supporting documents already on record.

For avoidance of any ambiguity, the "brief consolidated note of objections" shall be confined strictly to the following issues alone, and no new or extraneous grounds shall be entertained by the Resolution Professional:

- (i) Whether the revised claim of IIFL is supported by proof of actual disbursement to the Corporate Debtor or disbursement made expressly for and on behalf of the Corporate Debtor;
- (ii) Whether any portion of the revised claim pertains to facilities availed by a related entity, and if so, whether there exists clear contractual liability and disbursement nexus fastenable upon the Corporate Debtor;
- (iii) Whether the computation of the revised claim correctly segregates principal, interest, moratorium capitalization, restructuring components and ancillary charges, and whether

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such components are contractually and legally attributable to the Corporate Debtor, and

(iv) Whether the revised claim is supported by contemporaneous entries in the books of account and bank statements of the Corporate Debtor.

The objections shall be filed within 7 (seven) days from the date of this order.

(b) The Resolution Professional shall consider such limited objections and shall record reasons for acceptance/rejection of each objection.

The Resolution Professional shall complete the above objection-consideration exercise and record brief but reasoned conclusions on each objection within 7 (seven) days thereafter.

The Resolution Professional shall not treat this exercise as a mechanical or arithmetical verification, but shall demonstrate application of mind to the limited objections raised, consistent with Regulation 14(2) of the CIRP Regulations.

(c) The Resolution Professional shall complete this exercise and circulate a brief outcome note to all CoC members within 7 days of completion of the objection consideration exercise.

(d) It is clarified that this exercise is to ensure that the process of verification and collation of claims is transparently reflected in record and shall not be construed as conferring any adjudicatory powers upon the RP, whose role remains confined to verification and collation in accordance with Code.

It is further clarified that the above directions do not curtail the statutory power of RP under Regulation 14(2) of CIRP Regulations, to revise the admitted claim if warranted upon consideration of the objections. In the event such revision results in any modification of voting share the CoC stands altered in accordance with law. All consequential steps shall be taken by the RP with the Code and Regulations.

(e) The Resolution Professional may continue to convene CoC meetings and undertake routine CIRP actions. However, until completion of the above exercise the CoC shall not take any decision which is irreversible in nature and is primarily

dependent upon the voting share arising from the impugned revision, including, in particular:

- (i) Voting on approval or rejection of any resolution plan;*
- (ii) Voting on issuance of LOI/selection of Successful Resolution Applicant where the process has reached the voting stage;*
- (iii) Voting on liquidation under Section 33 based on CoC majority; or*
- (iv) Any other decision having the effect of conclusively foreclosing the CIRP outcome.*

The above restraint on irreversible decisions shall operate only during the interregnum period commencing from the date of this order and ending upon circulation of the outcome note under clause (c) above.

The above directions shall not be construed as a stay of CIRP; they are limited to postponement of the specific category of irreversible decisions identified above.”

7. Upon perusal of the record, and with the assistance of the submissions made by the learned counsel for the parties, I have also examined the orders passed by the Hon'ble Members, the relevant portions of which have been reproduced hereinabove.
8. On a careful reading of the separate orders, I find that the Hon'ble Technical Member, in terms of paragraph 12 of the order, while disposing of the applications, has directed the RP to permit the applicants to file a brief consolidated note of objections, confined within the framework indicated in the latter part of paragraph 12(a). Upon receipt of such objections, the RP is required to consider the same and record reasons for acceptance or rejection of each objection by applying his mind, in accordance with Regulation 14(2) of the CIRP Regulations. It has also been observed that the said directions

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shall not curtail the statutory powers of the RP under Regulation 14(2) to revise the admitted claims, and that any consequent modification in the voting share of the CoC may follow. Till such exercise is completed, the CoC shall refrain from taking any irreversible decisions.

