

**NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH
COURT HALL NO: II**

Hearing Through: VC and Physical (Hybrid) Mode

CORAM: SHRI. RAJEEV BHARDWAJ, HON'BLE MEMBER (J)

CORAM: SHRI. SANJAY PURI, HON'BLE MEMBER (T)

**ATTENDANCE-CUM-ORDER SHEET OF THE HEARING OF NATIONAL COMPANY LAW TRIBUNAL,
HYDERABAD BENCH, HELD ON 18.06.2024 AT 10:30 AM**

TRANSFER PETITION NO.	
COMPANY PETITION/APPLICATION NO.	Intervention Petition (IBC)/10/2024, IA (IBC)/765/2024, IA (IBC)/726/2024 in Company Petition IB/296/2022
NAME OF THE COMPANY	Manjeera Retail Holdings Pvt Ltd
NAME OF THE PETITIONER(S)	Catalyst Trusteeship Limited
NAME OF THE RESPONDENT(S)	Manjeera Retail Holdings Pvt Ltd
UNDER SECTION	7 of IBC

ORDER

Intervention Petition (IBC)/10/2024

Orders pronounced, recorded vide separate sheets. In the result, this Intervention Petition (IBC)/10/2024 is dismissed.

IA (IBC)/765/2024

Orders pronounced, recorded vide separate sheets. In the result, this IA(IBC)/765/2024 is dismissed.

IA (IBC)/726/2024

Orders pronounced, recorded vide separate sheets. In the result, this IA(IBC)/726/2024 is dismissed.

Sd/-

MEMBER (T)

Sd/-

MEMBER (J)

IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH - II

IA.No.10 of 2024 in
IA No.8 of 2024 in
CP (IB) No. 296/07/HDB/2022

In the matter of:

M/S. MANJEERA RETAIL HOLDINGS PRIVATE LIMITED,
CORPORATE DEBTOR

Between:

Mr. Gajjala Yoganand,
Member of suspended Board of Directors
of M/s. Manjeera Retail Holdings Private Ltd.,
R/o. Plot No.18, Aswini Heights,
Road No.70, Jubilee Hills,
Hyderabad – 500 033.

....Applicant/
Suspended Board of Directors

Vs.

Mr. Birendra Kumar Agarwal,
Resolution Professional of
M/s. Manjeera Retail Holdings Private Ltd.,
#711, Manjeera Trinity Corporate,
Beside Manjeera Mall,
JNTU-Hitech City Road, Kukatpally,
Hyderabad – 500 072.

....Respondent No.1/
Resolution Professional

The Committee of Creditors for
M/s. Manjeera Retail Holdings Private Ltd.,
Represented by Lead Creditor Catalyst
Trusteeship Limited,
GDA House, Plot No.85,
Bhusari Colony (Right), Paud Road,
Pune – 411 038.

....Respondent No.2/CoC

Date of order : 18.06.2024

CORAM:

Sri Rajeev Bhardwaj, Hon'ble Member (Judicial)

Sri Sanjay Puri, Hon'ble Member (Technical)

Counsels present:

For the Petitioner : Mr. SS Prasad, Senior Advocate along with
Mr. Y. Suryanarayana, Ms. Rinda, Advocates

For Respondent No.1 : Mr Abhijeet Sinha, Senior Advocate on behalf of
Mr. VVSN Raju, Advocate
Mr. Srikant Rathi & Ms. Meghana, Advocates

For Respondent No.2 : Mr. Krishnendu Dutta, Senior Advocate on
behalf of Mr. Palash Taing, Ms. Chandana
Sontyana and Mr. Mayank Kumar, Advocates

Heard on : 05.06.2024

Per : Sanjay Puri, Member (Technical)

ORDER

1. This application has been filed by the Member of the Suspended Board of Directors of M/s. Manjeera Retail Holdings Private Limited, the Corporate Debtor (**CD**), seeking to allow him to intervene in IA No.8 of 2024 filed by the Resolution Professional (**RP**) for approval of the Resolution Plan. The Applicant has also prayed for deferring the hearing in IA no. 8 of 2024 till the application “**to be filed for objecting the Resolution Plan is decided by this Tribunal**”.
2. This application by the suspended Director is also an attempt to stall the CIRP of the CD, which is at an advance stage. The Applicant

wants to intervene in the application filed by the RP where a Resolution Plan approved by the Committee of Creditors (**CoC**) with the requisite majority has been submitted for the approval of this Authority.

