

**IN THE NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH COURT-III**



**I.A. 198/2025 & Intervention
Petition No. 32/2025**

In

C.P.(IB) 4135/MB/C-III/2018

*Application under Rule 11 of the NCLT, Rules,
2016.*

IA/198/2025

Ashdan Properties Private Limited

Having its office at:

Sr. No. 36/1/1, Office No. 701, 7th Floor,
Chordia G, Pune – 411045

... Applicant

Vs.

1. Mr. Hemant J. Mehta

*Resolution Professional of M/s. Lok Housing
and Constructions Limited*

Shop No. 4, Lok Bhavan, Lok Bharati
Complex, Marol Maroshi Road, Marol,
Andheri (East), Mumbai – 400059

**2. Committee of Creditors of Lok Housing
and Constructions Limited**

Through Resolution Professional

Shop No. 4, Lok Bhavan, Lok Bharati
Complex, Marol Maroshi Road, Marol,
Andheri (East), Mumbai – 400059

... Respondents

Intervention Petition No. 32/2025

Aakshaya Properties Private Limited

Having its registered office at:

Unit No. 501, Wing A, Godrej Coliseum,
C.T.S. Nos. 638, Off Eastern Express



Highway, behind Everard Nagar, Sion East,
Mumbai, Maharashtra – 400022

... **Intervenor**

In the matter of

USV Private Limited

... *Financial Creditor*

Vs.

Lok Housing and Constructions Limited

Having office at: Shop No. 4, Lok Bhavan, Lok
Bharati Complex, Marol Maroshi Road, Marol,
Andheri (East), Mumbai – 400059
CIN No: L76210MH1985PLC037143

... *Corporate Debtor*

Order delivered on: 08.10.2025

Coram:

Sh. Hariharan Neelakanta Iyer
Member (*Technical*)

Ms. Lakshmi Gurung
Member (*Judicial*)

Appearances:

For the Applicant : Adv. Shyam Kapadia a/w Adv. Darshit
Thakkar, Adv. Sonam Mhatre and Adv.
Shruti Rao i/b Dhaval Vussonji &
Associates

For Respondent 1/RP : Mr. Vikram Nankani, Sr. Adv. a/w. Adv.
Orijit Chatterjee, Adv. Swati Dalmia, Adv.
Shubham Ray, Adv. Neha Sinha

For Respondent 2/ CoC : Sr. Adv. Pratik Sakseria, Adv. Nausher
Kohli, Adv. Santosh Kumar Ray, Adv.
Meenakshi Chaturvedi, Adv. Jeba Khan,
Adv. Ritu Parna i/b S K R & Associates



For the Intervenor : Adv. Chirag Kamdar i/b Adv. Aditya
Chattopadhyay

Per: Ms. Lakshmi Gurung, Member (Judicial)

1. Two Applications are being disposed of by this order which are filed by the two Resolution Applicants of M/s Lok Housing and Constructions Limited (**Corporate Debtor**) namely M/s Ashdan Properties Private Limited and M/s Aakshaya Realty Private Limited who have submitted their respective plans which are under consideration by the Committee of Creditors (**CoC**). While the Interlocutory Application No. 198/2025 (**IA/195/2025**) has been filed by M/s Ashdan Properties Private Limited (**Applicant**) against the Resolution Professional and the Committee of Creditors seeking directions to them to conduct *inter-se bidding/ challenge mechanism* process before voting on the resolution plans, the Intervention Petition No. 32/2025 has (**IP/32/2025**) has been filed by M/s Aakshaya Realty Private Limited (**Intervenor**), the other Resolution Applicant seeking intervention in IA/198/2025, adopting the position taken by the Resolution Professional and the Committee of Creditors.

IA 198/2025

2. The *inter alia* prayers sought by the Applicant in IA 198/2025 are:
 - a. *To direct Respondent No. 1 and the Members of the CoC i.e. the Respondent No. 2 to conduct the inter-se bidding/ challenge mechanism as mandated under clause 2.2.4 of the RFRP issued on 3rd April 2024 (Annexure “A”).*
 - b. *To direct Respondent No. 1 and the Members of the CoC i.e. the Respondent No. 2 to strictly adhere to the process laid down under the RFRP issued on 3rd April 2024 (Annexure “A”) to conclude the CIRP of the Corporate Debtor.*



- c. *Pending the hearing and final disposal of the present Application this Tribunal may be pleased to pass an order restraining the Respondent No. 2 from considering or voting upon any Resolution Plan;*
- d. *During the pendency and final disposal and adjudication of the present Application, this Court be pleased to stay the CIRP of the Corporate Debtor.*

Brief background

3. Shorn of details not required for adjudication of the present IA, the brief background facts leading to filing of the present IA are:
- a) M/s Lok Housing and Constructions Limited (**Corporate Debtor**), was admitted into Corporate Insolvency Resolution Process (**CIRP**) vide order dated **03.06.2019** and Respondent 1 was appointed as the Interim Resolution Professional.
- b) There is long drawn battle undertaken by the suspended director by filing **First Appeal** No. CA (AT) Ins. 644/2019 against the admission order and then by filing **Second Appeal** No. CA(AT) (Ins) No. 79/2021 against the issue of Form G inviting Expression of Interest. In the first appeal, constitution of CoC was stayed vide order dated 19.06.2019 but later stay was vacated on 28.08.2019 which order was taken to Hon'ble Supreme Court by way of Civil Appeal No. 8068/2019.
- c) While the Civil appeal was pending, the IRP constituted the CoC comprising of the following members:

Sr. No.	Name	Voting Share (in %)
1	State Bank of India	82.46%
2	Homebuyers	14.56%
3	Accel Realtors Private Limited	2.43%
4	USV Private Limited	0.32%