9. However, vide order passed by the Hon'ble Judicial Member, it is noted that the RP has been directed only to recalculate the claim of IIFL Home Finance Limited by considering only the amount actually disbursed to the Corporate Debtor, and to reconstitute the CoC accordingly.
10. Thus, it is apparent that both Members are in agreement only to a limited extent, namely that the RP is required to re-examine the matter. However, the scope and extent of such re-examination differs: As per the Hon'ble Technical Member, the matter is effectively remanded to the RP for a de novo consideration of the objections and reappraisal of the documents on record; whereas, As per the Hon'ble Judicial Member, the exercise is confined to recalculating the claim of IIFL Home Finance Limited by considering only the amounts actually disbursed to the Corporate Debtor.
11. Therefore, in my opinion, the point of difference and the question of law posed before me for determination is -

Whether a Resolution Professional, while revisiting a claim during the Corporate Insolvency Resolution Process, exercise adjudicatory powers, or is the role of the Resolution Professional limited only to the collation and verification of claims?

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Also, since the point of difference is confined on a narrow compass as both the Hon'ble Members have remitted the matter back to the RP with difference only on scope and terms, therefore, references to their orders is made frequently hereinafter.

12. Upon perusal of the record and consideration of the submissions advanced on behalf of all the parties in the present case, it is not in dispute that upon submission of the claim by IIFL, the process of collation and verification, as contemplated under Section 18 of the Code, was initially undertaken by the erstwhile IRP, who, upon examination of the documents and material then made available, proceeded to admit the claim of IIFL to the extent of Rs.6.14 Crores. The said admission of claim appears to have been premised upon the material reflecting actual disbursement made by IIFL in favour of the Corporate Debtor.
13. Subsequently, upon replacement of the erstwhile IRP and assumption of office by the present Resolution Professional ("RP")/Respondent herein, the powers and duties exercisable by the Respondent RP continued to remain governed by the statutory framework contemplated under Section 25 of the Code read with Regulation 14(2) of the CIRP Regulations, specifically empowering the Resolution Professional to revise the amount of claims already admitted where he comes across "additional information warranting such revision."



14. Acting in exercise of the aforesaid powers, the Respondent RP proceeded to revise the provisionally admitted claim of IIFL upon receipt of a No Objection Certificate dated 27.12.2019, indicating bifurcation and utilisation of funds across multiple projects, together with the statement of subscription account evidencing transfer of amounts to Reliance Home Finance Limited and other supporting transaction documents. The Respondent RP has justified the enhancement of the admitted claim from Rs.6.14 Crores to Rs.75.04 Crores on the ground that the initial admission by the erstwhile IRP was only provisional in nature and that the subsequent material placed before him enabled verification of the claim on the basis of disbursements and utilisation of funds towards the “Shivalika Project” of the Corporate Debtor; payments allegedly made towards takeover of the existing financial facilities of the Corporate Debtor; and amounts disbursed to the Corporate Debtor and/or its contractor on behalf of the Corporate Debtor.
15. The aforesaid exercise undertaken by the Respondent RP has, however, been seriously disputed by the Applicants in the present applications. The Applicants have, inter alia, questioned the jurisdiction and authority of the RP to undertake what has been described as a substantial re-verification and re-determination of a claim that had already undergone verification by the erstwhile IRP, particularly in circumstances where, according to the Applicants, the alleged loan amounts forming the basis of the revised claim

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were never actually disbursed to the Corporate Debtor, as is reflected from the books of accounts and bank statements of the Corporate Debtor. It has further been contended that such substantial upward revision of the admitted claim materially altered the voting structure of the Committee of Creditors and consequently caused serious prejudice to the rights and interests of the other stakeholders participating in the CIRP.

16. Per contra, it has been contended by the Ld. Counsel for IIFL that the Corporate Debtor, being a co-borrower and/or obligor under the relevant financing arrangements, remains jointly and contractually liable for repayment of the subject debt and that such liability is liable to be duly considered while determining the claim of IIFL during the CIRP. It has further been argued that direct disbursal of the loan amount into the account of the Corporate Debtor is not an indispensable pre-condition for recognition of a claim as a “financial debt” under Section 5(8) of the Code, and that judicial precedents have recognised situations where financial liability may validly arise even when the disbursal is routed through, utilised by, or structured in favour of an associated or related entity, provided the underlying transaction establishes a discernible commercial and financial nexus with the Corporate Debtor so as to attract liability within the framework of Section 5(8) of the Code.