3. The Applicant being part of the suspended management of the CD has no locus-standi in the matter of the approval, or otherwise, of the Resolution Plan approved by the CoC. It is for this Authority to examine and ensure that the Resolution Plan meets all the requirements of the law.
4. The decisions of Hon'ble NCLAT cited by the Respondents are very categorical in this regard to state that the suspended Directors of the CD have no say in the matter of approval of the Resolution plan by this Authority. In the case of **Jaydip Ghosh vs. Niraj Agarwal**¹, Hon'ble NCLAT has clearly observed that “... *the suspended Board of Directors have got no locus to file an appeal against the approval of the plan by CoC*”. In another matter of **Ramesh Kesavan vs. CA Jasin Jose**² Hon'ble NCLAT has once again held that “*the promoter/ shareholder of the Corporate Debtor Company has no locus to challenge the Plan, after its approval.*”
5. Here, it is also important to note that the decision of the CoC, with requisite majority, reflects its commercial wisdom and the established law dictates that this Authority cannot interfere with the CoC's commercial wisdom, unless it is “*wholly capricious, arbitrary, irrational and de hors the provisions of the statute or the Rules*”.³
6. The decision of the CoC in relation to the Resolution Plan approved

¹ in Company Appeal (AT) (INS) No.839/2022

² in Company Appeal (AT) (CH) (INS) No.422/2023

³ Vallal RCK vs. Siva Industries and Holdings Limited and Ors. (03.06.2022 - SC) : MANU/SC/0753/2022

by it is pending for adjudication by this Authority, and it is only up to this Authority to decide its fate under the established law.

Being part of the suspended management, the Applicant is neither necessary nor affected party. This application being untenable is therefore dismissed with costs.

Sd/-

**(SANJAY PURI)
MEMBER (TECHNICAL)**

Sd/-

**(RAJEEV BHARDWAJ)
MEMBER (JUDICIAL)**

VL

IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH - II

I.A.No.726 of 2024 in
CP (IB) No.296/07/HDB/2022

In the matter of:

M/S. MANJEERA RETAIL HOLDINGS PRIVATE LIMITED,
CORPORATE DEBTOR

Between:

Mr. Gajjala Yoganand,
Member of suspended Board of Directors
of M/s. Manjeera Retail Holdings Private Ltd.,
R/o. Plot No.18, Aswini Heights,
Road No.70, Jubilee Hills,
Hyderabad – 500 033.

....Applicant/
Suspended Board of Directors

Vs.

Mr. Birendra Kumar Agarwal,
Resolution Professional of
M/s. Manjeera Retail Holdings Private Ltd.,
#711, Manjeera Trinity Corporate,
Beside Manjeera Mall,
JNTU-Hitech City Road, Kukatpally,
Hyderabad – 500 072.

....Respondent No.1/
Resolution Professional (**RP**)

The Committee of Creditors for
M/s. Manjeera Retail Holdings Private Ltd.,
Represented by Lead Creditor Catalyst
Trusteeship Limited,
GDA House, Plot No.85,
Bhusari Colony (Right), Paud Road,
Pune – 411 038.