5	Siddharth Sikka, Deepika Sikka, Pamla Sikkam and Himanshu Sikka	0.23%
Total		100%

- d) Vide order dated 25.10.2019, the Hon'ble Supreme Court noted that the CoC has been constituted but directed that the decisions of CoC should not be implemented till the First Appeal is decided.
- e) In the Second Appeal, the Appellate Tribunal vide order dated 12.02.2021 directed the RP to maintain *status quo* qua the CIRP of the Corporate Debtor. The Appellate Tribunal vide order dated 16.11.2022 dismissed the First Appeal, though the Second Appeal was pending and the status quo order was continuing. Thereafter, upon an application seeking the necessary clarification, the Hon'ble Appellate Tribunal vide order dated 19.06.2023 vacated the *status quo* and disposed of the Second Appeal.
- f) Subsequent to obtaining exclusion of 936 days from CIRP period, the RP published the third Form G on 01.01.2024. Since the RP received requests for extension of last date for submitting EoI and clarifications on the Form G, the CoC at its 17th CoC meeting held on 16.01.2024, decided for issue of the fourth Form G which was published on 22.01.2024. In response, EoIs were invited for Corporate Debtor as a whole and/or for specific clusters of the Corporate Debtor.
- g) On 03.04.2024, the RP issued Request for Resolution Plan (**RFRP**) to all the final PRAs and received resolution plans from the following 4 (four) PRAs as on 25.06.2024:
- (i) Ashdan Properties Private Limited – Corporate Debtor as a whole;
 - (ii) Akshaya Realty Private Limited – Corporate Debtor as a whole;
 - (iii) Ellora Buildcon Private Limited – Cluster wise; and
 - (iv) PSK Group – Cluster wise.



- h) The CoC members discussed and negotiated on the resolution plans. M/s Ashdan Properties Private Limited i.e. the Applicant, being one of the PRAs, submitted its revised resolution plan on 27.08.2024 and thereafter, submitted an Addendum dated 21.09.2024 to its plan pursuant to the discussions at the 33rd CoC meeting held on 16.09.2024. Pursuant to the Addendum, clarifications were sought by the RP from time to time and the Applicant responded to the same by submitting a clarificatory note dated 25.10.2024. Similar discussions and revisions had taken place with respect to the other PRAs as well.
- i) At the extended 35th CoC meeting held on 24.10.2024, the CoC decided to vote on the resolution plans. The Applicant sent emails dated 05.11.2024 and 13.11.2024 to the RP and State Bank of India (**SBI**) respectively requesting the CoC to opt for *inter-se* bidding. The Applicant in the email also clarified that the payment under its Resolution Plan shall be made within 1 (one) year at 10% discount rate and 15% discount for amounts payable after 1 year and 18% discount after 2 years.
- j) The Applicant further sent email dated 03.12.2024 and 27.12.2024 seeking to conduct challenge mechanism. In its email dated 27.12.2024, the Applicant had also offered a non-refundable deposit of Rs. 5 crores towards assurance for participation and enhancement of offer under the outbidding process.
- k) Considering the request of the Applicant, the CoC at the 37th CoC Meeting held on 27.12.2024 decided to vote upon the agenda whether or not to go for challenge mechanism. The proposed resolution for challenge mechanism was rejected by the CoC by 99.45% voting which included the votes of the homebuyers constituting 14.56%.
- l) The Applicant sent email dated 01.01.2025 once again requesting to adopt challenge mechanism and offered to enhance its security deposit from Rs. 5 crores to Rs. 10 crores. Thereafter, by another email dated 08.01.2025, the Applicant submitted to offer the entire amount upfront.



- m) The CoC decided to proceed with the voting on the resolution plans at the 38th CoC Meeting held on 06.01.2025. Aggrieved by the same, the captioned IA came to be filed seeking prayers extracted in para 1 above.

Interim Order

4. Before proceeding further, it would be pertinent to mention here that after hearing the parties in IA 198/2025 on 14.01.2025, this Tribunal, passed interim order in which, though did not consider to stall the voting process, however, directed the RP and CoC to keep the result of the voting in a sealed cover and not to issue Letter of Intent (LoI) till next date of hearing and this direction and this order, at request is continuing. The operative part of the order dated 14.01.2025 is extracted below:

“12. Accordingly, considering the fact and circumstances of the present case and the arguments put forward from both sides as also the case laws cited and in the interest of justice, we deem it appropriate not to stall the voting process. However, it is directed that post conclusion of the voting process, the result may be kept in a sealed cover and LOI be not issued to the selected PRA till the next date of hearing.”

We are informed by the CoC that instead of keeping the voting result in a sealed envelope, the CoC has not commenced voting and is awaiting the outcome of this IA.

Submissions of the Parties

5. Submission of the Applicant

- a) Though the Respondents assured the Applicant that the challenge mechanism as per RFRP would be conducted after receipt of the revised financial proposal along with the Addendum, however, on 04.11.2024, the Applicant learnt that without conducting the inter-se bidding/ challenge mechanism, the Respondents have decided to proceed on voting of the Resolution Plans.



- b) Pursuant thereto, the Applicant sent emails to the RP and the CoC requesting to opt for *inter-se* bidding/Challenge mechanism/ Outbidding process with the sole objective of value maximisation of the assets of the Corporate Debtor. The Applicant in its email dated 03.12.2024 sent to the RP had expressed its concerns with respect to the process being adopted in the CIRP of the Corporate Debtor. The Applicant has further stated that during a meeting with the Chief General Manager (CGM) of SBI on 22.11.2024, the Applicant was assured that SBI who is holding a major voting share in the COC will opt for value maximisation.
- c) The Applicant sent yet another email dated 10.01.2025 to the Chairman of Standing Committee, Finance raising concerns that the CIRP of the Corporate Debtor was being conducted against the provision of law and in contravention to the binding process laid under the RFRP.
- d) The whole case of the Applicant is set up on the basis of the clause 2.2 of the RFRP which outlines the steps for evaluating the Resolution Plans. It is the submission of the Applicant that as per clause 2.2.4 of the RFRP, the 'outbidding process' has to be mandatorily followed as this clause forms an integral part of the RFRP. The detailed clauses shall be referred in the later part of this order.
- e) It is submitted that upon evaluation of all the Resolution Plans in accordance with the Evaluation Matrix, clause 2.2.4 (c) of the RFRP, by using the term 'shall', mandates the RP to rank the Resolution Plans as R1, R2, R3, R4 and so on (in descending order from highest scoring resolution plan to lowest). The RP is then required to conduct *inter-se* bidding/ challenge mechanism of all the Resolution Applicants on certain pre-determined parameters laid down under the outbidding process which is given in *Annexure 2* to the RFRP. Therefore, according to CoC's own document i.e. RFRP which is binding on all parties, the outbidding process is mandatorily required to be conducted and any deviation would be void.