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17. Similarly, on the other hand, the Ld. Counsel for RP has justified the verification and admission of the claim of IIFL on the basis of supporting records, namely the subscription account statements and the No Objection Certificate dated 27.12.2019. The RP has contended that his actions pertaining to the verification of the IIFL's claim was undertaken in compliance with Regulation 14(2) of the IBBI (CIRP) Regulations, 2016 and on the basis of documentary evidence reflecting the actual flow and utilisation of funds.
18. The RP further substantiates his verification by submitting that the loan originally availed in relation to the Corporate Debtor's project from RHFL was subsequently taken over by IIFL and an amount of Rs. 11,45,50,007/- payable towards RHFL. The said amount was discharged through the subscription account maintained by IIFL. The RP relied on the subscription account statement demonstrating that the amounts were routed towards discharge of liabilities connected with the Corporate Debtor's project, thereby contradicting the Applicant's contention that the Corporate Debtor was merely a security provider and not a beneficiary of the financial facility.
19. Significant reliance has also been placed by the RP upon the No Objection Certificate dated 27.12.2019 issued by IIFL, whereby the amounts disbursed under the composite financing arrangement were specifically bifurcated project-wise. The RP submits that the said document reflects that out of the

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balance transfer amount of Rs. 78,52,84,383/-, an amount of Rs. 49,69,72,830.96/- was attributable to the Corporate Debtor's project. The said bifurcation, read together with the subscription account statements, establishes nexus between the financial facility extended by IIFL and the Corporate Debtor's project.

20. It is in this backdrop of the aforesaid rival contentions and the material placed on record that the divergent opinions rendered in the two dissenting opinions require consideration. In light of the above factual and legal position emerging from the record, the principal controversy raised in the present applications pertains to whether the revision and re-verification undertaken by the Resolution Professional in respect of the claim of IIFL, particularly qua the amounts allegedly disbursed to a related entity and not directly to the Corporate Debtor, was in consonance with the statutory framework governing the CIRP process.
21. The Hon'ble Member (Judicial), upon examination of the material available on record, observed that the issuance of 19% NCDs aggregating to Rs.70 Crores under the term sheet dated 06.06.2018 pertained to Shivshakti Realhome Private Limited and that the role attributable to the Corporate Debtor under the said transaction was essentially confined to that of a security provider. It was further noticed that no material had been placed on record to substantiate actual disbursement of the said amount into the accounts of

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the Corporate Debtor. Similarly, with regard to the sanction facility of Rs.95 Crores vide sanction letter dated 20.12.2019 issued by IIFL, although the stated object of the facility was for development of the “Shivalika Project” of the Corporate Debtor, the corresponding bank statements and balance sheets of the Corporate Debtor for Financial Years 2017-18 and 2018-19 did not reflect the said borrowings as amounts credited or received by the Corporate Debtor. On the contrary, the financial statements of Shivshakti Realhome Private Limited for Financial Year 2019-20 reflected the said borrowings, which, according to the Hon’ble Member (Judicial), prima facie indicated that the liability arising from the aforesaid facilities was attributable to the related entity and not to the Corporate Debtor directly.

22. The Hon’ble Member (Judicial) also took note of the fact that, out of the loan facility of Rs.30 Crores sanctioned by IIFL in the year 2022, only an amount of approximately Rs.7.11 Crores had actually been disbursed in favour of the Corporate Debtor, and such amount had already been considered by the erstwhile IRP while provisionally admitting the claim of IIFL to the extent of Rs.6.14 Crores. Proceeding on the aforesaid factual foundation and upon reliance on the judicial precedents dealing with the essential ingredients constituting a “financial debt” under Section 5(8) of the Code, the Hon’ble Member (Judicial) came to the conclusion that disbursal of money to the Corporate Debtor constitutes a foundational requirement for bringing a

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liability within the ambit of a “financial debt”, and accordingly directed reconsideration and recalculation of the claim of IIFL by restricting the same to the amounts actually disbursed in favour of the Corporate Debtor.