....Respondent No.2/
Committee of Creditors (**CoC**)

Date of order :18.06.2024

CORAM:

Sri Rajeev Bhardwaj, Hon'ble Member (Judicial)

Sri Sanjay Puri, Hon'ble Member (Technical)

Counsels present:

For the Petitioner : Mr. Jagadish, Advocate

For Respondent No.1 : Mr Abhijeet Sinha, Senior Advocate on behalf of
Mr. VVSN Raju, Advocate
Mr. Srikant Rathi & Ms. Meghana, Advocates

For Respondent No.2 : Mr. Krishnendu Dutta, Senior Advocate on
behalf of Mr. Palash Taing, Ms. Chandana
Sontyana and Mr. Mayank Kumar, Advocates

Heard on : 05.06.2024

Per : Sanjay Puri, Member (Technical)

ORDER

1. This application has been filed by Member of the Suspended Board of M/s Manjeera Retail Holdings Private Limited, the Corporate Debtor (**CD**), seeking to set aside the impugned email dated 14.03.2024 sent by the Resolution Professional (**RP**), and to direct RP to accept 'Udyam Registration Certificate' dated 05.03.2024, for considering the Resolution Plan of the Applicant and to allow him to participate in CIRP¹ of the CD as MSME.

¹ Corporate Insolvency Resolution Process

Salient facts of the Application

2. It is stated that the Resolution Plan submitted by the Applicant was previously rejected due to non-submission of Micro, Small and Medium Enterprises (**MSME**) Certificate. Subsequently, it is claimed that the Applicant obtained the MSME Certificate in accordance with the provisions of MSME Act and submitted it to the RP, who rejected it vide email dated 14.03.2024. Furthermore, the Tribunal vide its order² dated 07.02.2024 in IA No.53 of 2024 “did not accept the non-submission of MSME Certificate”.
3. It is claimed that the Applicant Company has been operating under the MSME category since its establishment in 2000. However, due to lack of awareness, the Company did not obtain the MSME Certificate earlier. With the recent acquisition of the 'Udyam Registration Certificate' on 05.03.2024, it is claimed that “there is no embargo to consider the Applicant’s Resolution Plan, which is already on record.”
4. With the above submission, the Applicant prayed this Tribunal to allow the application as prayed for.

Counter reply of first Respondent – the RP

5. It is submitted that despite the Applicant's claim that the CD was established as an Enterprise under the provisions of the MSME Act, and has maintained its MSME status since its registration, no documentary evidence or a registration certificate has been provided to support this claim. It is pointed out that after failing to secure suitable orders in IA No.53 of 2024, the Applicant obtained the 'Udyam Registration Certificate' to establish MSME status of the CD,

² Order in IA No. 53/2024 is dated 20.02.2022 and not 07.02.2024: at Pg 11-26 of the RP’s Counter

without proper authorization from the Committee of Creditors (**CoC**) or Resolution Professional (RP). The Udyam Registration Certificate obtained for the CD by the Applicant, without having the authority to represent the CD, is deemed invalid and not in accordance with the law.

6. It is stated that upon admission of the CD into CIRP, the powers of the Directors have been suspended as per Section 17 of IBC, and the RP is the sole authorized person to act on behalf of the CD. The Applicant was not authorized by the RP or the CoC to apply-for and obtain the MSME Certificate, it is submitted. It is further submitted that the RP has filed IA Nos. 72 & 73 to declare the Applicant's action in obtaining the 'UDYAM Registration Certificate'³ as an act of misrepresentation and fraud, and necessary action be taken against the Applicant in accordance with the law.
7. It is averred that the CoC has already voted on eight Resolution Plans and approved the Resolution Plan submitted by M/s Lulu International Shopping Malls Limited, which is currently pending approval before this Tribunal in IA No.8 of 2024.
8. It is alleged that the Applicant has obtained the MSME Certification fraudulently and in violation of the orders of this Tribunal in IA No.53 of 2024. The Resolution Plan submitted by the Applicant, based on the said Certification, is not in compliance with the provisions of IBC. Therefore, it cannot be considered and placed before the CoC, and the reliefs as sought have become infructuous, as the Resolution Plan as approved by the CoC has already been placed before this Tribunal for approval. Hence, the application is liable to be dismissed with costs.