- f) The Applicant further submitted that it has communicated, through email, its willingness to make improved offer than what has been submitted which aids to the maximization of the value, therefore the Respondents ought to have conducted the outbidding process as per the RFRP. But without providing any reason, CoC has opted not to proceed the with the outbidding process.
- g) The Applicant has raised doubts on the decision of CoC stating that the Applicant learnt that the NPV of the commercial offer submitted by the Applicant was the highest in the first round of Resolution Plans submitted. It was again the highest when the revised Resolution Plans are submitted. However, when the CoC requested the PRAs to submit the Addendum along with a revised financial proposal, the offer of the other PRA was marginally higher in NPV terms by ~0.5% and immediately thereafter CoC decided not to pursue Outbidding process or seek any further enhanced financial offers.

6. **Submission of the RP (Respondent 1)**

- a) It is submitted that as per clause 2.2.4(c) of the RFRP, outbidding process RP can be conducted only if instructed to do so by the CoC. Since it was CoC's prerogative to opt for the challenge mechanism/outbidding process or not, the issue was discussed by the CoC at various meetings. The said issue was then put for voting at the 37th Meeting held on 27.12.2024 and by majority of 99.45% voting shares CoC has rejected the resolution for conducting the challenge mechanism.
- b) It is submitted that the RP conducted the CIRP of the Corporate Debtor in accordance with the procedure laid down under clause 2.2.4 of RFRP read with the Code and Rules and Regulations framed thereunder. The RP denied the submission of the Applicant that the Respondents had assured the Applicant that the challenge mechanism as per RFRP would be conducted after receipt of the revised financial proposal along with the Addendum.



- c) The RP has raised the concern about the Applicant having access to confidential information about by other Resolution Applicants including their financials offer under the plan. Only the CoC, the respective RA and Respondent No. 1 alone are privy to such information/data. According to RP this indicates breach of confidentiality and raises doubts about the conduct of the Applicant.

7. **Submission of the CoC (Respondent 2)**

The State Bank of India, having 82.34% voting share in the CoC, filed reply on behalf of CoC and submitted that:

- a) The RFRP is required to be read as a whole and its clauses are to be read in-context and not in isolation as being attempted by the Applicant. For example, Clause 5.6 of the RFRF clearly provides that, *“the evaluation process is only indicative and may be varied at the sole discretion of CoC”*. Thus, the evaluation steps provided under clause 2.2 and the method to be used for evaluation are optional and subject to the sole discretion of the CoC and not a mandatory condition of RFRP.
- b) Though it was submitted that the CoC’s decision regarding the process followed during approval/rejection of resolution plans made in its commercial wisdom cannot be reviewed by this Tribunal, but the CoC has explained its decision as follows:
- a. On 24.10.2024, when the feasibility and viability of the resolution plans were discussed, the representative of homebuyers suggested for adoption of challenge mechanism to which the representative of SBI stated it was not an appropriate course of action to go for challenge mechanism. It is further submitted that during the 36th CoC meeting held on 05.12.2024, 09.12.2024, 13.12.2024 and 20.12.2024, the representative of the homebuyers clarified that the suggestion to adopt challenge mechanism was his personal view and the homebuyers, as a group, were not in favour of challenge mechanism.



- b. Thereafter, at the 37th CoC Meeting held on 27.12.2024, the CoC, by 99.45% majority voting, rejected the resolution for conducting the challenge mechanism.
- c. The Challenge mechanism, as outlined in the RFRP, must be confined to pre-determined parameters, specifically limiting and confining to only payments to financial creditors. These payments could be structured either as upfront cash or as the net present value (NPV) of recoveries. CoC must retain exclusive authority to decide whether the Challenge mechanism should be applied. In the present case, the negotiation process ensured that all the PRAs were given ample opportunity to optimise their offers.
- d. The various plans submitted by the RAs present a range of non-comparable offers, each with distinct upsides and downsides. These differences, inherent in the diverse approaches proposed by the RAs, disallows reconciliation of the offers in a way that would allow for a meaningful comparison by adoption of the Challenge mechanism. The Challenge mechanism is designed to evaluate only the assured payment amounts to financial creditors, and the varied nature of the offer means that they cannot be effectively addressed and/or harmonized within the scope of this mechanism. Illustratively, certain terms of implementation/ terms of payment in the Resolution Plans provides or does not provide for monetisation of certain development rights, or adjustment/non-adjustment of admitted claim amount of homebuyers while fixing revised rate/ square feet of flats to be allotted to home buyers, or reducing the payment of secured financial creditor in the event of cancellation/ termination of pre-CIRP contract post-acquisition of the Corporate Debtor upon approval of the Adjudicating Authority or delivering flats by charging or without demanding payment of stage-wise instalments from homebuyers for construction and

completion of incomplete projects and are consequently not comparable.



- c) In view of the above, the decision not to opt for Challenge mechanism was made after a thorough assessment of the overall plans, considering both the guaranteed payments to creditors and the broader strategic implications.
- d) In none of its emails the Applicant had contended that the challenge mechanism was mandatorily. Even the Applicant's own understanding of RFRP is that challenge mechanism was an option and it was accepted by the Applicant. In its email dated 05.11.2024, the Applicant has stated, *"In the event, Outbidding process is not happening, we must clarify that we intend to make all the payments within 1 year at 10% discount rate"*.
- e) The application is in gross violation of the clauses in the RFRP which unequivocally prioritise any process of negotiation as may be determined by the CoC at its sole discretion and would be binding on all PRAs and they are consequently precluded from raising any objection.
- f) In any case, the resolution plans including that of the Applicant are under consideration by the CoC and present Application is pre-mature and non-maintainable.
- g) A PRA has no vested right to have its resolution plan approved by the CoC. The directions sought in the application would amount to re-writing of the terms of the RFRP, which is a binding on the Parties, and beyond the jurisdiction of this Tribunal.
- h) The Applicant is also in breach of clause 6 of the RFRP which prohibits fraudulent and corrupt practices. The Applicant has made references to details included in the resolution plans submitted by other PRAs including the values of the plans and other confidential information.

This indicates that the Applicant has engaged in unscrupulous, corrupt and fraudulent practices.



Affidavit by State Bank of India

8. The SBI has filed an affidavit dated 24.03.2025 stating that 40th CoC meeting was held on 17.02.2025 wherein the members of the CoC discussed on the status of IA/198/2025. In the said meeting, a resolution was passed by the CoC with 97.36% allowing SBI to represent the CoC in the IA/198/2025. The reply of SBI has been circulated to all the members of CoC and they have agreed to adopt the submissions made in the reply affidavit filed by SBI. The Minutes of the 40th CoC Meeting are annexed to the Affidavit.