23. The Hon’ble Member (Technical), while recording her separate opinion vide order dated 10.03.2026, likewise took note of the serious consequences flowing from the revision of the admitted claim from approximately Rs.6.14 Crores to Rs.75.04 Crores, particularly inasmuch as such revision had the effect of materially altering the composition and voting structure of the Committee of Creditors. While recognising the statutory authority of the Resolution Professional under Regulation 14(2) of the CIRP Regulations to revise claims upon receipt of additional information, it has been observed that where such revision has far-reaching consequences on the CIRP process and the rights of stakeholders, the exercise undertaken by the RP must demonstrably reflect procedural fairness, transparency, and due application of mind.
24. Thus, upon a conjoint reading of both the opinions vide dissenting order dated 10.03.2026, it appears that both the Hon’ble Members are ad idem on the broader principle that the process of verification and revision of claims undertaken by the Resolution Professional must conform to the standards of transparency, procedural fairness, and demonstrable application of mind,

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particularly where such revision has a direct bearing on the constitution and voting dynamics of the Committee of Creditors.

25. However, the point of divergence between the Hon'ble Members, with utmost respect, appears to arise with respect to the nature and extent of the consequential directions required to be issued in the facts of the present case. While the Hon'ble Member (Judicial), upon appreciation of the material already available on record, proceeded to direct recalculation of the claim by restricting the same to amounts actually disbursed to the Corporate Debtor, the Hon'ble Member (Technical), though expressing similar concerns considered it appropriate to first permit a limited reconsideration exercise by the RP upon inviting stakeholder objections and thereafter allow the RP to take a reasoned decision in accordance with Regulation 14(2) of the CIRP Regulations.
26. Before proceeding to examine the said question of law, it would be relevant to understand the legislative intent underlying the role assigned to an Insolvency Professional under the Insolvency and Bankruptcy Code, 2016. The Bankruptcy Law Reforms Committee ("BLRC"), whose recommendations ultimately culminated in the enactment of the Code, in its Final Report, observed as follows: –

“In an insolvency and bankruptcy resolution process driven by the law there are judicial decisions being taken by the adjudicator. But there are also checks and accounting as well as

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conduct of due process that are carried out by the IPs. Insolvency professionals form a crucial pillar upon which rests the effective, timely functioning as well as credibility of the entire edifice of the insolvency and bankruptcy resolution process.

In administering the resolution outcomes, the role of the IP encompasses a wide range of functions, which include adhering to procedure of the law, as well as accounting and finance related functions. The latter include the identification of the assets and liabilities of the defaulting debtor, its management during the insolvency proceedings if it is an enterprise, preparation of the resolution proposal, implementation of the solution for individual resolution, the construction, negotiation and mediation of deals as well as distribution of the realisation proceeds under bankruptcy resolution. In performing these tasks, an IP acts as an agent of the adjudicator. In a way the adjudicator depends on the specialized skills and expertise of the IPs to carry out these tasks in an efficient and professional manner. The role of the IPs is thus vital to the efficient operation of the insolvency and bankruptcy resolution process. A well-functioning system of resolution driven by IPs enables the adjudicator to delegate more and more powers and duties to the professionals. This creates the positive externality of better utilisation of judicial time. The worse the performance of IPs, the more the adjudicator may need to personally supervise the process, which in turn may cause inordinate delays. Consumers in a well-functioning market for IPs are likely to have greater trust in the overall insolvency resolution system. On the other hand, poor quality services, and recurring instances of malpractice and fraud, erode consumer trust.”

27. A perusal of the aforesaid observations of the BLRC makes it abundantly clear that the legislative framework consciously draws a distinction between “judicial decisions being taken by the adjudicator” and procedural or administrative functions being discharged by the Insolvency Professional. The report specifically recognises that while the Insolvency Professional performs an important and indispensable role in the conduct of the insolvency

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resolution process, such role is essentially facilitative and administrative in nature, intended to aid and assist the adjudicatory mechanism contemplated under the Code.

28. Thus, the statutory architecture of the Code clearly maintains a distinction between the adjudicatory jurisdiction vested with the NCLT, particularly by virtue of Section 60(5) of the Insolvency and Bankruptcy Code, 2016, during the Corporate Insolvency Resolution Process for adjudication of disputes, including disputes pertaining to admission or opposition of claims, and the administrative or procedural role assigned to the Resolution Professional.

