

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

**I.A. (IB) No. 3278 of 2025
IN
C.P. (IB) No. 308/MB/2022**

*[Under Section 60(5) of the Insolvency and
Bankruptcy Code, 2016]*

In the matter of:

Patodia Properties Private Limited

...Applicant/Successful Bidder

V/s.

Mr. Nitin Om Kothari

(Liquidator of Renaissance Urban Infra
Private Limited)

...Respondent

In the matter of

**Clearwater Capital Partners Singapore
Fund V Private Limited**

...Financial Creditor

V/s.

Renaissance Urban Infra Private Limited

...Corporate Debtor

Pronounced: 15.06.2026

CORAM:

**SHRI ANIL RAJ CHELLAN
HON'BLE MEMBER (TECHNICAL)**

**SHRI K. R. SAJI KUMAR
HON'BLE MEMBER (JUDICIAL)**

Appearances : Hybrid

For Applicant : Adv. Nausher Kohli, a/w Adv. Karan Jain a/w
Adv. Meera Shah i/b DSK Legal.
For Liquidator : Adv. Kunal Kanungo, Adv. Tanushree
Sogani and Adv. Atishay Jain.

ORDER

Per: Anil Raj Chellan, Member (Technical)

1. This Application has been filed under Section 60(5) of the Insolvency and Bankruptcy Code (Code), by Patodia Properties Private Limited (Applicant), which has been declared as the successful bidder in the auction conducted for the sale of the Renaissance Urban Infra Private Limited (Corporate Debtor). The Applicant seeks certain reliefs, concessions, waivers, and permissions for the effective revival and functioning of the Corporate Debtor as a 'going concern'.
2. **Submissions of the Applicant**
 - 2.1 This Tribunal, by an order dated 02.05.2023, initiated the Corporate Insolvency Resolution Process (CIRP) of the Corporate Debtor in an application filed by Clearwater Capital Partners Singapore Fund V Private Limited under Section 7 of the Code. Subsequently, by order dated 02.08.2024, the Liquidation Process of the Corporate Debtor was initiated, and a Liquidator was appointed.
 - 2.2 The Applicant submits that on 18.12.2024, the Liquidator published an e-auction notice for the sale of the Corporate Debtor as a "going concern". The Applicant participated in the e-auction held on 15.01.2025, wherein the Respondent declared the Applicant a successful auction purchaser/bidder in respect of the sale of the Corporate Debtor as a 'going concern' at a total consideration of Rs. 2,00,00,000/-.

2.3 The Applicant further states that a Sale Certificate dated 08.05.2025 was issued by the Respondent in favour of the Applicant. In the Sale Certificate, the Respondent unconditionally and irrevocably confirmed the sale of the Corporate Debtor as a going concern, on “*As is what is basis*”, “*Whatever there is basis*”, and “*No recourse basis*”.

2.4 In this background, the Applicant has filed the present Application, *inter alia*, seeking reliefs, concessions, waivers, and permissions, in order to ensure the smooth running of the business of the Corporate Debtor.

3. Submissions of the Respondent

3.1. The Respondent submits that the reliefs, concessions, waivers, and permissions sought by the Applicant are necessary to run the business of the Corporate Debtor smoothly and effectively. The Applicant has paid the full sale consideration, and the Respondent has also handed over the Corporate Debtor to the Applicant.

3.2. The Respondent further submits that he does not have any objection to the prayers sought in the application for the following reasons:

a. Since the Corporate Debtor has been sold as a going concern, the onus of carrying out any and all requisite actions post approval of the closure application, including regulatory filings, compliance, contract management, tax matters, and legal formalities, rests solely with the Applicant as the new management. The Liquidator shall not be liable or obliged to take any further steps or undertake any action in this regard.

b. While the Liquidator will close all legal proceedings pending before this Tribunal concerning the Corporate Debtor, the litigations related to preferential, undervalued, fraudulent, and extortionate transaction applications shall be pursued by the SCC members as the same has been assigned to the SCC members.

4. Analysis and Findings

4.1. We have heard the Ld. Counsel for the Applicant and the Liquidator and perused the documents placed on record.

4.2. It is evident from the record that the Applicant purchased the Corporate Debtor as a going concern in the e-auction process conducted by the Liquidator as per the provisions of the Insolvency and Bankruptcy Board of India (Liquidation Process Regulations) 2016 (Liquidation Process Regulations). Upon deposit of the entire sale consideration, the Liquidator executed a Sale Certificate dated 08.05.2025.

4.3. The Applicant has approached this Tribunal seeking certain reliefs. The reliefs sought in the Application are analysed and dealt with as under:

4.3.1 *Permission to acquire Renaissance Urban Infra Private Limited ("Corporate Debtor") on a clean slate/ fresh slate from the date of execution of the sale certificate i.e., 08.05.2025 ("Sale Certificate").*

(i) The E-Auction Notice issued by the Liquidator provides as under:

"3. E- Auction will be conducted on "AS IS WHERE IS", "AS IS WHAT IS", "WHATEVER THERE IS" AND "NO RECOURSE BASIS" through approved service provider, M/s PSB Alliance Private Limited."

"6. All known or unknown, claimed or unclaimed, disclosed or undisclosed liabilities/ obligations/ risk as on the Liquidation Commencement Date including prior claims of all creditors whether secured unsecured, workers, employees, statutory authorities on account of Income Tax, Sales Tax, G T, Service Tax, DGFT, Excise, Customs etc. shareholders on account of transactions prior to the Liquidation Commencement Date shall be extinguished / waived / infructuous once the distribution of the purchase consideration / bid amount is made by the Liquidator, as per the provisions of the code and regulations thereof and specifically as per Section 53 of The Insolvency and Bankruptcy

Code, 2016 as full and final settlement of their dues. The Liquidator shall be in no event be responsible for any liabilities/obligation/risks pertaining to the period prior to the Liquidation Commencement Date, and the same shall be dealt with, as per the provisions of law and directions of the NCL T or any higher authority thereof.”

(ii) The Hon'ble NCLAT, in the case of *Shantech International Pvt. Ltd. v. Devendra Singh, Liquidator of Venus Rolling Mills Pvt. Ltd* [(2024) ibclaw.in 598 NCLAT], followed the principle that the waiver of liabilities with regard to the dues of the corporate debtor should be dealt with according to the terms of the e-auction. Consequently, the process document issued by the liquidator for the sale sets out the terms and conditions governing the sale and serves as the definitive guide for all participants, making it binding not only on the acquirer, liquidator, and creditors but also on the public, including potential bidders, unless the terms contradict existing laws or violate public policy.

(iii) Bearing in mind the general objective of going concern sale and the guiding principles outlined in *Shantech International* (supra) we are of the view that the successful bidder cannot be burdened with past liabilities of the Corporate Debtor. Accordingly, as stated in the Sale Certificate issued by the Liquidator, the Applicant is permitted to acquire the Corporate Debtor on a 'clean slate' from the liquidation commencement date.

4.3.2 On the date of the passing of the order by this Hon'ble National Company Law Tribunal, Mumbai Bench, ("Hon'ble Tribunal"), in respect of closure of the liquidation process of the Corporate Debtor, ("Transfer Date"), the existing shares of the Corporate Debtor held by its shareholders shall stand extinguished (by way of capital reduction), and any shares held by the shareholders either in physical or demat form shall be struck off from the records including from the records of the respective depository. Post being struck off, the existing members/ shareholders, i.e., the members of the Corporate Debtor before the commencement of corporate insolvency resolution process ("CIRP"), would cease to be the members

of the Corporate Debtor. Since, the Corporate Debtor is undergoing liquidation, the value of the equity shares of the Corporate Debtor is NIL. Further, the capital reduction would not involve either a diminution of liability in respect of unpaid share capital (if any) or payment to any existing shareholder of any unpaid share capital.