³ Pg 27-28 of the Counter

Counter reply of second Respondent – the CoC

9. In their counter reply to the application, the CoC has supported the position taken by the RP and assailed the Applicant's action of unauthorisedly obtaining the 'Udyam Registration Certificate' from the Ministry of Micro, Small and Medium Enterprises.
10. Referring to the order of this Authority in IA No.53 of 2024, it is argued that the issue of registration of the CD as MSME was settled. Since no appeal has been referred against the afore said order, it has attained finality. It is argued that since the prayers of the Applicant in the present IA are similar to those already adjudicated in IA No. 53 of 2024, which was decided against the Applicant, the present application is barred by the principles of *Res Judicata*.
11. It is also contended that even if the CD was registered as MSME by the Applicant, it will not make the Applicant, the suspended Director of the CD, eligible to avail the benefit of Section 240A of IBC, as the MSME status was obtained after the initiation of CIRP.

Rejoinder

12. In the rejoinder, the Applicant has reiterated his arguments and contents of the application.

The Decision

13. It is noticed that the prayer of the Applicant is, to set aside the communication email dated 14.03.2024 from the RP. However, the RP had replied⁴ to the Applicant on 18.03.2024 in response to the Applicant's email⁵ of 14.03.2024. Be that as it may, in this order, we are examining whether the response of the RP vide email dated 18.03.2024 was justified.

⁴ Pg 30 -31 of the RP's Counter

⁵ Pg 29 of the RP's Counter

14. Upon hearing the arguments from both parties and reviewing the records, it becomes apparent that the core issue of this case stems from the suspended Director's desire to participate in the CIRP of the CD. However, he has been unable to do so due to his ineligibility under Section 29A of IBC. Nevertheless, he is seeking recourse under Section 240A, which, under certain circumstances for MSMEs, provides for relaxation to the ineligibility conditions outlined in Section 29A of the IBC.
15. It is an admitted fact that at the time of initiation of CIRP, the CD was not recognised as MSME. It is for this reason, the Applicant being the suspended Director of the CD could not be allowed to take benefit of Section 240A of IBC, and were considered ineligible under Section 29A.
16. During CIRP, the Applicant had requested the RP to apply for MSME registration for the sole reason of his becoming eligible to participate in CIRP as Resolution Applicant and submit a Resolution Plan. However, when the RP rejected this proposal, the Applicant filed an IA No. 53 of 2024 before this Adjudicating Authority, seeking a direction to the RP to obtain MSME registration for the CD. This prayer was denied by this Authority vide order dated 20.02.2024.
17. The Applicant thereafter obtained 'Udyam Registration Certificate' for the CD from the Ministry of MSME by applying for the same online. Presenting this 'Certificate' before the RP, the Applicant once again desired that he should be permitted to participate in pending CIRP and his Resolution Plan be taken into consideration. Receiving an unfavourable response from the RP has led the Applicant to file the present application.
18. We find that MSME 'Udyam' registration is an online - free, paperless

and self-declaration-based process⁶, requiring no verification by any authority. It requires no documents or proof for registering an MSME. Anyone can register any entity by simply providing his Aadhar and Mobile number, which the Applicant has apparently done to get 'Udyam Registration Certificate' for the CD.

19. If this manoeuvre of registering CD for the 'Udyam' certificate during CIRP by the Applicant, who is the suspended Director of the CD, is accepted, then the entire purpose of Section 29A, which aims to prevent ineligible persons from participating in CIRP process, would be defeated. Registering the CD on the MSME ministry portal only to claim exemption under Section 240A of IBC could not have been the legislative intent behind that section, which was introduced to allow former management of only genuine MSMEs to participate in the CIRP process, and not to provide back-door entry to the suspended management of any CD.
20. The Applicant being suspended Director of the CD was neither competent nor authorised to make any presentation before the Ministry of MSME on behalf of the CD. The present application filed by the Applicant is also silent on the information submitted before the Ministry of MSME to obtain the aforesaid 'Udyam Registration Certificate'. Such a 'Certificate', which has been a product of misrepresentation before a Government Authority cannot be taken into consideration during CIRP and the RP has rightly disregarded the same.
21. Deciding as aforesaid, we are also supported by decision of the Coordinate Bench of NCLT Delhi in the matter of **Hi-Tech Resource**

