

**IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, COURT-I
KOLKATA**

**I.A. (IB) NO. 217/KB/2026
IN
C.P. (IB) NO. 991/KB/2019**

An Application under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 read with Rule 11 of the NCLT Rules, 2016

IN THE MATTER OF:

Rungta Business Private Limited

...Financial Creditor

Versus

Shradha Agencies Private Limited

...Corporate Debtor

And

IN THE MATTER OF:

Manish Jain, Liquidator of Shradha Agencies Private Limited

...Applicant

Date of Pronouncement: 09.06.2026

CORAM:

Smt. Bidisha Banerjee, Hon'ble Member (Judicial)

Cmde Siddharth Mishra, Hon'ble Member (Technical)

APPEARANCE:

For the Liquidator:

Mr. Shaunak Mitra, Adv.

Ms. Shreya Choudhary, Adv.

ORDER

Per: Cmde Siddharth Mishra, Member (Technical):

1. This court convened through hybrid mode.
2. The learned counsels for the parties were heard.
3. The instant Interlocutory Application being I.A. (IB) No. 217/KB/2026 has been filed by the Mr. Manish Jian, the Liquidator of Shradha

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Agencies Private Limited (hereinafter referred to as the Applicant) seeking the following reliefs:

- (A) *An order be passed permitting the Liquidator to sell the Corporate Debtor as a going concern on an as-is-where-is, as-is-what-is, and no-recourse basis at the reserve price of Rs. 50,00,000/-;
Alternatively*
- (B) *An order be passed permitting the Liquidator to sell as a whole all the assets, rights, privileges, including but not limited to possessory rights, legal rights, rights under contracts, licences and other instruments and all other rights as are and may become available in law to the corporate debtor, along with the juristic and legal entity of the corporate debtor;*
- (C) *Authorize the Liquidator to finalize sale to the highest eligible bidder and to execute all deeds, documents, and conveyances necessary for completion of the going concern sale, and*
- (D) *Such further and/or other order or orders as this Hon'ble Tribunal may deem fit and proper.*

4. Submission on Behalf of the Applicant:

4.1 It is submitted that vide order dated 13th April 2023, Shradha Agencies Private Limited, the Corporate Debtor herein as admitted to Corporate Insolvency Resolution Process (hereinafter referred to as CIRP) and liquidation commenced vide order dated 28th February 2024.

4.2 It is further submitted that in the 16th Meeting of the Stakeholders Consultation Committee held on 27th May 2025, it was decided that the Corporate Debtor should be sold as a going concern on “as is what is basis”, “As is where is basis”, “whatever there is basis” and “without any recourse basis”. Pursuant to which, the Applicant herein published an e-auction sale notice on 3rd June 2025 as per Regulation 32(e) pf the

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Liquidation Process Regulations, 2016. The auction was scheduled to be held on 3rd July 2025.

- 4.3** It is stated that an entity being “RISI CONSULTANTS LLP” emerged as the highest bidder with the bid of Rs. 50,00,000/- (Rupees Fifty Lakhs Only). The Applicant issued a Letter of Intent dated 4th July, 2025 to RISI CONSULTANTS LLP mentioning that the Balance consideration was required to be paid within a period of 90 days and that if the consideration was paid after a period of 30 days then interest @ 12% p.a. would be applicable. It was also mentioned that failure to pay the consideration within 90 days would lead to cancellation of the Letter of Intent and forfeiture of the Earnest Money Deposit. The said Letter of Intent was duly accepted and signed by RISI CONSULTANTS LLP.
- 4.4** It is submitted that since RISI CONSULTANTS LLP failed to make payment of the balance sale consideration, the Applicant issued an email dated 25th September 2025 mentioning that the last date for making payment of the balance consideration was 02nd October 2025, and failure to make payment of the entire consideration within such date would result in cancellation of the Letter of Intent and forfeiture of the Earnest Money Deposit.
- 4.5** It is further stated that on October 14, 2025, changes in the Liquidation Process Regulations, 2016, were notified by the Insolvency and Bankruptcy Board of India whereby Regulation 32(e) was deleted from the said Regulations.
- 4.6** It is submitted that the other bidders of the Auction held on July 03, 2025, have not accepted the proposal of matching the bid price of Rs. 50,00,000/-. The remaining assets of the Corporate Debtor include Block of the assets, Long Term Loans and Advances, Trade Receivables, Cash

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and Cash Equivalents, Short Term Loans and Advances as well as Current Assets. As such, the remaining assets of the Corporate Debtor would not fetch much value if they are sold on a piecemeal basis. On the other hand, the sale of the Corporate Debtor as a going concern would lead to value maximization. It is only due to the time lost because of the participation of RISI CONSULTANTS LLP that the sale of the Corporate Debtor as a going concern could not be concluded. The Hon'ble Supreme Court has opined from time to time that the maximization of value of asset of the Corporate Debtor is an important objective of IBC. The said discussion was put before the Stakeholders' Consultation Committee Members in its 21st Meeting held on 14th January, 2026 wherein it was resolved authorizing the Liquidator to file an application seeking permission from this Hon'ble Tribunal for the sale of the Corporate Debtor as a going concern, alternatively praying for permitting the Liquidator to sell as a whole all the assets, rights, privileges, including but not limited to possessory rights, legal rights, rights under contracts, licences and other instruments and all other rights as are and may become available in law to the corporate debtor, along with the juristic and legal entity of the corporate debtor.