Intervention Petition No. 32/2025

9. The Intervention Petition No. 32/2025 (**IP/32/2025**) has been filed by M/s Aakshaya Realty Private Limited (**Intervenor**) seeking intervention in IA/198/2025. The prayers sought in IP/32/2025 are extracted below:

- a) Permit the Intervenor Applicant herein to intervene in these proceedings, advance oral and written arguments/submissions and to file Affidavits, pleadings or documents as may be necessary;*
- b) Dismiss the IA 198 of 2025 filed by Ashdan Properties Pvt. Ltd;*
- c) Impose exemplary costs on Ashdan Properties Pvt. Ltd. for attempting to delay/derail the resolution process and waste the time of this Tribunal with a frivolous and baseless application;*
- d) Debar Ashdan Properties Pvt. Ltd from further participating in the resolution process of the Corporate Debtor;*
- e) In the interim:*
 - (i) Vacate the interim directions issued vide order dated 14.01.2025;*

f) *Pass any other order(s) as this Tribunal may deem fit and proper in the interests of justice.*



10. The submission put forth of the Intervenor are:

- a) The Intervenor is the lead member of a consortium that has presented a Resolution Plan for the Corporate Debtor on 25.06.2024. The PRAs were asked to provide clarifications and improve/revise/modify their offers from time to time. The Intervenor has accordingly revised its resolution plan on 20.07.2024, 31.08.2024, 16.09.2024, 21.09.2024, 02.10.2024, 04.10.2024 and 21.10.2024.
- b) At no point of time during this process of modification/revision of the proposed resolution plans did the Applicant ever raise any objection to the process adopted by the CoC or insist on the conduct of challenge mechanism.
- c) The assertion of the Applicant that the RP/CoC are mandated to conduct an *inter se* bidding or challenge process is misleading. It was the understanding of that as per clause 2.2.4 of the RFRP, the adoption of *inter se* bidding was an option that the CoC, in its commercial wisdom, may exercise.
- d) Further, the Applicant has purported to contend that the financial offers made by the various resolution applicants are “in a similar range” seems to have continuous, unauthorized and illegal access to the contents of the resolution plan submitted by the Intervenor.

Analysis and Findings

11. We have heard the submissions made by Ld. Counsel for the parties, at length and the arguments continued for few days. Ld. Counsel for the Intervenor submitted that he adopts the arguments of the CoC and the RP which statement has been recorded in the order dated 16.07.2025.



12. On one hand, the submission of the Applicant is that as per clause 2.2.4 of RPRF, process for challenge mechanism was mandatory on the part of the CoC and not following the terms and conditions of binding RFRP makes the process void. On the other hand, CoC would submit that challenge mechanism was one of the methods for evaluation of the resolution plans and was subject to total discretion of the CoC. Based on the submissions of the parties, the issue that arises for consideration is:

Whether in the facts and circumstances of the present case, was challenge mechanism mandatory and non-conduct of challenge mechanism amounts to deviation from the terms and conditions of RFRP making the process void?

13. With the able assistance of Ld. Counsel for the Applicant, Ld. Senior Counsel for the Resolution Professional and Ld. Senior Counsel for the CoC, we examined the various clauses of the RFRP document.
14. Mr. Shyam Kapadia, Ld. Counsel for the Applicant, has heavily relied on clause 2.2.4(c) of the RFRP. At this stage it would be profitable to reproduce the entire clause 2.2.4:

2.2.4. Step IV – Evaluation of the revised Resolution Plans by the CoC and initial approval of the successful Resolution Plan by the CoC

- a) *The CoC reserves the right to negotiate any of the terms of the Compliant Resolution Plan(s) with one or more Resolution Applicants to maximize the value for all the stakeholders of the Corporate Debtor. However, it is clarified for abundant caution that the CoC reserves the right to negotiate with all Resolution Applicants. The venue and timelines for the negotiation shall be determined and /or communicated, if necessary, at a later date. The Resolution Applicants may be required to re-submit their revised proposals based on such discussions and negotiations. The timelines for submission of the revised proposals/plans shall be determined and/or communicated, if necessary, at a later date. It is clarified that in terms of Regulation 39(1A) of the CIRP Regulations, the Resolution*

Applicant shall be permitted to modify its Resolution Plan not more than once.



- b) The CoC shall, with the assistance of PA/RP, shall evaluate the revised Resolution Plan(s) in accordance with the Evaluation Matrix as approved by the CoC.*
- c) Upon evaluation of all the Resolution Plans in accordance with the Evaluation Matrix, the Resolution Professional **shall** rank the Resolution Plans as R1, R2, R3, R4 and so on (in descending order from highest scoring resolution plan to lowest). Thereafter, the Resolution Professional (on the instructions of the CoC) **shall** conduct inter-se bidding/challenge mechanism (Physical or Electronic) of all the Resolution Applicants on certain pre-determined parameters as laid down in the outbidding process annexed hereto as Annexure 2 (“Outbidding Process”), or any such process as may be decided by the CoC for the purposes of maximization of the value of the assets of the Corporate Debtor.*
- d) It is clarified that the CoC and/or the Resolution Professional (acting on the instructions of the CoC) **may**, at their sole discretion, decide any method or process for evaluating the Resolution Plans, which may include, but shall not be limited to, the price discovery process, outbidding process, challenge mechanism and/or such other commercial evaluation process as may be applied by the CoC, and each Resolution Applicant shall be bound by the terms governing such a process, which shall be decided by the CoC.*
- e) The CoC may call all such Resolution Applicants for further negotiations/discussions/ suggestions/ modifications of their Resolution Plan. The Resolution Applicants shall thereafter submit its final Resolution Plan after carrying out the necessary modifications.*
- f) Provided that where the negotiations are unsuccessful, the CoC reserve the right to conduct any of Step I, Step II and Step III (given above) again, as required, within the stipulated time period, in order to maximize the value of the assets of the Corporate Debtor.*
- g) In accordance with Regulation 39 of the CIRP Regulations, all the Resolution Plans, revised after the aforesaid Outbidding Process and after CoC’s deliberations (which shall be recorded)*

on the feasibility and viability, shall be then simultaneously put for vote by the members of CoC and then the Successful Resolution Plan shall be determined in the following manner ...”