4.3.3 Infusion and Mode of Fresh Funds:

The sale consideration of Rs.2,00,00,000/-(Rupees Two Crores Only) ("Sale Consideration") plus applicable interest amounting to Rs. 2,86,027/- till 15th April 2025 was paid by the Applicant, to acquire the Corporate Debtor (under liquidation) as a going concern, into the designated bank account. The aforesaid amount is proposed to be accounted for as under: -

- i. The Corporate Debtor shall issue 10,000 new shares worth Rs.1,00,000/- (Rupees One Lakh Only) comprising of 10,000 equity shares @10/- each) as 100% equity and would be allotted to the persons, as mentioned herein below:***

S. No	Name of the proposed shareholder	No of shares to be allotted (Rs 10/- each)
1	Patodia Properties Private Limited	9,999
2	Nominee Shareholder- Mr. Suyash Sunil Patodia	1
	Total (No. of shares)	10,000

- ii. The Applicant, at its discretion, can allocate the balance consideration of Rs. 2,01,86,027/- either by way of subscribing to Compulsory Convertible Debentures (Corporate Debtors), Optionally Convertible Debentures (Corporate Debtors), unsecured loan, or by any other instrument in accordance with the provisions of the Companies Act, 2013 ("Act") along with the applicable Rules.***

4.3.4 The memorandum of association ('MOA') and/or articles of association ('AOA') of the Corporate Debtor shall stand altered, as may be required.

4.3.5 Permission that the Applicant shall not be required to make any separate application(s) before this Hon'ble Tribunal under the provisions of the applicable laws; and that the approvals, reliefs, permissions, concessions, waivers, etc., granted by this Hon'ble Tribunal in the accompanying application ('Application') preferred by the Applicant, shall be treated as the approvals having been obtained under the Act, including filing any application(s) before any other appropriate authority (ies), as required under the Act.

The approvals, reliefs, permissions, concessions, waivers, etc., granted by this Hon'ble Tribunal shall be deemed to have waived off all procedural requirements in terms of Sections 42, 62 (1) (c) and 66 and other provisions of the Act, including Sections 13 and 14 read with the Companies (Share Capital and Debentures) Rules, 2014 and National Company Law Tribunal (Procedure for Reduction of Share Capital) Rules, 2016.

(i) The reliefs claimed in 4.3.2 to 4.3.5 pertain to the extinguishment of existing capital and the restructuring of the Corporate Debtor's capital, and are dealt with together.

(ii) The sale of a corporate debtor as a going concern in a liquidation process is a transfer of ownership to the acquirer for the purpose of its operationalisation. Therefore, the capital restructuring necessary to facilitate the change in ownership and the revival of the Corporate Debtor can be regarded as arising from, or being incidental to, the sale as a going concern. In light of the foregoing, we allow cancellations and extinguishments of existing capital without any consideration or payment. Fresh equity to be issued for the purpose of acquisition, which shall be subject to the filing of necessary forms with the concerned authorities. However, the procedural

requirements set forth under the Companies Act, 2013, including Section 42, Section 62(1)(c), and Section 66 of the Companies Act, 2013, read with the rules framed thereunder, such as opening of a separate bank account, obtaining a valuation report from a registered valuer, are hereby waived/exempted. The Memorandum of Articles (MOA) and the Articles of Association (AOA) of the Corporate Debtor shall stand altered to that extent.

4.3.6 *From the Transfer Date, the status of the Corporate Debtor in the records of the Registrar of Companies ("ROC") should be reflected as 'ACTIVE' from the status of 'LIQUIDATION'*

The alteration of the status of the Corporate Debtor in the records of the Registrar of Companies (ROC) requires submission of requisite forms and adherence to procedural compliance. Accordingly, the Applicant may approach the concerned authorities to fulfil these procedural compliances.

4.3.7 New Management

The following individuals are being proposed to be the new directors of the Corporate Debtor. In this regard, the said new directors be duly appointed as directors of the Corporate Debtor under the provisions of the Act.

S. No	Name of proposed director	DIN
1.	SUYASH SUNIL PATODIA	09489670
2.	VINITA SUNIL PATODIA	06360364

As there is a change in the ownership of the Corporate Debtor on account of the sale as a going concern, the relief is granted to enable the filing of necessary forms with the concerned ROC.

4.3.8 Settlement of all liabilities on the Distribution of Liquidation proceeds as per Section 53 of the Code by the Liquidator: -

Upon the payment of the Sale Consideration by the Applicant to the Liquidator, which is to be distributed in terms of Section 53 of the Insolvency and Bankruptcy Code, 2016 ("Code"/"IBC"), all debts, claims or demands including debt in respect of payment of dues arising under any law for the time being in force and payable to central government, state governments or any local authority or from any other category of creditors as on Transfer Date, whether such a claim or demand has been filed or not, admitted or not, crystalized or un-crystalized, known or unknown, secured or unsecured, disputed or undisputed, present and future, shall stand fully settled and permanently extinguished, without any further payment or consideration, and the Corporate Debtor and/or the Applicant shall at no point, directly or indirectly, be held responsible or liable in relation thereto.

We have already granted 'clean slate' with respect to all claims upto the liquidation commencement date. Accordingly, the prayer is allowed up to the liquidation commencement date.

4.3.9 Complete unencumbered assets and No due Certificate from secured financial creditor(s): -

All rights, title and interest in whole and/or any part of the Corporate Debtor, including but not limited to the assets, properties, contracts and approvals, are free and clear of all/any security interest. The secured financial creditor(s) shall take requisite steps to modify the charges, handover the original title documents, update the information utilities (if any), etc., and provide no-due certificate(s).

The relief is allowed to enable the Applicant to approach the secured creditors to issue no dues certificates, obtain release of charges, hand over title deeds of the Corporate Debtor, and file necessary forms with the relevant authorities.

4.3.10 No Recourse Against the Corporate Debtor by Creditors Upon Invocation of Guarantee or Indemnities: -

Any claim(s) that may arise due to or under any guarantees or indemnities issued by the Corporate Debtor on behalf of any third party(les) and all the outstanding negotiable instruments issued by the Corporate Debtor including Demand Promissory Notes (DPN), Post-Dated Cheques (PDCs) and under Letters of Credit (LCs) and/or any other financial obligations undertaken by the Corporate Debtor on behalf of any third party(ies) shall stand extinguished, and ineffective on and with effect from the Transfer Date. In this regard, the Corporate Debtor and the Applicant shall at no point, directly or indirectly, be held responsible or liable in relation thereto and the beneficiaries of such guarantee(s) or indemnities shall recover the monies with respect to uninvoked guarantees or indemnities or letters of comfort etc., from the principal borrower and for any shortfall, such beneficiaries/parties shall not have any recourse against the Corporate Debtor and/or the Applicant.

In case the creditors of the Corporate Debtor ("Creditors") are in possession of guarantees or indemnities that are issued to them on behalf of Corporate Debtor, and such guarantees or indemnities are invoked by such Creditors, at any point, such Creditors, shall not have any right to recover the amounts paid and/or no amounts will be paid by the Corporate Debtor in terms of Section 140 of Indian Contract Act, 1872("Contract Act") or other applicable laws.

The relief is a corollary of 'clean slate' principle, and allowed in this case.

4.3.11 The Applicant and/or the Corporate Debtor shall not be liable for any claim(s) or any additional liability (whether financial, contractual, performance or otherwise) that may arise post the Transfer Date including claim(s) under applicable law, contract, arising out of judicial/quasi-judicial proceedings, disputed or undisputed, crystallized or otherwise

which relate to the period on or prior to the CIRP commencement date and up to the date of handing over of the Corporate Debtor to the Applicant.

The relief is allowed up to the insolvency commencement date in line with the 'clean slate' principle.

4.3.12 Extinguishment of Ongoing, Unsubmitted and Pending Litigations/ Contingent Liabilities Post Transfer Date: -

The litigation/contingent liabilities which are rejected, if any, by the Liquidator or have not been lodged with the Liquidator and are/will be at a later date under appeal before any competent Court/Tribunal/ Authority, the same shall stand extinguished as on the Transfer Date and the Corporate Debtor or the Applicant shall at no point, directly or indirectly, be held responsible or liable in relation thereto.

The relief is allowed up to the insolvency commencement date in line with the 'clean slate' principle.

4.3.13 All the Powers of Attorney(s) provided to any person by the Corporate Debtor, shall stand revoked/ineffective/null and void immediately on the Transfer Date.

This relief is allowed.