⁶ <https://udyamregistration.gov.in/msme-registration-process/free-government-portal.html>

Management Limited vs. Overnite Express Limited⁷, wherein it is held that:

“In case an MSME Certificate is obtained by a Promoter/ Suspended Director of a Corporate Debtor after the commencement of CIRP, the same shall be in violation of Section 17(1)(b) of IBC 2016, since on commencement of the CIRP of a Corporate Debtor, the powers of its Board of Directors or in case of an LLP, the powers of Partners of the corporate debtor shall stand suspended and can be exercised by the Interim Resolution Professional (IRP)/RP only.

Thus, in respect of a Corporate Debtor that is undergoing the Insolvency Resolution Process, if such a certificate is obtained by a Promoter/ Suspended Director of a Corporate Debtor, the same will be an Ultra Vires act.”

22. Additionally, even if the ‘Certificate’ obtained by the Applicant is taken into consideration, the Applicant still remains ineligible under Section 29A, as, on the date of initiation of CIRP, the CD was not recognised as MSME. Here the judgement of the Hon’ble NCLAT in the matter of **Harikiran Singh Bedi vs. The Oriental Bank of Commerce & Anr**⁸, is relevant. In this case also, the Corporate Debtor was registered as MSME by the ineligible applicant after the initiation of CIRP. Hon’ble NCLAT after observing

“...the date of registration of the Corporate Debtor as MSME as on record was 5th June, 2019, i.e. after CIRP admission order dated 29th March, 2019”

held that

“The application for registration of MSME by the Appellant was without authorization, being subsequent to initiation of CIRP and hence was invalid. Therefore, the Appellant is ineligible to take the benefits of section 240A under I&B Code.”

⁷ IA-3846/ND/2023 & IA-1175/ND/2022 in Company Petition No.(IB)-2240(ND)/2019,

⁸ Company Appeal (AT) (Ins.) No.40 of 2020

23. The Applicant's conduct here also is an attempt to become a Resolution Applicant despite being ineligible under Section 29A of IBC. Here too, after the initiation of CIRP, the Applicant has claimed MSME status for the CD based on the 'Udyam Registration Certificate' obtained by him in a questionable manner only to derive benefit from Section 240A of the IBC. The unauthorized acquisition of the 'Udyam Registration Certificate' is clearly an attempt to circumvent the law, which cannot be permitted.
24. We are of the view that the present IA filed by the Applicant is another effort to derail the CIRP, which is currently at an advanced stage, with the Resolution Plan approved by the CoC pending consideration by this Adjudicating Authority.

Consequently, this IA is dismissed, with costs.

Sd/-

**(SANJAY PURI)
MEMBER (TECHNICAL)**

Sd/-

**(RAJEEV BHARDWAJ)
MEMBER (JUDICIAL)**

VL

IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH - II

I.A.No.765 of 2024 in
CP (IB) No.296/07/HDB/2022

In the matter of:

M/S. MANJEERA RETAIL HOLDINGS PRIVATE LIMITED,
CORPORATE DEBTOR

Between:

Mr. Gajjala Yoganand,
Member of suspended Board of Directors
of M/s. Manjeera Retail Holdings Private Ltd.,
R/o. Plot No.18, Aswini Heights,
Road No.70, Jubilee Hills,
Hyderabad – 500 033.

....Applicant/
Suspended Board of Directors

Vs.