15. He has laid his emphasis on Clause 2.2.4(c) of the RFRP and vehemently argued that the RFRP by using the term **‘shall’** mandated the RP to rank all the resolution applicants from highest to lowest bids and then conduct *inter-se bidding/ challenge mechanism* on certain pre-determined parameters as laid down in the outbidding process or any process decided by CoC. It essentially meant that the only discretion with the Respondents was to decide on the method/process. The CoC could not totally abandon the process of challenge mechanism.
16. Per contra, Mr. Vikram Nankani, Ld. Senior Counsel for the RP, laid his emphasis on Clause 2.2.4(d) of RFRP. He would submit that the RP is required to act on instructions of CoC and not on his own decision. This is amplified and clarified by the contents of clause 2.2.4(d) of RFRP wherein it is stated that the CoC and/ or the Resolution Professional (acting on the instructions of the CoC) may at their sole discretion, decide any method or process for evaluating the Resolution Plans.
17. He further submits that the RP has acted strictly in accordance with the decision of the Committee of Creditors whereby the Committee of Creditors including homebuyers voted by an overwhelming majority of 99.45% rejecting the adoption of Challenge Mechanism Process.
18. Referring to the emails sent by the Applicant to RP, it was submitted that the Applicant’s own understanding of the RFRP is that the process of challenge mechanism was an option at the discretion the CoC.
19. Mr. Pratik Seksaria, Ld. Senior Counsel for the CoC, at the outset, referred to Regulation 39(1-A) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 to contend that the challenge mechanism has been

provided under Regulation 39 (1-A) of the CIRP Regulations and is clearly not a mandatory provision.



20. His submissions are somewhat in the same line that of Respondent No.1 by relying on clause 2.2.4(d) of the RFRP to contend that CoC was given total discretion. He submits that when RFRP is read as a whole document and not in a disjointed manner, focusing only on some clauses in isolation, it would be seen that CoC has been given wide discretion for adopting any suitable method for evaluation of the resolution plans, price discovery, negotiations etc.
21. He has referred to various other clauses of the RFRP which are referred later and would submit that clause 2.2.4(d) read with clause 5.6 of RFRP, the evaluation process was only indicative and CoC has sole discretion to vary the process at any stage and to use any method/process best suitable to the corporate debtor.
22. In his written submission, Ld. Counsel for the Applicant has relied on following judgments regarding the manner of interpretation.
 - a) ***ITC Ltd vs. Blue Coast Hotels Ltd. (2018) 15 SCC 99*** to contend that the word “shall” invariably raises a presumption that the particular provision is imperative. He submits that the Respondents have not provided any reason to marginalize or dilute the impact of the use of the imperative 'shall' used in clause 2.2.4(c) of the RFRP by reading it as “may”.
 - b) ***Radha Sundar Dutta vs Mohd. Jahadur Rahim*** to contend that if any earlier clause is followed by a later clause which completely destroys the earlier clause, then the later clause has to be rejected.
 - c) ***Bharat Sher Singh Kalsia vs. State of Bihar and Anr. [Criminal Appeal No. 523/2024]*** wherein the *Radha Sundar (supra)* judgment has been referred to.
23. In other words, Ld. Counsel for the Applicant submits that clause 2.2.4(d) of the RFRP which is a later clause that negates the earlier



clauses 2.2.4(c) has to be rejected. He further submits that if clause 2.2.4 (d) is construed as giving complete discretion to the CoC then it will amount to rejecting clause 2.2.4 (c) of the RFRP which cannot be the purpose of the RFRP.

24. He has also referred to the judgments in ***State Bank of India and Ors. vs. Murari Lal Jalan and florian [Civil Appeal No. 5023-24 of 2024]*** to impress that SRA has to remain compliant with the terms of the RFRP and ***Bangalore Electricity Supply Company Ltd. Vs. E. S. Solar Power Private Limited and Ors [Civil Appeal No. 9273/2019]*** to lay emphasis on the interpretation of the terms of the contract to contend that only the meaning of the words used in the contract must be given expression to.
25. Having hear Ld. Counsels for the parties, we have given our thoughtful consideration to the issue in hand. At this juncture, we would like to refer to various clauses of RFRP not already reproduced above.

“Disclaimer

*The **Committee of Creditors**, the Resolution Professional (on the instructions of the Committee of Creditors) and/or the Adjudicating Authority shall have the right, **in their sole discretion and at any time, to reject any and all proposals** made by or on behalf of any recipient in relation to any transaction with and/or in relation to the Corporate Debtor or any part thereof, to accept any such proposal, to terminate further participation in the investigation and proposal process by, or any discussions or negotiations with, any recipient at any time, to change the procedure under which such transaction process is conducted, to modify the scope of the transaction or the assets included in the Corporate Debtor and to terminate the transaction process in its entirety, all without notice and any liability therefore. By accepting a copy of this document (whether by receipt of an electronic copy of the RFRP or access to the Data Room (as defined below) pursuant the terms of this RFRP or otherwise) ("Acceptance"), the recipient accepts the terms of this document including the disclaimer notice, which forms an integral part of this document.*

Clause 1.3.7(c)

The **CoC reserves its right to negotiate with the Resolution Applicant(s) to achieve best outcome of the Resolution Plan Process.** It is hereby clarified that, acceptance and evaluation by CoC of any Resolution Plan received after the Binding Plan Due Date (defined in relevant clause below) shall be subject to sole discretion of the CoC. The CoC may at its discretion, reject or further evaluate such Resolution Plans.

Clause 1.3.7(d)

The RP and the CoC shall have the right to negotiate terms of the Resolution Plan(s) and/or Resolution Bid(s) with one or more Resolution Applicant(s) and/or Resolution Bidder(s) (including Successful Resolution Applicant) to achieve the successful insolvency resolution of the Corporate Debtor and maximize the value for all stakeholders. The timelines and process for the negotiation shall be determined and/ or communicated, if necessary, at a later date. By submitting the Resolution Plan(s) and/or Resolution Bid(s), **the Resolution Applicant and/or the Resolution Bidder, as the case may be, shall be deemed to have unequivocally agreed that any process of negotiation adopted by the CoC shall be binding on them and that they have no objection in following any such process.** The RP or the CoC shall not be bound to disclose the scores of any Resolution Applicant or disclose the methodology adopted in arriving at such scores. It is further clarified that the Resolution Applicant and/or the Resolution Bidder shall not have the right to request clarifications on the scoring made as per the Evaluation Criteria or seeking formation as regards the methodology adopted for the scoring of its Resolution Plan(s).