4.3.14 Action Plan for the Corporate Debtor to move forward as a 'Going Concern'

The Applicant/ new management of the Corporate Debtor shall rope in the services of experts in different functional areas, inter-alia to take such steps as are required to revive and turn around the operations of the Corporate Debtor. In this regard, the following permissions/ directions be granted:

- I. All assets of the Corporate Debtor shall be taken over by the Applicant being the successful bidder on an "as-is" basis at the book value, as per the restructured balance sheet ("Restructure Balance Sheet") (enclosed as Enclosure-1) of the Corporate Debtor on the Transfer Date. All liabilities of the Corporate Debtor shall be settled out of the Sale Consideration and shall be deemed permanently extinguished, with no further claims or obligations arising against the Applicant.***
- II. The Restructured Balance Sheet shall be accepted as final for all statutory and regulatory purposes including but not limited to the Act, Income Tax Act 1961 ("Income Tax Act") and all other applicable laws as on/from the Transfer Date.***
- III. There shall be no penalties, fines, tax or any demands shall be imposed on account of such Restructured Balance sheet and same shall prevail for all statutory and regulatory purpose as on/from the Transfer date.***

Relief (i) above is allowed. As far as (ii) & (iii) are concerned, it is a settled position of law that the Tribunal cannot clothe itself with jurisdiction which is not expressly conferred on it by the provisions of the Code or the allied rules and regulations. We are of the view that waivers with respect to the assessment of tax exemptions require due consideration by the appropriate authorities empowered under the respective statutes. Therefore, this relief cannot be granted by this Tribunal, but the Applicant is at liberty to approach the concerned authorities to seek such reliefs.

4.3.15 Pending Recovery Proceedings:

With the payment of the Sale Consideration by the Applicant, the financial creditors, operational creditors including statutory authorities; to whom dues are payable or falling due or are contingent in nature and all other

creditors, shall withdraw all/any suits/applications/ proceedings relating to recovery or of any other nature filed against Corporate Debtor, which are pending before any court of law /tribunal/ fora/ competent authority and any effect of such suits/ applications/proceedings decided after the Transfer Date w.r.t. the dues or any liabilities for the period pertaining upto Transfer Date will stand infructuous/abated as on/ from the Transfer Date.

The above is permitted to the extent that it allows the Applicant to approach the relevant courts or other authorities for the purpose of terminating proceedings which relate to the liabilities up to the date of commencement of liquidation.

4.3.16 Upon the payment of the Sale Consideration by the Applicant, the financial creditors of the Corporate Debtor shall report closure of loan accounts to the credit information companies/ agencies including to the Central Repository of Information on Large Credits ("CRILC"), as mandated by the Reserve Bank of India ("RBI"), so as to enable the Applicant / the new management of the Corporate Debtor to seek fresh loan arrangements from the lenders, if required, to revive the business of Corporate Debtor afresh as any other 'Standard Category Account' is entitled to seek arrangements with the lenders.

4.3.17 The business of the Corporate Debtor to continue with Core Assets:

Upon the payment of the Sale Consideration by the Applicant, the financial creditors of the Corporate Debtor shall release their respective charges or encumbrances, if any, over the assets of Corporate Debtor which have been provided as security or otherwise against the facilities made available to the Corporate Debtor. Further, the financial creditors of the Corporate Debtor shall also release the Corporate Debtor from any obligations arising out of any negative lien letter(s)/undertaking(s) obtained from the Corporate Debtor by such lenders/financial creditors,

and no further amount of any nature shall be payable either by the Applicant or by the Corporate Debtor under the new management.

Upon the payment of the Sale Consideration by the Applicant, the assets of the Corporate Debtor, if any, shall continue to remain vested with the Corporate Debtor free and clear of all encumbrances/charges. All the title deeds and other documents, including charge documents, if any, held by the financial creditors/security trustee shall be returned to the new management of the Corporate Debtor.

The reliefs referenced in sections 4.2.16 and 4.2.17 are dealt with collectively. Although a general discharge cannot be granted, given the specific facts and circumstances of the case, the Applicant is permitted to engage with the relevant creditors for this purpose. It is essential that the creditors cooperate with the Applicant to facilitate the satisfaction of encumbrances released through the liquidation process.

4.3.18 Upon approval of the Application by this Hon'ble Tribunal, all brands/trademarks, Licenses, Intellectual Property Rights ("IPR") belonging to the Corporate Debtor, shall continue to remain vested with the Corporate Debtor. The erstwhile promoters/guarantors or any member, an associate of the existing and erstwhile promoters shall be restrained to do any business directly or indirectly connected with the products and services presently offered by the Corporate Debtor by using directly or indirectly of any of the IPR owned by the Corporate Debtor. The term 'IPR' in the present context shall also include, but not be limited to the brand name, drawings, designs, engineering, schemes, diagrams, tools developed or procured in the past by the Corporate Debtor. The Applicant/ the new management of the Corporate Debtor shall have the power and authority to restrain any party from transferring the IPR to any other person(s).

The liquidation estate, as defined under Section 36 of the Code, includes, *inter alia*, intangible assets, including but not limited to, intellectual property, insurance policies, and contractual rights. The Applicant shall be entitled to all the assets of the Corporate Debtor, unless the Liquidator has specifically excluded any such assets from the sale.

4.3.19 The change in shareholding of the Corporate Debtor, pursuant to the sale of the Corporate Debtor as a going concern shall be considered to be a resolution plan under Section 79 of the Income Tax Act, inter-alia to facilitate seeking necessary approvals from the appropriate authority to carry forward tax losses of the Corporate Debtor to set off against future profits or seek any tax concessions/ waivers which the Corporate Debtor may seek under the provisions of the Income Tax Act.

The approval of a resolution plan involves multi-stakeholder consultations and careful consideration of the feasibility and viability of the proposal, and takes place within the institutional framework of the Code. Most of the stringent provisions that apply to the resolution plan are conspicuously absent when a sale is made as a going concern. In such instances, the viability and feasibility of keeping the corporate concern are never a consideration, and the decision is left to the Liquidator, who is not required to obtain approval from the Adjudicating Authority. A sale as a going concern is very different from the resolution plan approved under the Code. Nonetheless, one resemblance may be that the sale as a going concern is made with the object of reviving the corporate debtor's operations. Accordingly, the Applicant may approach the concerned authorities for such reliefs.

4.3.20 On and from the Transfer Date, consents, licenses, approvals, rights, entitlements, benefits and privileges under all/any applicable law, contracts, leases, granted in favor of the Corporate Debtor, shall not stand terminated on the grounds of initiation of insolvency/liquidation of the Corporate Debtor or on account of unpaid dues, which have been settled pursuant to the Applicant taking over of the Corporate Debtor.

It is a settled position that the residuary jurisdiction of NCLT, though wide, is nonetheless defined by the provisions of the Code. Specifically, the NCLT cannot do what the IBC consciously did not provide it the power to do. In the absence of explicit power in the Code and allied Regulations, no order can be passed to revive the lapsed or terminated licences granted to the Corporate Debtor on any grounds. Hence, the relief is rejected. However, the Applicant may approach the concerned authorities to revive the licences as per law.

4.3.21 A direction may please be issued that the Liquidator shall keep all statutory rights, licenses, registrations, agreements, intellectual property rights that are required by the Corporate Debtor to move forward as a going concern, current, existing and valid as at on the Transfer date. The Liquidator shall rectify all non-compliances in respect of the consents, licenses, approvals, including electricity, sewage, water, pollution control services as extended by the requisite state agencies/ or authorities, soon before handing over all documents and records to the new management of the Corporate Debtor to operate the business of the Corporate Debtor, which was being as carried out prior to the Transfer Date.

It is observed that the Liquidator has sold the Corporate Debtor on 'as is where is', 'as is what is', 'wherever there is', and 'no recourse basis'. Consequently, the Applicant cannot seek a direction to the Liquidator to rectify the non-compliances that occurred prior to the sale. However, the Liquidator is obliged to hand over records of the Corporate Debtor that are in his possession.

4.3.22 Contractual Obligations Undertaken

The Corporate Debtor, at its sole discretion, shall have the right to review or continue or terminate any contract(s) that was/were entered into prior to the Transfer Date, without any liability and obligation on the part of the Corporate Debtor/Applicant. In this regard, the Corporate Debtor shall be deemed to have been completely discharged, in respect of all obligations/liabilities. Besides, the Corporate Debtor shall have the right

to demand enforcement of contractual obligations of counterparties In respect of contracts entered into by the Corporate Debtor through the erstwhile management and till the Transfer Date, and such counterparties shall not evade from their respective contractual obligations, pleading the change in management of the Corporate Debtor or for any other reason.