Mr. Birendra Kumar Agarwal,
Resolution Professional of
M/s. Manjeera Retail Holdings Private Ltd.,
#711, Manjeera Trinity Corporate,
Beside Manjeera Mall,
JNTU-Hitech City Road, Kukatpally,
Hyderabad – 500 072.

....Respondent No.1/
Resolution Professional

The Committee of Creditors for
M/s. Manjeera Retail Holdings Private Ltd.,
Represented by Lead Creditor Catalyst
Trusteeship Limited,
GDA House, Plot No.85,
Bhusari Colony (Right), Paud Road,
Pune – 411 038.

....Respondent No.2/CoC

Date of order : 18.06.2024

CORAM:

Sri Rajeev Bhardwaj, Hon'ble Member (Judicial)

Sri Sanjay Puri, Hon'ble Member (Technical)

Counsels present:

For the Petitioner : Mr. SS Prasad, Senior Advocate along with
Mr. Y. Suryanarayana, Ms. Rinda, Advocates

For Respondent No.1 : Mr Abhijeet Sinha, Senior Advocate on behalf of
Mr. VVSN Raju, Advocate
Mr. Srikant Rathi & Ms. Meghana, Advocates

For Respondent No.2 : Mr. Krishnendu Dutta, Senior Advocate on
behalf of Mr. Palash Taing, Ms. Chandana
Sontyana and Mr. Mayank Kumar, Advocates

Heard on : 05.06.2024

Per : Sanjay Puri, Member (Technical)

ORDER

1. This application has been filed by the suspended Director of the Corporate Debtor (**CD**), seeking rejection of the Resolution Plan submitted by M/s. Lulu International Shopping Malls Private Limited (**Lulu Mall**), which has been approved by the Committee of Creditors (**CoC**), and is pending adjudication before this Authority in IA No. 8 of 2024.
2. Although having no locus standi in the matter of Resolution Plan approved by the CoC, the Applicant has raised certain contentions with regard to the certain issues concerning the selection of the Successful Resolution Applicant (**SRA**) by the CoC and the

Resolution Professional (**RP**).

Valuation of the CD

3. Firstly, the Applicant has expressed his misgivings about the valuation of the CD. It is claimed that the Fair Market Value (**FMV**) of Rs 245.54 Crores arrived at from the valuation reports submitted by the valuers appointed by RP was not the correct value of the CD. In his application, the Applicant has shown certain calculations, done by using two different methods to claim the fair market value of the CD as Rs 659.72 Crores and Rs 658.91 Crores respectively. It is also stated that he had obtained a report from an independent valuer who pegged the value of the CD at Rs 500 Crores. To the Applicant, it “appears that the valuation was carried out only to the CoC and M/s. Lulu International Shopping Malls Limited defeating objective of maximisation of the value on assets of the CD”.
4. In reply, the Respondents have submitted that the valuation report obtained by the RP in strict with Regulation 35 of CIRP Regulations and that the CoC was satisfied with it. It is further submitted that the fair value and the liquidation value determined by the valuers appointed by the RP were only for the purpose of assisting the CoC and had no impact on the plan amounts submitted by the Prospective Resolution Applicants (**PRAs**) who had submitted their plans based on their due diligence.
5. Regarding the issue of valuation, the Applicant had previously raised objections during the 10th CoC meeting. He was asked to send his objections by email to the RP. However, after the 10th CoC meeting and up until the filing of the current application, the Applicant did not communicate any objections about the valuation to the RP. The valuation challenge presented in this application therefore, seems to be an afterthought by the Applicant, intended to create obstacles in

the successful completion of the CIRP for the CD.

6. Nonetheless, we agree with the Respondents that the valuation reports and valuation exercise is a technical matter, which if conducted as per the procedure prescribed under the CIRP Regulations needs only an approval by the CoC to establish that the valuation exercise was proper and as per law.
7. The three valuations presented in the application, ranging from Rs 659.72/658.91 Crores by the Applicant to Rs 500 Crores by an independent valuer, highlight the subjectivity inherent in such assessments. Nonetheless, these valuations represent the best estimates of professionals, who may arrive at varying figures based on their respective assumptions. The true value of any asset can be determined by inviting bids from qualified and interested buyers, evaluating them on evaluation-matrix declared in advance, a process diligently undertaken by the RP and the CoC, as per the records before us.