Clause 1.3.7(e)

The CoC, reserves the right to negotiate any of the terms of the Resolution Plan with any or all Resolution Applicants and/or Resolution Bidders at any stage in their sole discretion, in order to assess all the Resolution Plans and/or Resolution Bids on the mentioned parameters. **The CoC and/or the RP (acting on the instructions of the CoC) may, at their sole discretion, decide any method or process for negotiation, finalization determination of the Successful Resolution Applicant** and each Resolution Applicant and/or Resolution Bidder shall be

bound by the terms governing such a process, which shall be decided by the CoC.

Clause 1.6.1

Subject to the IB Code and the CIRP Regulations, the CoC reserves the right to accept or reject any Resolution Plan(s), if the Resolution Plan(s) are not in compliance with this RFRP and/ or the provisions of the IB Code, CIRP Regulations and Applicable Laws, or not on the expected lines of the CoC and also to annul the Resolution Plan Submission Process and reject all Resolution Plans, at any time, without any liability or any obligation for such acceptance, rejection or annulment, and without assigning any reasons thereof. It is clarified that as per Regulation 39 of the CIRP Regulations, the resolution professional may, if envisaged in the request for resolution plan, allow modification of the resolution plan received, but not more than once. The CoC shall not consider any resolution plan- (a) received after the time as specified by the committee under Regulation 36B of the CIRP Regulations; or (b) received from a person who does not appear in the final list of prospective resolution applicants; or (c) does not comply with the provisions of sub- section (2) of section 30 of IB Code and sub regulation (1) of Regulation 39 of the CIRP Regulations.

Clause 1.6.2

*Notwithstanding anything contained in this RFRP, **the CoC reserves the absolute right** to:*

- a) consider, accept or vote on any Resolution Plan and/or Combined Resolution Plan, with or without modification;*
- b) reject any Resolution Plan and/or Combined Resolution Plan;*
- c) annul the Resolution Plan process and reject all Resolution Plans and/or Combined Resolution Plans and call for submission of new Resolution Plans from any Person;*
- d) select or approve any proposal or Resolution Plan or Combined Resolution Plan, as it may deem fit;*
- e) call upon the Resolution Applicant and/or the Resolution Bidder to make modifications to the plan and/or submit a revised Resolution Plan and or revised Resolution Bid and/or Combined Resolution Plan as per the applicable provisions of the Code and CIRP Regulations 2016;*





- f) *aggregate the Resolution Plans and/or Resolution Bids or any part thereof to achieve successful resolution of the Corporate Debtor. It is clarified that the Successful Resolution Applicant shall be responsible for implementation of such Resolution Plan and the CoC/Process Advisor or any of their respective professional or legal advisors shall have no liability in respect thereof;*
- g) *allow one or more Resolution Applicants and/or Resolution Bidders to jointly submit a Resolution Plan;*
- h) *call for submission of revised Resolution Plan and/or Resolution Bids from the Resolution Applicants and/or Resolution Bidders who have already submitted Resolution Plans and/or Resolution Bids.*
- i) *re-issue the invitation for EOIs or re-issue request for Resolution Plans from Resolution Applicants and/or Resolution Bidders (including any new Resolution Applicants and/or new Resolution Bidders) as per the applicable provisions of the Code and CIRP Regulations 2016.*

Clause 1.6.4

Neither the RP nor the CoC shall have any obligation to undertake or continue the Submission Process with the Resolution Applicant and/or the Resolution Bidder having the best technical capabilities or highest/ best financial plan. Notwithstanding anything contained hereinabove, the CoC reserves the right to engage in discussions with any Resolution Applicant(s) and/or the Resolution Bidder(s).

Clause 1.7.3

The Resolution Professional/ PA (both acting on instructions of the CoC) reserve the right not to respond to any query or provide any clarification, at their sole discretion, and no extension of time and date referred to in this RFRP shall be granted on the basis of not having received response to clarifications sought from PA / Resolution Professional. Nothing in this clause shall be considered or read as compelling or requiring PA / Resolution Professional to respond to any query or to provide any clarification to the queries raised by a Resolution Applicant.

Clause 5.2

The **Committee of Creditors (including acting through the Resolution Professional) in its sole discretion** and without incurring any obligation or liability, reserve the right, at any time, to;

- a) **suspend and/ or cancel the Resolution Plan Submission Process and/ or amend and/ or supplement the Resolution plan Submission Process** or modify the dates or other terms and conditions set out in this RFRP;
- b) consult with any Resolution Applicant(s) in order to receive clarifications or further information;
- c) retain any information and/ or evidence submitted to PA/RP by, on behalf of, and/ or in relation to any Resolution Applicant;
- d) independently verify, disqualify, reject and / or accept any and all submissions or other information and/ or evidence submitted by or on behalf of any Resolution Applicant; and/ or
- e) require the Successful Resolution Applicant to provide any additional documents or information in relation to the Proposed Transaction.

(Emphasis supplied)

26. We agree with the submission of Ld. Senior Counsel for CoC that the RFRP has to be read 'as a whole' and on a comprehensive reading of the RFRP, it is apparently clear that the CoC has been vested with absolute discretion in respect of choosing the process/method of evaluation of the resolution plans, submission of resolution plan process etc. While clause 2.2.4 on which the Applicant has heavily relied upon, pertains to 'Evaluation Process', clause 5.6 relied upon by the CoC states that "**The evaluation process is only indicative and may be varied at the sole discretion of CoC.**"
27. Further, clause 5.2 also vests sufficient discretion upon the CoC to suspend or cancel the resolution plan submission process at any time without incurring any obligation or liability.
28. While clause 2.2.4(c) uses the term 'shall' for Resolution Professional. But it is mentioned that Resolution Professional shall act only on the



instructions of the CoC. Further, 2.2.4(d) lays down that the CoC, at its sole discretion, decide any method or process for evaluating the resolution plans, as mentioned in clause 2.2.4(c) which in our view, includes negotiations with the resolution applicants and obtaining revised and improved offers. Nowhere it can be seen that clause 2.2.4(c) has made it mandatory on the part of CoC to adopt challenge mechanism.