The terms of a contract cannot be unilaterally changed, except through legislative intervention, to strike the appropriate balance between the principle of contractual freedom and the necessity of corporate rescue. As such, the contracts involving the Corporate Debtor cannot be modified or terminated unilaterally or selectively, without affording the other party an opportunity to be heard. Consequently, this form of relief cannot be granted.

4.3.23 Taking over of the Corporate Debtor by the Applicant as a going concern shall not in any manner whatsoever affect the rights of the Corporate Debtor to recover any amounts due to the Corporate Debtor from any third party (including any related party) and there shall be no set-off of any such amounts recoverable by the Corporate Debtor, or any liability extinguished pursuant to the takeover of the Corporate Debtor by the Applicant.

The Applicant has already been granted 'clean slate' benefits. It is inappropriate to preserve the rights of the Corporate Debtor while simultaneously extinguishing its obligations, without affording the other party an opportunity to be heard. As a result, this prayer is rejected.

4.3.24 Workmen / Employees

On and from the Transfer Date, the liability of the Corporate Debtor towards the workers/employees' dues shall stand settled in full, including any claims whether filed or not, whether admitted or not, whether asserted or not, and whether or not set out in the audited balance sheet or the list

of stakeholders. Such dues shall include any unclaimed amounts, retirement benefits, gratuity, and other benefits of any nature whatsoever.

Claims that fall outside the liquidation estate cannot be extinguished. Subject to this, the relief is granted.

4.3.25 Upon acquiring the Corporate Debtor, all workers and employees of the Corporate Debtor shall cease to be in the employment of the Corporate Debtor and may be reemployed on such terms and conditions, as the new management of the Corporate Debtor deems fit and proper. As per the information provided to the Applicant, there are no current employees or workmen In the Corporate Debtor, except the suspended directors.

The relief is allowed.

4.3.26 Compliances and/or Non-Compliances of statutory provisions:

A direction may please be issued that the Corporate Debtor/ Applicant, post the Transfer Date, shall not be held liable for any non-compliance of provisions of any laws, rules, regulations, directions, notifications, circulars, guidelines, policies, licenses, approvals, consents or permissions and no (liability/penalty regarding such non-compliance shall be imposed on the Corporate Debtor/ Applicant, for any such non-compliance occurred prior to the Transfer Date.

- (i) Section 32A of the Code provides that the liability of a corporate debtor, for offences committed prior to the commencement of the corporate insolvency resolution process, will stand extinguished from the date a resolution plan is approved by the adjudicating authority or **sale of liquidation assets, subject to certain conditions being fulfilled**. This immunity under Section 32A is applicable once the approved resolution plan mandates a change in the management of the corporate debtor if such persons (i) were not directly or indirectly related to the old management of the corporate debtor; or (ii) have not abetted or conspired

for the commission of such an offence committed by the corporate debtor. Sub-section (2) provides immunity in respect of the properties of the corporate debtor upon approval of the resolution plan or sale of liquidation assets. Sub-section (3) obligates any such persons to aid any enforcement authority investigating under any applicable law.

- (ii) It is pertinent to observe that the immunity provided under Section 32A of the Code is premised on various conditions being fulfilled. In view of the above, we allow the relief to the extent permitted under Section 32A of the Code and nothing more.

4.3.27 The respective governmental authorities (including but not limited to the Central Board of Direct Taxes ("CBDT"), Central Board of Excise, Employees' State Insurance Corporation ("EMI, Provident Fund Department and Customs Department, VAT, GST authorities, tribunals, arbitral body, land revenue authorities, stamp authorities, be directed to:

- a) **provide relief to the Corporate Debtor from all past litigations (if any) pending at different levels and provide waiver from all tax dues, including interest, penalty, and fees on such Litigations.**
- b) **Unabsorbed depreciation from past years shall be allowed to be utilized, irrespective of whether the income tax returns were filed or were filed late by the Corporate Debtor, as the same is permitted under the Income Tax Act. The allowing of carrying forward and utilizing unabsorbed depreciation is provided under Section 32(2) of the Income Tax Act, which provides that unabsorbed depreciation can be carried forward Indefinitely and can be set off against any income, whether or not the income tax return was filed on time. Brought forward tax losses of the Corporate Debtor to be permitted to be carried forward and set off against future income as a change of shareholding of the Corporate Debtor Is pursuant to the bid submitted by the Applicant under the liquidation process of the**

Corporate Debtor, for acquisition of the Corporate Debtor as a going concern which is equivalent to the approval of the resolution plan. Accordingly, the benefit of Section 79 of the Income Tax Act shall apply, allowing the continuity of tax losses as the change of shareholding under IBC, complying with Section 79(2)(c) of the Income Tax Act.

- c) The bid submitted by the Applicant should be considered to be a resolution plan under Section 79 of the Income Tax Act and the sale of Corporate Debtor as a going concern should be treated in the same manner as the implementation of the resolution plan, under CIRP.***
- d) Allow the write-offs as a tax deduction in the year of such write-off;***
- e) Provide that income/ gain/ profits, if any, arising as a result of giving effect to the acquisition of the Corporate Debtor on a clean slate basis by the Applicant, should not be subjected to Tax, including Minimum Alternate Tax ("MAT") in the hands of Corporate Debtor. Further, allow all MAT credit of the Corporate Debtor to continue with the Corporate Debtor (on a going concern basis);***
- f) Provide that any book losses generated out of write-off of assets/ properties of Corporate Debtor shall be eligible loss under income tax (if any) by complying the provisions of the Income Tax Act;***
- g) Provide relief from applicability of, and payment of taxes, if any, which may arise as a result of acquisition of the Corporate Debtor (under liquidation) by the Applicant either on the Applicant or the Corporate Debtor or any other person who is likely to be impacted/ affected due to the acquisition of the Corporate Debtor (including, but not limited to, under Sections 45, 50CA, 50D and 56 of the Income***

Tax Act, as well as under the provisions of the Central Goods and Services Tax Act, 2017;

- h) grant exemption/ waiver from applicability of Section 281 of the Income Tax Act, including from the requirement of obtaining no objection certificate from tax authorities in respect of the acquisition of the Corporate Debtor by the Applicant;***
- i) allow all government schemes, subsidies, benefits, polices as applicable to the Corporate Debtor, to continue to be applicable to the Corporate Debtor, unless otherwise provided herein;***
- j) any requirement to obtain waivers from any tax authorities including in terms of section 115B of the Income Tax Act be deemed to have been granted;***
- k) If any income tax related returns are not filed or have been filed after a delay by Corporate Debtor, then the Applicant should be allowed to file such returns and the same should be treated as if the returns were filed in time. Further, the benefit of bought forward and carry forward losses relating to this period must be available to the Corporate Debtor under the new management of the Corporate Debtor for a fresh period of 8 (eight) years from the Transfer Date.***
- l) Exemption from tax on the restructuring of the balance sheet of the Corporate Debtor;***
- m) No income tax shall be imposed on the conversion of liabilities as per the books into the capital reserves or profit and loss account or transfer of share capital to capital redemption reserve as per the Restructured Balance Sheet of the Corporate Debtor;***
- n) The Corporate Debtor should be allowed to opt for the concessional tax rate under Section 115BAA of the Income Tax Act, 1961. Section***

115BAA provides that domestic companies can opt for a reduced corporate tax rate of 22% (plus applicable surcharge and cess) without claiming certain specified deductions or exemptions;

- o) The Applicant should be allowed to utilize the MAT Credit available under the provisions of Section 1151AA of the Income Tax Act, 1961. Section 1153AA provides that any MAT paid under Section 115JB can be carried forward and set off against future tax liabilities computed under the normal provisions of the Income Tax Act.***

It has been noted previously that a sale as a going concern differs fundamentally from a resolution plan approved under the Code. Furthermore, the Tribunal lacks authority to grant relief beyond the powers conferred on it. Consequently, such reliefs cannot be provided.