Evaluation Matrix

8. This brings us to the next objection of the Applicant in relation to the evaluation matrix used for the selection of the Resolution Applicant proposed by the CoC. It is alleged that while evaluating different Resolution Plans on the evaluation matrix provided in RFRP, the scores assigned by the RP to various Resolution Plans were “completely flawed, arbitrary and have been given only to approve the Resolution Plan submitted by M/s. Lulu International Shopping Malls Pvt Limited”.
9. Three specific objections have been raised concerning the scores allotted to the Resolution Applicants on the parameters of ‘upfront cash recovery’, ‘experience of the Resolution Applicant’ and ‘financial strength of the Resolution Applicant’. However, after going through the summary of

overall score sheet included in the application, we find no evidence of any arbitrariness or bias on part of the CoC or the RP in the scores awarded to different PRAs.

10. Regarding upfront cash recovery, Lulu Mall was allotted 55 marks, similar to the other two PRAs who received 55 and 54.8 marks respectively. In terms of experience, while Lulu Mall scored the highest with 8.57 marks, others also scored highly with 7.96 and 7.39 marks respectively. For financial strength also, though Lulu Mall received highest 7.84 marks (not 8.57 as alleged in the application), next closest score was 5.91. We find no reason to suspect any lapse or error on the part of the CoC in assigning marks to the PRAs, whether based on quantitative or qualitative criteria.
11. Therefore, on the issue of the evaluation of matrix too, we agree with the Respondents that the scores given by the CoC are not justiciable. We find no reason to interfere with quantitative and qualitative evaluation of the PRAs by the CoC as reflected in the 10th CoC meeting. The Applicants objection in this regard are frivolous and therefore rejected.

Pendency of Consolidation Application

12. Another reason cited by the Applicant for seeking rejection of the Resolution Plan approved by the CoC is the pending application before this Adjudicating Authority regarding the consolidation of the CIRP of the CD and M/s Manjeera Constructions Limited (MCL). The Applicant claims a conflict of interest, as the RP for both MCL and the CD is the same. We find the Applicant's position contradictory. On one hand, the Applicant seeks consolidation of the CIRPs for the CD and MCL, while on the other, it challenges the actions of the same RP managing both CIRPs. Regardless, the pending consolidation application, which may or may not succeed, cannot

serve as a valid reason to reject the RP that has already been approved by the CoC.

Interests of other stakeholders

13. The Applicant's next objection to the Resolution Plan submitted by Lulu Mall is that it allegedly fails to consider the interests of stakeholders other than the CoC members. The Applicant claims that CoC members will enrich themselves by allocating the full amount to themselves under the Resolution Plan and utilizing the cash balance in the CD's account. The CoC has responded that the available cash will be adjusted against the interest accruing on the financial debt during the CIRP, which is significantly higher than the available balance. The Applicant has not demonstrated how this action by the CoC violates the provisions of the IBC. Therefore, this objection is also not a valid reason for rejecting the Resolution Plan

Conditional Plan

14. The Applicant's final objection is that the plan submitted by Lulu Mall is conditional, as it includes a clause stating that Rs. 46.90 Crores will be paid to the Telangana Housing Board only upon the completion of the transfer of the property title in favour of the CD. The Applicant has expressed concerns about customers who had previously purchased units from the CD, claiming that the Resolution Plan does not address their situation.
15. In response, the Respondents pointed out that there is ongoing litigation between the CD and the Telangana Housing Board, which has been fully disclosed in the information memorandum. It is clarified that the Resolution Applicant would be responsible for registering the units purchased by the CD's customers once the dispute with the Telangana Housing Board is resolved. This objection of the Applicant is also an empty bluster without any

substance.