29. In fact, the ambiguity in the interpretation of clause 2.2.4 (c), if any, is cleared out in clause 2.2.4 (d) wherein it is clearly stated that CoC and/or the RP (at the instructions of the CoC) **may** at its sole discretion decide any method/process for evaluating the resolution plans. Had there been an intention to mandate the CoC to conduct challenge mechanism process, the RFRP would not have used different words in two consecutive clauses i.e. usage of “shall” in clause 2.2.4 (c) while referring to the RP only and usage of “may” in clause 2.2.4 (d) while referring to the RP as well as the CoC. This itself clears the doubt that the intention of the RFRP was to give CoC the discretion to decide on whether or not to adopt the challenge mechanism.
30. Thus, we do not find any conflict in the interpretation of clauses 2.2.4 (c) and (d) of the RFRP as they all convey the same intention i.e. to give the CoC the power to adopt challenge mechanism or any other process for evaluation of the resolution plans at its sole discretion. In view of the same, the arguments of the Applicant and reliance on case laws on the interpretation of the statutes has become superfluous and do not support the case of the Applicant.
31. The Applicant’s own emails dated 05.11.2024, 13.11.2024, 27.12.2024 and 08.01.2025 make it amply clear that the Applicant also understood that Challenge Mechanism was to be opted at the discretion of the CoC and requested SBI to opt for challenge mechanism. The applicant also requested the CoC to consider its revised financial proposal in the event Challenge Mechanism is not

being undertaken. The relevant extract of the email dated 05.11.2024 is reproduced below:

“xxx

We now understand that the CoC is proceeding to vote on the Resolution Plans without opting for Outbidding process although mentioned in RFRP for whatsoever reasons.

In our Resolution Plan, we had indicated our desire to discount the deferred payments and make upfront payment under an NPV basis [Clause 9.2.30 on Page 113 of Resolution Plan submitted dated 27.8.24]. And no discussions were held in this regard and this was left open to get addressed during the Outbidding Process.

In the event, Outbidding process is not happening, we must clarify that we intend to make all the payments within 1 year at 10% discount rate.

The COC should take note of this and consider the same while evaluating our Plan commercial offer.”

(emphasis supplied)

32. We also find force in the argument of Mr. Seksaria that the author of the RFRP is the best person to interpret the contents RFRP. In ***Authum Investment and Infrastructure Ltd. Vs. Rajneesh Sharma [2024 SCC OnLine NCLAT 29]*** the Hon’ble NCLAT has held as follows:

*“.. The evaluation matrix and Process Document are documents which have been issued by the CoC and **the CoC is the best judge to interpret its document** and apply it for evaluation of NPV of the Resolution Applicants. The Hon’ble Supreme Court in "Silppi Constructions v. Union of India - (2020) 16 SCC 489" held that the author of a document is a best judge as to how the document has to be interpreted.”*

(emphasis supplied)

33. We may also deal with the arguments by the parties on Regulation 39(1-A) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 which states:

“The resolution professional may, if envisaged in the request for resolution plan –



- (a) Allow modification of the resolution plan received under sub-regulation (1), but not more than once; or
- (b) Use a challenge mechanism to enable resolution applicants to improve their plans.”

34. Mr Sakseria has referred to the case in **Findoc Finvest Private Limited vs Surendra Raj Gang & Ors [CA (AT) (Ins) No. 249 of 2025]** and **Sagar Stone Industries v. Sajjan Kumar Dokania & Ors., CA (AT) (Ins) No. 524 of 2025]** and submitted that since the CoC has also negotiated with the PRAs and received modified/revised resolution plans, the CoC is not obligated to conduct a challenge mechanism.
35. Per contra, Mr. Shyam Kapadia, Ld. Counsel for the Applicant, submitted that the Hon’ble Supreme Court in **Vizag Minerals and Logistics Pvt. Ltd. vs. Ravi Shankar Devarakonda & Ors.**, decided on 25.08.2023, has interpreted Regulation 39(1-A) and held that the word “or” therein has to be read as “in addition to” and not “to the exclusion of”. Thus, it is submitted that the RP may, if envisaged in the RFRP, allow modification of the resolution plan received, however, this will not bar the CoC to take recourse to a challenge mechanism even after modification/revision of the resolution plans.
36. We shall now refer to the judgment of **Vizag Minerals** (*supra*), the relevant observations of which are reproduced below:
- “We are in agreement with the findings recorded by the National Company Law Appel late Tribunal at Chennai on interpretation of Regulation 39(1A) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016. The word 'or' in the said sub-regulation should be read as 'in addition to' and not 'to the exclusion of'. This means that the resolution professional may, if envisaged in the request of the resolution plan, can allow under the said sub-regulation, modification of the resolution plan received, albeit only once. However, this will not have any effect on and bar recourse to the challenge mechanism when adopted by the Committee of*

Creditors to enable resolution applicants to improve/better their plans.

Recording the aforesaid, the appeal is dismissed.”

37. The Hon’ble Supreme Court in **Vizag Minerals** (*supra*) has held that ‘or’ used in Regulation 39(1-A) of the CIRP Regulations would be interpreted ‘in addition to’ and not ‘to the exclusion of’. There is no quarrel with this proposition in the present case. The said judgment did not make any observation on the discretion of the CoC in deciding to opt for challenge mechanism nor does the judgment could be read to imply that the Hon’ble Supreme Court imposed a mandatory obligation on the CoC to conduct challenge mechanism. In fact, the observation that, “...*this will not have any effect on and bar recourse to the challenge mechanism when adopted by the Committee of Creditors...*” (*emphasis provided*), clearly lays down that merely because the resolution applicants were allowed to revise/modify their plans, the same would not prevent the CoC from adopting the challenge mechanism process. This plainly indicates that the discretion to choose challenge mechanism process is left to the CoC.

38. In **Findoc Finvest** (*supra*), the Appellate Tribunal while interpreting Regulation 39 (1-A) of the CIRP Regulations, has observed as follows:

“17. The above Regulation is an enabling Regulation and does not cast any obligation to permit modification of a Resolution Plan. In present case, all Resolution Applicants were permitted to submit revised Resolution Plan. The CoC having not instructed the RP to permit any modification in Plan, RP cannot be said to have faulted in any manner.”

39. Further, in **Sagar Stone Industries** (*supra*), the Appellate Tribunal has observed as follows:

“7. Coming to the second submission advanced by the Appellant that CoC has revised the plan more than once in violation of Regulation 39(1A) of the CIRP Regulations 2016 which provides that plan cannot be permitted to be revised more than once. He

further submits that challenge mechanism was not resorted to while permitting revision of plan.