4.3.28 Statutory & Internal Auditors and Registered Office of the Corporate Debtor

Upon the approval of Application by this Hon'ble Tribunal, the Applicant shall have the right to replace the existing statutory and/or internal auditors of the Corporate Debtor and appoint new auditors as deemed fit by the Applicant/ the new management of the Corporate Debtor without requiring to obtain any approval from the central government under Section 140 of the Act or obtaining a no objection from the existing auditors.

The relief is allowed.

4.3.29 Pending Assessments & Proceedings

All inquiries, assessments, notices, causes of action, suits, claims, disputes, litigations, arbitration, or other judicial, regulatory or administrative proceedings against, or in relation to, the Corporate Debtor (other than against the erstwhile promoters/promoter group or former

members of the management of the Corporate Debtor), pending or being contemplated, present or future, in relation to any period prior to the Transfer Date or arising on account of the present acquisition of the Corporate Debtor by the Applicant shall cease and stand withdrawn; and consequential liabilities if any, shall stand extinguished and considered as not payable and any re-assessment, revision or other proceedings under the provision of any law would be deemed to be barred to raise any demand pertaining for any period prior to the Transfer Date, and the Corporate Debtor shall not, at any point, directly or indirectly be held liable or responsible in relation thereto.

The relief is partly allowed in line with the 'clean slate' principle, subject to applicable law.

4.3.30 From the Transfer Date, all new inquires, investigations, notices, suits, claims, disputes, litigations, arbitrations or other Judicial, regulatory or administrative proceedings will be deemed to be barred and will not be initiated or admitted against the Corporate Debtor In relation to any period prior to the Transfer Date, and it is clarified that erstwhile management of Corporate Debtor shall remain liable for prosecution for their acts/ deeds/omissions/errors in accordance with the applicable law and the Applicant/ new management of the Corporate Debtor shall be completely insulated from any prosecution under the provisions of any law.

The relief is partly allowed in line with the 'clean slate' principle, subject to applicable law.

4.3.31 Protection/Immunity from Criminal Offences

No action shall be taken or initiated by the Enforcement Directorate (ED), Serious Fraud Investigation Office (SFIO), Central Bureau of Investigation (CBI), Ministry of Corporate Affairs (MCA), tax authorities (direct or indirect taxes), any other central or state or local authorities or any

regulator or any other authority against or in relation to any acts of omission or commission by the Corporate Debtor and/or any of its erstwhile director(s) (or any Key Management Person) prior to the Transfer Date, that has any bearing on the Corporate Debtor or its new management or its assets. The Applicant and/or the Corporate Debtor and/or the new management of the Corporate Debtor shall not be liable for any consequence(s) arising out of any criminal act done by the Corporate Debtor and/or its management prior to the Transfer Date. In other words, the Corporate Debtor or the new management of the Corporate Debtor shall not be prosecuted for any offence committed prior to the Transfer Date. Besides, if a prosecution had been Instituted during the CIRP against the Corporate Debtor, the Corporate Debtor shall stand discharged from the Transfer Date. No action shall be taken against the property of the Corporate Debtor in relation to any offence(s) committed prior to the Transfer Date.

Granted to the extent permitted under Section 32A of the Code.

5. As a result of the above detailed discussions, we consider it appropriate to partly allow the application as specified hereunder. All other reliefs, concessions, or prayers shall be deemed to have been rejected. However, the Applicant shall be at liberty to approach the concerned authorities for the reliefs not granted by this Tribunal. The specific findings on the reliefs, exemptions and concessions are tabulated as under:

Reliefs No.	Particulars of the Reliefs	Remarks
1.	<i>Permission to acquire Renaissance Urban Infra Private Limited ("Corporate Debtor") on a clean slate/ fresh slate from the date of</i>	The clean slate/fresh slate principle applies up to the liquidation

**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH – IV**

I.A. No. 3278 of 2025
IN
C.P. (IB) No. 308/MB/2022

	<i>execution of the sale certificate, i.e., 08.05.2025 ("Sale Certificate").</i>	commencement date (as defined in the Code).
2.	<i>On the date of the passing of the order by this Hon'ble National Company Law Tribunal, Mumbai Bench, ("Hon'ble Tribunal"), in respect of closure of the liquidation process of the Corporate Debtor, ("Transfer Date"), the existing shares of the Corporate Debtor held by its shareholders shall stand extinguished (by way of capital reduction), and any shares held by the shareholders either in physical or demat form shall be struck off from the records including from the records of the respective depository. Post being struck off, the existing members/ shareholders, i.e., the members of the Corporate Debtor before the commencement of corporate insolvency resolution process ("CIRP"), would cease to be the members of the Corporate Debtor. Since, the Corporate Debtor is undergoing liquidation, the value of the equity shares of the Corporate Debtor is NIL. Further, the capital reduction would not involve either a diminution of liability in respect of unpaid share capital (if any) or payment to any existing shareholder of any unpaid share capital.</i>	Granted, subject to the filing of necessary forms with the concerned authorities.

3.	<p><u>Infusion and Mode of Fresh Funds</u></p> <p><i>The sale consideration of Rs.2,00,00,000/- (Rupees Two Crores Only) ("Sale Consideration") plus applicable interest amounting to Rs. 2,86,027/- till 15th April 2025 was paid by the Applicant, to acquire the Corporate Debtor (under liquidation) as a going concern, into the designated bank account, the details of which are as under:</i></p> <ul style="list-style-type: none"> • <i>Bank Account Number: 5348562050</i> • <i>Name of the Account: RENAISSANCE URBAN INFRA PVT LTD IN CIRP</i> • <i>IFSC Code: KKBK0001465</i> • <i>Name of the Bank: Kotak Mahindra Bank Limited</i> <p><i>The aforesaid amount is proposed to be accounted for as under: -</i></p> <p><i>i) The Corporate Debtor shall issue 10,000 new shares worth INR 1,00,000/- (Rupees One Lakh Only) comprising of 10,000 equity shares C1110/-each) as 100% equity and would be allotted to the persons, as mentioned herein below:</i></p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="width: 5%;">S. No.</th> <th style="width: 45%;">Name of the proposed shareholder</th> <th style="width: 50%;">No of shares to be allotted (Rs 10/- each)</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1.</td> <td>Patodia Properties Private Limited</td> <td style="text-align: center;">9,999</td> </tr> <tr> <td style="text-align: center;">2.</td> <td>Nominee Shareholder - Mr. Suyash Sunil Patodia</td> <td style="text-align: center;">1</td> </tr> <tr> <td></td> <td><i>Total (No. of shares)</i></td> <td style="text-align: center;"><i>10,000</i></td> </tr> </tbody> </table>	S. No.	Name of the proposed shareholder	No of shares to be allotted (Rs 10/- each)	1.	Patodia Properties Private Limited	9,999	2.	Nominee Shareholder - Mr. Suyash Sunil Patodia	1		<i>Total (No. of shares)</i>	<i>10,000</i>	<p>Granted as per clause 4.3.3, subject to the filing of necessary forms with the concerned authorities.</p>
S. No.	Name of the proposed shareholder	No of shares to be allotted (Rs 10/- each)												
1.	Patodia Properties Private Limited	9,999												
2.	Nominee Shareholder - Mr. Suyash Sunil Patodia	1												
	<i>Total (No. of shares)</i>	<i>10,000</i>												

**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH – IV**

I.A. No. 3278 of 2025
IN
C.P. (IB) No. 308/MB/2022

	<p><i>ii) The Applicant, at its discretion, can allocate the balance consideration of Rs.2,01,86,027/- either by way of subscribing to Compulsory Convertible Debentures (CCDs), Optionally Convertible Debentures (OCDs), unsecured loan, or by any other instrument in accordance with the provisions of the Companies Act, 2013 ("Act") along with the applicable Rules.</i></p>	
4.	<p><i>The memorandum of association ("MOA") and/or articles of association ("AOA") of the Corporate Debtor shall stand altered, as may be required.</i></p>	<p>Granted as per clause 4.3.4, subject to the filing of necessary forms with the concerned authorities.</p>
5.	<p><i>Permission that the Applicant shall not be required to make any separate application(s) before this Hon'ble Tribunal under the provisions of the applicable laws; and that the approvals, reliefs, permissions, concessions, waivers, etc., granted by this Hon'ble Tribunal in the accompanying application ("Application") preferred by the Applicant, shall be treated as the approvals having been obtained under the Act, including filing any application(s) before any other appropriate authority(ies), as required under the Act.</i></p>	<p>Granted as per clause 4.3.5, subject to the filing of necessary forms with the concerned authorities.</p>