16. The Respondents, the RP and the CoC, have emphasized that among all the plans received, only the plan from Lulu Mall allocated Rs. 46.90 Crores towards settling the dispute with the Telangana Housing Board, an amount which is over and above the Resolution Plan amount. The Applicant has not provided a justifiable reason to disagree with the CoC on this issue.

Allegations of Collusion

17. The allegations of collusion between the RP, CoC and Lulu Mall are also without any substance and devoid of merit. The accusation of vested interest on the part of the CoC due to Lulu Mall being a tenant of the CD, also holds no ground. As correctly pointed out on behalf of the CoC, Lulu Mall being a tenant of the CD does not make it ineligible to participate in the resolution process, under IBC or CIRP Regulations.

This application, which is yet another attempt by the Applicant to stall the CIRP of the CD, is completely lacking in merit and is therefore dismissed with costs.

Sd/-
(SANJAY PURI)
MEMBER (TECHNICAL)

Sd/-
(RAJEEV BHARDWAJ)
MEMBER (JUDICIAL)

VL

**NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH
COURT HALL NO: II**

Hearing Through: VC and Physical (Hybrid) Mode

CORAM: SHRI. RAJEEV BHARDWAJ, HON'BLE MEMBER (J)

CORAM: SHRI. SANJAY PURI, HON'BLE MEMBER (T)

**ATTENDANCE-CUM-ORDER SHEET OF THE HEARING OF NATIONAL COMPANY LAW TRIBUNAL,
HYDERABAD BENCH, HELD ON 18.06.2024 AT 10:30 AM**

TRANSFER PETITION NO.	
COMPANY PETITION/APPLICATION NO.	New IA (IBC)/1225/2024, Intervention Petition (IBC)/18/2024, IA (IBC)/1158/2024 in Company Petition IB/296/2022
NAME OF THE COMPANY	Manjeera Retail Holdings Pvt Ltd
NAME OF THE PETITIONER(S)	Catalyst Trusteeship Limited
NAME OF THE RESPONDENT(S)	Manjeera Retail Holdings Pvt Ltd
UNDER SECTION	7 of IBC

ORDER

IA (IBC)/1225/2024

Present: Ld. Senior Counsel Mr. SS Prasad and Mr. R. Ramakrishna for the Applicant.

Ld. Counsel Mr. VVSN Raju and Mr. Srikant Rathi for the RP/R1.

Ld. Counsel Mr. Palash Taing and Mr. Mayank Kumar for R2/CoC.

1. The present IA has been moved to raise additional grounds in IA765/2024 which was heard on 08.05.2024 and reserved for orders on 05.06.2024. Therefore, the IA/765/2024 was reserved for orders prior to the filing of the present IA.
2. Perusal of IA/1225/2024 shows that the grounds, which the Applicant want to take now, have already been addressed in IA765/2024. Moreover, the Applicant has not filed any new document which is not part of the already available records.
3. Apart from this, the Applicant cannot file an IA within the IA as it is not permissible under the NCLT Rules, 2016.
4. Therefore, the present IA is not maintainable and dismissed.

Intervention Petition (IBC)/18/2024

Present: Ld. Counsel Mr. P.V.L. Bhanu Prakash for the Applicant.

Ld. Counsel Mr. Palash Taing and Mr. Mayank Kumar for R1/CoC.

For filing rejoinder, **matter is adjourned to 24.06.2024.**

IA (IBC)/1158/2024

Present: Ld. Counsel Mr. P.V.L. Bhanu Prakash for the Applicant.

Ld. Counsel Mr. Palash Taing and Mr. Mayank Kumar for R1/CoC.

Ld. Counsel for the Applicant states that he wants to withdraw the Application. Accordingly, this application is dismissed as withdrawn.

Sd/-

MEMBER (T)

Sd/-

MEMBER (J)