❖ Understanding the scope of RP/IRP pertaining to the provisions of IBC

29. In order to appreciate the scope and extent of powers entrusted to the Interim Resolution Professional/Resolution Professional under the Insolvency and Bankruptcy Code, 2016, it is necessary to examine the statutory framework governing the collation, verification, and maintenance of claims during the Corporate Insolvency Resolution Process. The scheme of the Code, read along with the CIRP Regulations, demonstrates that the functions assigned to the IRP/RP are primarily administrative and procedural in nature, intended to facilitate the conduct of the CIRP in a time-bound manner.
30. Section 18 of the Code, which delineates the duties of the Interim Resolution Professional, provides as follows:

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“18. Duties of interim resolution professional. –

The interim resolution professional shall perform the following duties, namely:-

(b) receive and collate all the claims submitted by creditors to him, pursuant to the public announcement made under sections

13 and 15;

(c) constitute a committee of creditors;”

31. Further, Section 25 of the Code dealing with duties of the Resolution Professional provides as follows:

“25. Duties of resolution professional.-

(2) For the purposes of sub-section (1), the resolution professional shall undertake the following actions, namely:-

(e) maintain an updated list of claims;”

32. A conjoint reading of the aforesaid provisions makes it evident that the statutory duties entrusted to the IRP/RP are confined to receipt, collation, maintenance, and updation of claims for effective conduct of the Corporate Insolvency Resolution Process. The legislature has consciously employed expressions such as “receive”, “collate”, and “maintain” while defining the role of the IRP/RP, which clearly indicates that such functions are administrative and facilitative in nature. The said provisions do not confer any independent adjudicatory jurisdiction upon the Resolution Professional to finally determine inter se disputes between parties or to exercise powers akin to judicial review over claims already determined.

33. The CIRP Regulations framed under the Code further elucidate the scope of powers exercisable by the IRP/RP in relation to claims. Regulations 10 to 14

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collectively govern the process relating to submission, collation, verification, and determination of claims. In particular, Regulation 13 provides as follows:

“13. Verification of claims.

(1) The interim resolution professional or the resolution professional, as the case may be, shall verify every claim, as on the insolvency commencement date, within seven days from the last date of the receipt of the claims, and thereupon maintain a list of creditors containing names of creditors along with the amount claimed by them, the amount of their claims admitted and the security interest, if any, in respect of such claims, and update it.”

34. Likewise, Regulation 14 provides as follows:

“14. Determination of amount of claim.

(1) Where the amount claimed by a creditor is not precise due to any contingency or other reason, the interim resolution professional or the resolution professional, as the case may be, shall make the best estimate of the amount of the claim based on the information available with him.

(2) The interim resolution professional or the resolution professional, as the case may be, shall revise the amounts of claims admitted, including the estimates of claims made under sub-regulation (1), as soon as may be practicable, when he comes across additional information warranting such revision.”

35. The use of the expression “verify every claim” under Regulation 13 assumes significance in the present context. The said provision envisages examination of claims on the basis of records and documents available with the IRP/RP for purposes of conducting the CIRP and constituting the Committee of Creditors. Such verification cannot be equated with adjudication of disputed rights, which power otherwise vests exclusively with the Adjudicating Authority under the scheme of the Code.

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36. Similarly, Regulation 14(2), which permits revision of amounts of claims upon receipt of additional information, cannot be interpreted in a manner so as to confer an inherent and independent power of review or re-adjudication or re-determination upon the Resolution Professional. The scope of Regulation 14 is necessarily limited to revision or correction arising from subsequent information affecting quantification, computation, or assessment of claims during the subsistence of the CIRP process. The same cannot be construed as enabling the Resolution Professional to reopen concluded determinations or adjudicate complex disputes relating to the rights and liabilities of parties. Even such revisional power as contemplated under Regulation 14(2) is to be read in aid and support of the original power, limited only to collation and not beyond. RP is not empowered to go into the dispute and to determine the rights, and based upon such determination of rights of the stakeholders, gives its findings, which essentially characterises the role of adjudication, where the rights of the parties are also crystallised. The RP's role, even under revisional power, is thus confined to collating the claim based upon bare and straight record available without entering into any determination of rights, or drawing any speculative inferences.

❖ Understanding the scope of RP/IRP pertaining to the various judicial interpretations

37. The aforesaid statutory position also stands consistently recognised through various judicial pronouncements interpreting the role and powers of the

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Interim Resolution Professional/Resolution Professional under the Insolvency and Bankruptcy Code, 2016. The judicial interpretation of the provisions of the Code unmistakably demonstrates that the role assigned to the IRP/RP is administrative and facilitative in nature and not adjudicatory.