**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH – IV**

I.A. No. 3278 of 2025
IN
C.P. (IB) No. 308/MB/2022

	<p><i>The approvals, reliefs, permissions, concessions, waivers, etc., granted by this Hon'ble Tribunal shall be deemed to have waived off all procedural requirements in terms of Sections 42, 62 (1) (c) and 66 and other provisions of the Act, including Sections 13 and 14 read with the Companies (Share Capital and Debentures) Rules, 2014 and National Company Law Tribunal (Procedure for Reduction of Share Capital) Rules, 2016.</i></p>										
6.	<p><i>From the Transfer Date, the status of the Corporate Debtor in the records of the Registrar of Companies ("ROC") should be reflected as 'ACTIVE' from the status of 'LIQUIDATION'</i></p>	Granted, subject to procedural compliance.									
7.	<p><i>New Management</i> <i>The following individuals are being proposed to be the new directors of the Corporate Debtor. In this regard, the said new directors be duly appointed as directors of the Corporate Debtor under the provisions of the Act.</i></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Sr. No.</th> <th style="text-align: center;">Name of proposed director</th> <th style="text-align: center;">DIN</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1.</td> <td>SUYASH SUNIL PATODIA</td> <td style="text-align: center;">09489670</td> </tr> <tr> <td style="text-align: center;">2.</td> <td>VINITA SUNIL PATODIA</td> <td style="text-align: center;">06360364</td> </tr> </tbody> </table>	Sr. No.	Name of proposed director	DIN	1.	SUYASH SUNIL PATODIA	09489670	2.	VINITA SUNIL PATODIA	06360364	Granted.
Sr. No.	Name of proposed director	DIN									
1.	SUYASH SUNIL PATODIA	09489670									
2.	VINITA SUNIL PATODIA	06360364									
8.	<p><i>Settlement of all liabilities on the Distribution of Liquidation proceeds as per Section 53 of the Code by the Liquidator:-</i></p>	Granted up to the liquidation commencement date.									

**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH – IV**

I.A. No. 3278 of 2025
IN
C.P. (IB) No. 308/MB/2022

	<p><i>Upon the payment of the Sale Consideration by the Applicant to the Liquidator, which is to be distributed in terms of Section 53 of the Insolvency and Bankruptcy Code, 2016 ("Code"/"IBC"), all debts, claims or demands including debt in respect of payment of dues arising under any law for the time being in force and payable to central government, state governments or any local authority or from any other category of creditors as on Transfer Date, whether such a claim or demand has been filed or not, admitted or not, crystalized or un-crystalized, known or unknown, secured or unsecured, disputed or undisputed, present and future, shall stand fully settled and permanently extinguished, without any further payment or consideration, and the Corporate Debtor and/or the Applicant shall at no point, directly or indirectly, be held responsible or liable in relation thereto</i></p>	
9.	<p><i>Complete unencumbered assets and No due Certificate from secured financial creditor(s):- All rights, title and interest in whole and/or any part of the Corporate Debtor, including but not limited to the assets, properties, contracts and approvals, are free and clear of all/any security interest. The secured financial creditor(s) shall take requisite steps to modify the charges, handover the original</i></p>	Granted.

**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH – IV**

I.A. No. 3278 of 2025
IN
C.P. (IB) No. 308/MB/2022

	<i>title documents, update the information utilities (if any), etc., and provide no-due certificate(s).</i>	
10	<p><i>No Recourse Against the Corporate Debtor by Creditors Upon Invocation of Guarantee of Indemnities:-</i></p> <p><i>Any claim(s) that may arise due to or under any guarantees or indemnities issued by the Corporate Debtor on behalf of any third party(les) and all the outstanding negotiable instruments issued by the Corporate Debtor including Demand Promissory Notes (DPN), Post-Dated Cheques (PDCs) and under Letters of Credit (LCs) and/or any other financial obligations undertaken by the Corporate Debtor on behalf of any third party(les) shall stand extinguished, and ineffective on and with effect from the Transfer Date. In this regard, the Corporate Debtor and the Applicant shall at no point, directly or indirectly, be held responsible or liable in relation thereto and the beneficiaries of such guarantee(s) or indemnities shall recover the monies with respect to uninvoked guarantees or indemnities or letters of comfort etc., from the principal borrower and for any shortfall, such beneficiaries/parties shall not have any recourse against the Corporate Debtor and/or the Applicant. In case the creditors of the Corporate Debtor ("Creditors") are in</i></p>	Granted.

**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH – IV**

I.A. No. 3278 of 2025
IN
C.P. (IB) No. 308/MB/2022

	<p><i>possession of guarantees or indemnities that are issued to them on behalf of Corporate Debtor, and such guarantees or indemnities are invoked by such Creditors, at any point, such Creditors, shall not have any right to recover the amounts paid and/or no amounts will be paid by the Corporate Debtor in terms of Section 140 of Indian Contract Act, 1872rContract Act") or other applicable laws.</i></p>	
11.	<p><i>The Applicant and/or the Corporate Debtor shall not be liable for any claim(s) or any additional liability (whether financial, contractual, performance or otherwise) that may arise post the Transfer Date including claim(s) under applicable law, contract, arising out of judicial / quasi-judicial proceedings, disputed or undisputed, crystallized or otherwise which relate to the period on or prior to the CIRP commencement date and up to the date of handing over of the Corporate Debtor to the Applicant.</i></p>	<p>Granted upto the liquidation commencement date.</p>
12.	<p><i>Extinguishment of Ongoing, Unsubmitted and Pending Litigations/ Contingent Liabilities Post Transfer Date:- The litigation/contingent liabilities which are rejected, if any, by the Liquidator or have not been lodged with the Liquidator and are/will be at a later date under appeal before any competent Court/Tribunal/ Authority, the</i></p>	<p>Granted upto the liquidation commencement date.</p>

**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH – IV**

I.A. No. 3278 of 2025
IN
C.P. (IB) No. 308/MB/2022

	<i>same shall stand extinguished as on the Transfer Date and the Corporate Debtor or the Applicant shall at no point, directly or indirectly, be held responsible or liable in relation thereto.</i>	
13.	<i>All the Powers of Attorney(s) provided to any person by the Corporate Debtor, shall stand revoked / Ineffective / null and void immediately on the Transfer Date.</i>	Granted..
14.	<p><i>Action Plan for the Corporate Debtor to move forward as a 'Going Concern'</i></p> <p><i>The Applicant/ new management of the Corporate Debtor shall rope in the services of experts in different functional areas, inter-alia to take such steps as are required to revive and turn around the operations of the Corporate Debtor. In this regard, the following permissions/ directions be granted:</i></p> <p><i>I. All assets of the Corporate Debtor shall be taken over by the Applicant being the successful bidder on an "as-is" basis at the book value, as per the restructured balance sheet ("Restructure Balance Sheet") (enclosed as Enclosure-1) of the Corporate Debtor on the Transfer Date. All liabilities of the Corporate Debtor shall be settled out of the Sale Consideration and shall be deemed permanently extinguished, with no further claims or obligations arising against the Applicant.</i></p>	<p>Not granted.</p> <p>However, liberty is granted to the Applicant to approach the concerned authorities for such reliefs.</p>

**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH – IV**

I.A. No. 3278 of 2025
IN
C.P. (IB) No. 308/MB/2022

	<p><i>II. The Restructured Balance Sheet shall be accepted as final for all statutory and regulatory purposes including but not limited to the Act, Income Tax Act 1961 ("Income Tax Act") and all other applicable laws as on/from the Transfer Date.</i></p> <p><i>III. There shall be no penalties, fines, tax or any demands shall be imposed on account of such Restructured Balance sheet and same shall prevail for all statutory and regulatory purpose as on/from the Transfer date.</i></p>	
15.	<p><i>Pending Recovery Proceedings: With the payment of the Sale Consideration by the Applicant, the financial creditors, operational creditors including statutory authorities; to whom dues are payable or falling due or are contingent in nature and all other creditors, shall withdraw all/any suits/applications/ proceedings relating to recovery or of any other nature filed against Corporate Debtor, which are pending before any court of law /tribunal/ fora/ competent authority and any effect of such suits/ applications/proceedings decided after the Transfer Date w.r.t. the dues or any liabilities for the period pertaining upto Transfer Date will stand infructuous/abated as on/ from the Transfer Date.</i></p>	<p>Liberty is granted to the Applicant to approach the concerned authorities for such reliefs.</p>