4.7 It is submitted that the regulations cannot override the objective of 'beneficial liquidation' provided for in Section 35(1)(e) of the Code. In order to achieve 'Beneficial Liquidation' as provided for under Section 35(1)(e) and to preserve the Corporate Debtor as a going concern and to achieve value maximization of the assets of the Corporate Debtor, it is necessary that the Corporate Debtor be permitted to be sold as a going concern.

4.8 The Applicant further submits that the deletion of Regulation 32(e), Regulation 32(f) and Regulation 32A by the Insolvency and Bankruptcy Board of India on 14.10.2025 cannot be understood as curtailing or

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limiting the jurisdiction of this Hon'ble Tribunal under Section 60(5) of the Code, which enables this Hon'ble Tribunal to pass such orders as may be necessary for conducting the process of liquidation.

5. Analysis and Findings:

5.1 It is evident that pursuant to commencement of liquidation vide order dated 28th February 2024, the Applicant published an e-auction Sale Notice on 3rd June 2025, inviting bids for sale of Corporate Debtor as a going concern in accordance with Regulation 32(e) of the Liquidation Process Regulations, 2016.

5.2 Later, a Letter of intent was issued on 4th July 2025 to the highest bidder mentioning that the Balance consideration had to be paid within 2nd October, 2025. However, the highest bidder failed to pay the balance consideration within the stipulated time, leading to cancellation of the Letter of Intent and Forfeiture of Earnest Money Deposit.

5.3 Meanwhile, on 14th October 2025, the Liquidation Process Regulations, 2016 were amended whereby Regulation 32(e) which enable sale of the Corporate Debtor as a going concern was deleted. The said notification is set out herein as below:

"F. No. IBBI/2025-26/GN/REG129.-In exercise of the powers conferred by clause (t) of sub-section (1) of Section 196 read with Section 240 of the Insolvency and Bankruptcy Code, 2016 (31 of 2016), the Insolvency and Bankruptcy Board of India hereby makes the following regulations to further amend the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016, namely: -

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1. (1) *These Regulations may be called the Insolvency and Bankruptcy Board of India (Liquidation Process) (Second Amendment) Regulations, 2025.*

(2) *They shall come into force on the date of their publication in the Official Gazette and shall apply prospectively, i.e. to cases where liquidation by sale as going concern has not commenced.*

2. *In the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 (hereinafter referred to as 'the principal regulations'), in regulation 31A, in sub-regulation (1), clause (f) shall be omitted.*

3. *In the principal regulations, in regulation 32,*

(i) in clause (c), after the mark ";", the word "or" shall be inserted.

(ii) in clause (d), for the mark ";" the mark ":" shall be substituted.

(iii) clauses (e) and (f) shall be omitted.

(iv) in the proviso, for the letter and symbol "(1)", the letter and symbol "(d)", shall be substituted.

In the principal regulations, regulation 32A shall be omitted."

5.4 The submission of the Applicant that the aforementioned notification would apply the present case is misconceived. Although the sale as a going concern commenced before the notification was enacted, it could not attain finality as the highest Bidder failed to pay the balance consideration. It is also pertinent to note that the Letter of Intent stood cancelled upon such failure, and other bidders of the e-auction held on 3rd July, 2025 have refused to match up to the bid price of Rs. 50,00,000/-.

5.5 Since the sale of the Corporate Debtor as a going concern would have to be conducted afresh as none of the bidders are willing to pay Rs. 50,00,000/-, it would be legally impressible to conduct the sale as a

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going concern because the Regulations facilitating such sale have been omitted.

- 5.6** In the absence of any regulation facilitating sale of the Corporate Debtor as a going concern, this Tribunal can not issue a direction to permit the Applicant to conduct sale of the Corporate Debtor as a going concern.
- 6.** Accordingly, the instant Application being **I.A. (IB) No. 217/KB/2026** in **C.P. (IB) No. 991/KB/2019** is **dismissed**.
- 7.** The Registry is directed to send e-mail copies of the order forthwith to all the parties and their Lid. Counsel for information and for taking necessary steps.
- 8.** Certified Copy of this order may be issued, if applied for, upon compliance of all requisite formalities.

Cmdr Siddharth Mishra
Member (Technical)

Smt. Bidisha Banerjee
Member (Judicial)

The Order signed this, on the **9th** day of **June 2026**.

Anubhuti S (LRA)