38. In the landmark judgment of *Swiss Ribbons Pvt. Ltd. v. Union of India* (WP (C) No. 99 of 2018), the Hon'ble Supreme Court authoritatively clarified the nature and scope of powers exercisable by the Resolution Professional under the Code. The Hon'ble Court categorically held that the Resolution Professional does not possess adjudicatory powers under the statutory scheme of the Code. While examining the role of the Resolution Professional, the Hon'ble Supreme Court drew a clear distinction between the powers of a Resolution Professional and those of a liquidator under the Code. The Hon'ble Court observed that a liquidator, under Section 40 of the Code, possesses the power to determine the value of claims, and such determination is "quasi-judicial in nature". However, the Hon'ble Court distinguished the role of the Resolution Professional by holding that the IRP/RP merely acts as "a facilitator in the CIRP whose administrative functions are overseen by the CoC and by the Adjudicating Authority".
39. The Hon'ble Supreme Court further examined Regulations 10, 12, 13, and 14 of the CIRP Regulations and observed that the role of the Resolution Professional in relation to claims is confined to collation and verification

thereof. The Hon'ble Court clarified that the process of verification undertaken by the Resolution Professional is essentially objective in nature and limited to examination of records and supporting documents for the purposes of CIRP. The Resolution Professional does not undertake a subjective adjudication of disputes nor determine legal rights of parties in the manner contemplated to be discharged by the judicial or quasi-judicial authorities. The verification exercised by the Resolution Professional, therefore, constitutes an administrative act and not an adjudicatory determination.

40. The Hon'ble Supreme Court emphasised that, unlike a liquidator under Section 40 of the Code, who has quasi-judicial powers to determine claims, the IRP/RP under Sections 18 and 25 merely performs an administrative role of receiving and collating claims during CIRP. The relevant excerpts of the judgment are as follows:

“RESOLUTION PROFESSIONAL HAS NO ADJUDICATORY POWERS.

..... Unlike the liquidator, the resolution professional cannot act in a number of matters without the approval of the committee of creditors under Section 28 of the Code, which can, by a two-thirds majority, replace one resolution professional with another, in case they are unhappy with his performance. Thus, the resolution professional is really a facilitator of the resolution process, whose administrative functions are overseen by the committee of creditors and by the Adjudicating Authority.”



41. The aforesaid position was further reiterated by the Hon'ble Supreme Court in *Committee of Creditors of Essar Steel India Limited v. Satish Kumar Gupta* (Civil Appeal No. 8766-67 of 2019), wherein it was held as follows:

“Another very important function of the resolution professional is to collect, collate and finally admit claims of all creditors, which must then be examined for payment, in full or in part or not at all, by the resolution applicant and be finally negotiated and decided by the Committee of Creditors. In fact, in ArcelorMittal India (supra), this Court referred to the role of the resolution professional under the Code and the aforesaid Regulations, making it clear that the said role is not adjudicatory but administrative.”

42. Similarly, the Hon'ble NCLAT in *Mr. S. Rajendran, Resolution Professional v. Jonathan Muralidarane* (Company Appeal (AT)(Ins) No. 1018 of 2019) observed as follows that –

“3. we are of the opinion that the ‘Resolution Professional’ had no jurisdiction to “determine” the claim as pleaded in the Appeal. He could have only “collated” the claim, based on evidence and the record of the ‘Corporate Debtor’ or as filed by Jonathan Muralidarane (‘Financial Creditor’).”

43. In view of the consistent judicial position emerging from the aforesaid authorities, read in conjunction with the scheme of the Insolvency and Bankruptcy Code, 2016, it is abundantly clear that although the Resolution Professional is empowered to examine, collate, verify, admit, and revise claims on the basis of records available during the CIRP, such functions remain administrative and facilitative in character. The statutory framework does not confer upon the Resolution Professional any independent

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adjudicatory or review jurisdiction to finally determine disputed rights and liabilities of parties. Consequently, in the absence of any express statutory provision conferring powers of review or adjudication under the Code or the CIRP Regulations, the Resolution Professional cannot assume the role of re-adjudicating claims or conclusively determining disputes which materially affect the substantive rights of stakeholders, such jurisdiction being vested exclusively with the Adjudicating Authority under Section 60(5) of the Code.