**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH – IV**

I.A. No. 3278 of 2025
IN
C.P. (IB) No. 308/MB/2022

16.	<p><i>Upon the payment of the Sale Consideration by the Applicant, the financial creditors of the Corporate Debtor shall report closure of loan accounts to the credit information companies/ agencies including to the Central Repository of Information on Large Credits ("CRILC"), as mandated by the Reserve Bank of India ("RBI"), so as to enable the Applicant / the new management of the Corporate Debtor to seek fresh loan arrangements from the lenders, if required, to revive the business of Corporate Debtor afresh as any other 'Standard Category Account' is entitled to seek arrangements with the lenders.</i></p>	Not Granted.
17.	<p><i>The business of the Corporate Debtor to continue with Core Assets:</i></p> <p><i>Upon the payment of the Sale Consideration by the Applicant, the financial creditors of the Corporate Debtor shall release their respective charges or encumbrances, if any, over the assets of Corporate Debtor which have been provided as security or otherwise against the facilities made available to the Corporate Debtor. Further, the financial creditors of the Corporate Debtor shall also release the Corporate Debtor from any obligations arising out of any negative lien letter(s)/undertaking(s) obtained from the Corporate Debtor by such lenders/financial creditors, and no further amount of any</i></p>	Not Granted.

**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH – IV**

I.A. No. 3278 of 2025
IN
C.P. (IB) No. 308/MB/2022

	<p><i>nature shall be payable either by the Applicant or by the Corporate Debtor under the new management.</i></p> <p><i>Upon the payment of the Sale Consideration by the Applicant, the assets of the Corporate Debtor, if any, shall continue to remain vested with the Corporate Debtor free and clear of all encumbrances/charges. All the title deeds and other documents, including charge documents, if any, held by the financial creditors/security trustee shall be returned to the new management of the Corporate Debtor</i></p>	
18.	<p><i>Upon approval of the Application by this Hon'ble Tribunal, all brands/trademarks, Licenses, Intellectual Property Rights ("IPR") belonging to the Corporate Debtor, shall continue to remain vested with the Corporate Debtor. The erstwhile promoters/guarantors or any member, an associate of the existing and erstwhile promoters shall be restrained to do any business directly or indirectly connected with the products and services presently offered by the Corporate Debtor by using directly or indirectly of any of the IPR owned by the Corporate Debtor. The term 'IPR' in the present context shall also include, but not be limited to the brand name, drawings, designs, engineering, schemes, diagrams, tools developed or procured in the past by</i></p>	Granted.

**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH – IV**

I.A. No. 3278 of 2025
IN
C.P. (IB) No. 308/MB/2022

	<i>the Corporate Debtor. The Applicant/ the new management of the Corporate Debtor shall have the power and authority to restrain any party from transferring the IPR to any other person(s).</i>	
19.	<i>The change in shareholding of the Corporate Debtor, pursuant to the sale of the Corporate Debtor as a going concern shall be considered to be a resolution plan under Section 79 of the Income Tax Act, inter-alia to facilitate seeking necessary approvals from the appropriate authority to carry forward tax losses of the Corporate Debtor to set off against future profits or seek any tax concessions/ waivers which the Corporate Debtor may seek under the provisions of the Income Tax Act.</i>	Liberty is granted to approach the concerned authorities.
20.	<i>On and from the Transfer Date, consents, licenses, approvals, rights, entitlements, benefits and privileges under all/any applicable law, contracts, leases, granted in favor of the Corporate Debtor, shall not stand terminated on the grounds of initiation of insolvency/liquidation of the Corporate Debtor or on account of unpaid dues, which have been settled pursuant to the Applicant taking over of the Corporate Debtor.</i>	Not Granted.
21.	<i>A direction may please be issued that the Liquidator shall keep all statutory rights, licenses, registrations, agreements, intellectual property rights that are required</i>	Partly granted.

**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH – IV**

I.A. No. 3278 of 2025
IN
C.P. (IB) No. 308/MB/2022

	<p><i>by the Corporate Debtor to move forward as a going concern, current, existing and valid as at on the Transfer date. The Liquidator shall rectify all non-compliances in respect of the consents, licenses, approvals, including electricity, sewage, water, pollution control services as extended by the requisite state agencies/ or authorities, soon before handing over all documents and records to the new management of the Corporate Debtor to operate the business of the Corporate Debtor, which was being as carried out prior to the Transfer Date.</i></p>	
22.	<p><u>Contractual Obligations Undertaken</u> <i>The Corporate Debtor, at its sole discretion, shall have the right to review or continue or terminate any contract(s) that was/were entered into prior to the Transfer Date, without any liability and obligation on the part of the Corporate Debtor / Applicant. In this regard, the Corporate Debtor shall be deemed to have been completely discharged, in respect of all obligations / liabilities. Besides, the Corporate Debtor shall have the right to demand enforcement of contractual obligations of counterparties In respect of contracts entered into by the Corporate Debtor through the erstwhile management and till the Transfer Date, and such counterparties shall not evade from their respective contractual obligations,</i></p>	Not Granted.

**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH – IV**

I.A. No. 3278 of 2025
IN
C.P. (IB) No. 308/MB/2022

	<i>pleading the change in management of the Corporate Debtor or for any other reason.</i>	
23.	<i>Taking over of the Corporate Debtor by the Applicant as a going concern shall not in any manner whatsoever affect the rights of the Corporate Debtor to recover any amounts due to the Corporate Debtor from any third party (including any related party) and there shall be no set-off of any such amounts recoverable by the Corporate Debtor, or any liability extinguished pursuant to the takeover of the Corporate Debtor by the Applicant.</i>	Not Granted.
24.	Workmen / Employees <i>On and from the Transfer Date, the liability of the Corporate Debtor towards the workers / employees' dues shall stand settled in full, including any claims whether filed or not, whether admitted or not, whether asserted or not, and whether or not set out in the audited balance sheet or the list of stakeholders. Such dues shall include any unclaimed amounts, retirement benefits, gratuity, and other benefits of any nature whatsoever.</i>	Partly Granted.
25.	<i>Upon acquiring the Corporate Debtor, all workers and employees of the Corporate Debtor shall cease to be in the employment of the Corporate Debtor and may be reemployed on such terms and conditions, as the new management of the Corporate</i>	Granted.

**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH – IV**

I.A. No. 3278 of 2025
IN
C.P. (IB) No. 308/MB/2022

	<i>Debtor deems fit and proper. As per the information provided to the Applicant, there are no current employees or workmen In the Corporate Debtor, except the suspended directors.</i>	
26.	<p>Compliances and/or Non-Compliances of statutory provisions:</p> <p><i>A direction may please be issued that the Corporate Debtor / Applicant, post the Transfer Date, shall not be held liable for any non-compliance of provisions of any laws, rules, regulations, directions, notifications, circulars, guidelines, policies, licenses, approvals, consents or permissions and no (lablity / penalty regarding such non-compliance shall be imposed on the Corporate Debtor/ Applicant, for any such non- compliance occurred prior to the Transfer Date</i></p>	Granted to the extent permitted under Section 32A of the Code.
27.	<p><i>The respective governmental authorities (including but not limited to the Central Board of Direct Taxes ("CBDT"), Central Board of Excise, Employees' State Insurance Corporation ("EMI, Provident Fund Department and Customs Department, VAT, GST authorities, tribunals, arbitral body, land revenue authorities, stamp authorities, be directed to:</i></p> <p><i>a). provide relief to the Corporate Debtor from all past litigations (if any) pending</i></p>	Not Granted.