8. Regulation 39(1A) is a regulation which provides that Resolution Professional shall not permit modification to resolution plan more than once, which regulation, however, does not bind the CoC and the CoC has unfettered right to ask for revision of plan or negotiate with all Resolution Applicants once or more. In so far as holding challenge mechanism, **it is an enabling mechanism for the CoC for value maximisation and not holding challenge mechanism cannot be a ground on which approval of plan can be questioned.**

(emphasis supplied)

40. Thus, it is clear that the challenge mechanism process is one of the methods that can be opted by the CoC for value maximization purpose and Regulation 39 (1-A) of the CIRP Regulations does not cast an obligation on the CoC to conduct challenge mechanism process.
41. We would also like to refer to the order dated 18.07.2025 passed by this Bench in the case of **West End Investment and Finance Consultancy Pvt. Ltd. vs. Mrs. Neeraja Kartik, RP of SKM Real Infra Ltd. & Anr. [IA/5883/2024 in CP/3770/MB/2019]** wherein this Tribunal had rejected the prayers of a resolution applicant to direct the CoC and RP to conduct a fresh challenge mechanism process considering the fact that the CoC decided to proceed with the voting of the resolution plans. The said order was challenged before the Hon'ble Appellate Tribunal in **Company Appeal (AT) (Ins) No. 1101 of 2025** and the Appellate Tribunal vide order dated 28.07.2025 had upheld the order dated 18.07.2025 passed by this Tribunal. It is to be noted that while dismissing the appeal, the Appellate Tribunal observed that, *"In the RFRP, it is the CoC who is endowed by all powers to consider any plan or not."*
42. In similar lines, in the present case too, we find that under the RFRP, the CoC is endowed with the discretion to decide the manner in which the evaluation of the resolution plans to be conducted.



43. We have also considered the reasons given by the CoC in not opting for the challenge mechanism. It is submitted that the challenge mechanism under the RFRP was limited only to the pre-determined parameters, i.e., payment to the financial creditors, whether as upfront cash to financial creditors or NPV of recovery to financial creditors. However, in the present case, the resolution plans received for the corporate debtor have several non-comparable offers (including downsides and upsides) made by the PRAs which cannot be harmonized through the challenge mechanism that has to be necessarily confined to the assured amount to be paid to the financial creditors. It is further submitted that the plans received also have several provisions regarding amounts payable by home buyers for delivery of their flats and the time periods required for such delivery of flats which are critical in a resolution of a corporate debtor involved in real estate business, which cannot be evaluated by the Challenge Mechanism. Accordingly, the CoC at its 37th Meeting held on 27.12.2025, had rejected the challenge mechanism process by 99.45% votes which included the votes of the homebuyers.
44. We generally find that the interests of financial creditors and that of the homebuyers are competing against each other. However, in the present case, the financial creditor as well as the homebuyers, have rejected the resolution for conducting challenge mechanism. The voting result on resolution for challenge mechanism is:

S.N.	Name of the Creditor	Voting share	Voted for	Voted against	Abstained	
					By voting	By not voting
1.	State Bank of India	82.46%	-	82.46%	-	-
2.	Authorised Representative (Creditors in a Class)	14.56%	-	14.56%	-	-
3.	Accel Realtors Private Limited	2.43%	-	2.43%	-	-



4.	USV Private Limited	0.32%	-	-	-	0.32
5.	Siddharth Sikka, Deepika Sikka, Pamla Sikkam and Himanshu Sikka	0.23%	-	-	-	0.23
Total		100%		99.45%	-	0.55%

45. It is noticed that in response to further negotiations and request for improvement of the plans, the resolution applicants have submitted their revised plans and improved financial offers. We do not agree with the Applicant's submission that challenge mechanism was the only mandatory provision for resolution plans evaluation and non-conducting of challenge mechanism has vitiated the process. Accordingly, we hold that *inter se* bidding/ challenge mechanism was not mandatory but subject to the sole discretion of the CoC.
46. Before parting, we would like to consider the submissions on the locus of the Applicant in filing the present application. It is submitted on behalf of the CoC and RP that the Application is premature since the resolution plans submitted by the PRAs including the Applicant were not voted upon and no Successful Resolution Applicant has been declared as on the date of filing of the application. It is further submitted that the Applicant has no locus to file the instant application, because as on date no interest has accrued in its favour. Reliance is placed on the judgment of ***Arcelormittal India Private Limited vs. Satish Kumar Gupta & Ors. [(2019) 2 SCC 1]***.
47. We refer to the observations of Appellate Tribunal in the matter of ***Yashdeep Sharma vs. Tara Chand Meenia, RP & Ors. [CA (AT) (Ins) No. 1906 of 2024]***, decided on 11.12.2024:

"18. ...Reliance has been placed by the Respondents on the judgment of this Tribunal in PNC Infratech Limited Vs Deepak Maini in CA(AT)(Ins)No. 143 of 2020 wherein it has been held that there is no such mechanism under the IBC that gives the



right to the Unsuccessful Resolution Applicant to challenge the score granted as per the evaluation matrix prepared by the CoC and the RP. The evaluation matrix and Process Document are documents which have been issued by the CoC and the CoC is the best judge to interpret its own documents and apply it for evaluation of the plan of the Resolution Applicants. Since the RFRP document has been approved by the CoC and the RFRP document provides for the evaluation matrix, the scoring done by the RP with the approval of the CoC cannot be questioned as arbitrary or unreasonable. CoC is the best judge to decide on how the evaluation matrix contained in the RFRP can be applied. The Appellant therefore cannot go into the technical issues with regard to evaluation and score matrix which is in the exclusive domain of the CoC. This is clearly a business decision of the CoC and unless there is any clear violation of Section 30(2) of the IBC, this decision of the CoC cannot be lightly challenged.”

48. The CIRP of the Corporate Debtor is at a stage where the resolution plans have not been put for voting, consequent to the interim order passed on 14.01.2025. It has been stated by CoC that the resolution plan of the Applicant is also being considered for voting. Under such circumstances, the present application seems to be pre-mature specially considering the fact that the Applicant vide its emails had intimated the RP and CoC about its revision in the resolution plan if the CoC does not opt for challenge mechanism.
49. In the result, as we have already held that challenge mechanism was not mandatory but subject to the sole discretion of the CoC, the IA No. 198 of 2025 is **dismissed**. Prayers (a), (b) and (e) in the Intervention Petition No. 32 of 2025 are allowed. The interim order dated 14.01.2025 stands vacated.

Sd/-

Hariharan Neelakanta Iyer
Member (Technical)

Sd/-

Lakshmi Gurung
Member (Judicial)

Uma