44. Applying the aforesaid principles to the facts of the present case, it is evident that the erstwhile IRP, in discharge of duties contemplated under Section 18 of the Code, had initially undertaken verification and collation of the claim submitted by IIFL and, on the basis of the documents then placed on record, provisionally admitted the claim to the extent of Rs. 6.14 Crores. Thereafter, upon assumption of office, the Respondent RP, while acting under Section 25 of the Code read with Regulations 13 and 14(2) of the CIRP Regulations, proceeded to examine additional documents furnished by IIFL and, upon such examination, revised the admitted claim amount to approximately Rs. 75.04 Crores by carrying out an exercise akin to adjudication by determining and drawing inferences based upon his interpretation of the alleged liability of Corporate Debtor towards IIFL, thereby marginalising the voting share of the Applicants who are largely the homebuyers or their authorised representative.



45. Prima facie, it is found that the materials placed on record, including the books of accounts, bank statements, and financial records of the Corporate Debtor, do not appear to substantiate the disbursal of substantial portions of the revised claim in favour of the Corporate Debtor. The dispute, therefore, directly concerns the existence of the foundational ingredients necessary to bring the liability within the ambit of a “financial debt” under the Code.
46. In this regard, a glance at the definition of “financial debt” under Section 5(8) of the Insolvency and Bankruptcy Code, 2016, is also necessary, which is as follows: -


“Financial debt” means a debt along with interest, if any, which is disbursed against the consideration for the time value of money and includes—”

A plain reading of the aforesaid provision leaves little ambiguity that “disbursal”, against consideration for the time value of money, constitutes a foundational requirement for bringing a transaction within the ambit of “financial debt” under Section 5(8) of the Code. Although the provision contemplates multiple categories and structures of financial transactions under clauses (a) to (i), each such transaction must nevertheless satisfy the essential characteristics embedded in the substantive part of Section 5(8), namely, the existence of a disbursal and a corresponding financial nexus attributable to the Corporate Debtor.

47. In the present case, the dispute raised by the Applicants pertains precisely to this foundational aspect, namely, whether the revised claim admitted by the Resolution Professional establishes a legally sustainable disbursal nexus with the Corporate Debtor or whether substantial portions thereof relate to liabilities arising out of transactions involving related entities. Such determination necessarily requires examination of contractual arrangements, attribution of liability, interpretation of financial documents, and assessment of the legal consequences arising from interlinked transactions. The issue, therefore, transcends the limited scope of administrative verification and enters the realm of adjudicatory determination.
48. Requiring the Resolution Professional to invite objections from stakeholders, evaluate rival contentions, examine competing documentary material, and thereafter record reasons for acceptance or rejection of each objection would inevitably compel the Resolution Professional to assume a determinative role in relation to disputes affecting substantive rights and liabilities of parties. Such an exercise, in my considered opinion, travels beyond the limited administrative scope assigned to the Resolution Professional under the statutory framework of the Code and effectively partakes the character of adjudication, which jurisdiction otherwise vests exclusively with the Adjudicating Authority under Section 60(5) of the Code.

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49. In view of my foregoing discussions and while agreeing with the order of the Hon'ble Member (Judicial), accordingly, I am of the considered opinion that where the material available on record itself does not substantiate actual disbursement of substantial portions of the revised claim in favour of the Corporate Debtor, the Resolution Professional could not have proceeded to treat such amounts as admitted financial debt solely on the basis of disputed inferences arising from interlinked transactions involving related entities and on the basis of NoC issued by the IIFL, itself. Consequently, I am of the considered opinion to direct the RP to recalculate the claim of the IIFL only on the basis of the amount actually disbursed to the Corporate Debtor so as to constitute the financial debt as defined under Section 5(8) of the Code and accordingly reconstitute the CoC.
50. The reference (File No. 06/13/2026-NCLT (JPR)) as per the order of the Hon'ble President, is answered accordingly.
51. Let the matter be placed before the concerned/regular bench for further proceedings, as per law.


(Praveen Gupta)
Member (Judicial)

Date: 09.06.2026