	<p><i>at different levels and provide waiver from all tax dues, including interest, penalty, and fees on such Litigations.</i></p> <p><i>b). Unabsorbed depreciation from past years shall be allowed to be utilized, irrespective of whether the income tax returns were filed or were filed late by the Corporate Debtor, as the same is permitted under the Income Tax Act. The allowing of carrying forward and utilizing unabsorbed depreciation is provided under Section 32(2) of the Income Tax Act, which provides that unabsorbed depreciation can be carried forward Indefinitely and can be set off against any income, whether or not the income tax return was filed on time. Brought forward tax losses of the Corporate Debtor to be permitted to be carried forward and set off against future income as a change of shareholding of the Corporate Debtor Is pursuant to the bid submitted by the Applicant under the liquidation process of the Corporate Debtor, for acquisition of the Corporate Debtor as a going concern which is equivalent to the approval of the resolution plan. Accordingly, the benefit of Section 79 of the Income Tax Act shall apply, allowing the continuity of tax losses as</i></p>	
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	<p><i>the change of shareholding under IBC, complying with Section 79(2)(c) of the Income Tax Act.</i></p> <p>c) <i>The bid submitted by the Applicant should be considered to be a resolution plan under Section 79 of the Income Tax Act and the sale of Corporate Debtor as a going concern should be treated in the same manner as the implementation of the resolution plan, under CIRP.</i></p> <p>d) <i>Allow the write-offs as a tax deduction in the year of such write-off;</i></p> <p>e). <i>Provide that income/ gain/ profits, if any, arising as a result of giving effect to the acquisition of the Corporate Debtor on a clean slate basis by the Applicant, should not be subjected to Tax, including Minimum Alternate Tax ("MAT") in the hands of Corporate Debtor. Further, allow all MAT credit of the Corporate Debtor to continue with the Corporate Debtor (on a going concern basis);</i></p> <p>f). <i>Provide that any book losses generated out of write-off of assets/ properties of Corporate Debtor shall be eligible loss under income tax (if any) by complying the provisions of the Income Tax Act;</i></p> <p>g). <i>Provide relief from applicability of, and payment of taxes, if any, which may</i></p>	
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	<p><i>arise as a result of acquisition of the Corporate Debtor (under liquidation) by the Applicant either on the Applicant or the Corporate Debtor or any other person who is likely to be impacted/ affected due to the acquisition of the Corporate Debtor (including, but not limited to, under Sections 45, 50CA, 50D and 56 of the Income Tax Act, as well as under the provisions of the Central Goods and Services Tax Act, 2017;</i></p> <p><i>h). grant exemption/ waiver from applicability of Section 281 of the Income Tax Act, including from the requirement of obtaining no objection certificate from tax authorities in respect of the acquisition of the Corporate Debtor by the Applicant;</i></p> <p><i>i). allow all government schemes, subsidies, benefits, polices as applicable to the Corporate Debtor, to continue to be applicable to the Corporate Debtor, unless otherwise provided herein;</i></p> <p><i>j). any requirement to obtain waivers from any tax authorities including in terms of section 115B of the Income Tax Act be deemed to have been granted;</i></p> <p><i>k). If any income tax related returns are not filed or have been filed after a delay by</i></p>	
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	<p><i>Corporate Debtor, then the Applicant should be allowed to file such returns and the same should be treated as if the returns were filed in time. Further, the benefit of bought forward and carry forward losses relating to this period must be available to the Corporate Debtor under the new management of the Corporate Debtor for a fresh period of 8 (eight) years from the Transfer Date.</i></p> <p><i>l). Exemption from tax on the restructuring of the balance sheet of the Corporate Debtor;</i></p> <p><i>m). No income tax shall be imposed on the conversion of liabilities as per the books into the capital reserves or profit and loss account or transfer of share capital to capital redemption reserve as per the Restructured Balance Sheet of the Corporate Debtor;</i></p> <p><i>n). The Corporate Debtor should be allowed to opt for the concessional tax rate under Section 115BAA of the Income Tax Act, 1961. Section 115BAA provides that domestic companies can opt for a reduced corporate tax rate of 22% (plus applicable surcharge and cess) without claiming certain specified deductions or exemptions;</i></p>	
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**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH – IV**

I.A. No. 3278 of 2025
IN
C.P. (IB) No. 308/MB/2022

	<p><i>o). The Applicant should be allowed to utilize the MAT Credit available under the provisions of Section 1151AA of the Income Tax Act, 1961. Section 1153AA provides that any MAT paid under Section 115JB can be carried forward and set off against future tax liabilities computed under the normal provisions of the Income Tax Act.</i></p>	
28	<p><i>Statutory & Internal Auditors and Registered Office of the Corporate Debtor,</i></p> <p><i>Upon the approval of Application by this Hon'ble Tribunal, the Applicant shall have the right to replace the existing statutory and/or internal auditors of the Corporate Debtor and appoint new auditors as deemed fit by the Applicant/ the new management of the Corporate Debtor without requiring to obtain any approval from the central government under Section 140 of the Act or obtaining a no objection from the existing auditors.</i></p>	Granted.
29.	<p>Pending Assessments & Proceedings</p> <p><i>All inquiries, assessments, notices, causes of action, suits, claims, disputes, litigations, arbitration, or other judicial, regulatory or administrative proceedings against, or in relation to, the Corporate Debtor (other than against the erstwhile promoters/promoter</i></p>	Partly granted in line with the clean slate principle.

**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH – IV**

I.A. No. 3278 of 2025
IN
C.P. (IB) No. 308/MB/2022

	<p><i>group or former members of the management of the Corporate Debtor), pending or being contemplated, present or future, in relation to any period prior to the Transfer Date or arising on account of the present acquisition of the Corporate Debtor by the Applicant shall cease and stand withdrawn; and consequential liabilities if any, shall stand extinguished and considered as not payable and any re-assessment, revision or other proceedings under the provision of any law would be deemed to be barred to raise any demand pertaining for any period prior to the Transfer Date, and the Corporate Debtor shall not, at any point, directly or indirectly be held liable or responsible in relation thereto.</i></p>	
30.	<p><i>From the Transfer Date, all new inquires, investigations, notices, suits, claims, disputes, litigations, arbitrations or other Judicial, regulatory or administrative proceedings will be deemed to be barred and will not be initiated or admitted against the Corporate Debtor In relation to any period prior to the Transfer Date, and it is clarified that erstwhile management of Corporate Debtor shall remain liable for prosecution for their acts/deeds/ omissions/errors in accordance with the</i></p>	<p>Partly granted in line with the clean slate principle.</p>

**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH – IV**

I.A. No. 3278 of 2025
IN
C.P. (IB) No. 308/MB/2022

	<i>applicable law and the Applicant/ new management of the Corporate Debtor shall be completely insulated from any prosecution under the provisions of any law.</i>	
31.	<p>Protection/Immunity from Criminal Offences</p> <p><i>No action shall be taken or initiated by the Enforcement Directorate (ED), Serious Fraud Investigation Office (SFIO), Central Bureau of Investigation (CBI), Ministry of Corporate Affairs (MCA), tax authorities (direct or indirect taxes), any other central or state or local authorities or any regulator or any other authority against or in relation to any acts of omission or commission by the Corporate Debtor and/or any of its erstwhile director(s) (or any Key Management Person) prior to the Transfer Date, that has any bearing on the Corporate Debtor or its new management or its assets. The Applicant and/or the Corporate Debtor and/or the new management of the Corporate Debtor shall not be liable for any consequence(s) arising out of any criminal act done by the Corporate Debtor and/or its management prior to the Transfer Date. In other words, the Corporate Debtor or the new management of the Corporate Debtor shall not be prosecuted for any offence committed prior to the Transfer Date.</i></p>	Granted to the extent permitted under Section 32A of the Code.

**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH – IV**

I.A. No. 3278 of 2025
IN
C.P. (IB) No. 308/MB/2022

	<i>Besides, if a prosecution had been Instituted during the CIRP against the Corporate Debtor, the Corporate Debtor shall stand discharged from the Transfer Date. No action shall be taken against the property of the Corporate Debtor in relation to any offence(s) committed prior to the Transfer Date.</i>	
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6. In view of the aforesaid, the Interlocutory Application bearing IA No. 3278 of 2025 is disposed of as partly allowed. There will, however, be no order as to costs.

Sd/-
ANIL RAJ CHELLAN
MEMBER (TECHNICAL)

Siddhi, LRA

Sd/-
K. R. SAJI KUMAR
MEMBER (JUDICIAL)