IN THE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU BENCH

[Through Physical hearing/ VC Mode (Hybrid)]

ITEM No.08
I.A.Nos.388/2021, 316/2022, 28, 311,
Cont. Appl.3/2024, 641, 676, 772, 781, 820/2025 in
C.P. (IB) No.189/BB/2018

IN THE MATTER OF:

M/s. Moonbeam Advisory Pvt. Ltd. ... Petitioner
Vs.
M/s. Sammrudhi Reality Ltd. ... Respondent

Petition under Section 9 of IBC, 2016

Order delivered on: 14.11.2025

CORAM:

SHRI SUNIL KUMAR AGGARWAL
HON'BLE MEMBER (JUDICIAL)

SHRI RADHAKRISHNA SREEPADA
HON'BLE MEMBER (TECHNICAL)

COUNSELS PRESENT:

For the Liquidator	:	Shri Rajat Gupta
For the Appl. in I.A.676/2025 & Res. in I.As.772 & 820/2025	:	Shri Abhijit Atur with Ms. Siva Tejaswini,

ORDER

I.A.No.641/2025:

1. Heard Ld. Counsels for the parties.
2. In this application, three weeks' time is granted to the Respondent/Liquidator for filing objections and thereafter two weeks to the Applicant for filing rejoinder with direct exchange of copies.
3. List the case on **05.01.2026** for hearing.

I.A.No.772/2025:

1. Heard the parties.
2. Vide separate Order **Application is allowed and disposed of.**

<u>IA No.820/2025:</u>

1. Heard the parties.
2. Vide separate Order **Application is allowed and disposed of.**

<u>I.A.No.676/2025:</u>

1. Heard the parties.
2. Vide separate Order **Application is allowed and disposed of.**

<u>I.A.No.838/2025:</u>

1. Vide Order dated 22.09.2025, the matter was deferred for Orders in I.A.838/2025. However, Ld. Counsel submits that the matter was heard in I.A.820/2025. Therefore, the I.A. was wrongly mentioned as being listed for Orders instead of I.A.820/2025. Accordingly, the Registry is directed to rectify the same and list I.A.838/2025 for hearing on the next date.
2. List the case on **05.01.2026.**

-Sd-	**-Sd-**
RADHAKRISHNA SREEPADA	**SUNIL KUMAR AGGARWAL**
MEMBER (TECHNICAL)	**MEMBER (JUDICIAL)**

Shruthi

IN THE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU BENCH

(Exercising powers of Adjudicating Authority under The Insolvency and Bankruptcy Code, 2016)

I.A. No. 820 of 2025

in

C.P. (IB) No. 189/BB/2018

(Interlocutory Application under Section 60(5)(c) of the IBC, 2016 Read with Rule 11 of NCLT Rules,2016)

IN THE MATTER OF

Mr. Pankaj Srivastava,
Liquidator for Samruddhi Realty Ltd.,
Having its Office at:
58, 3rd Cross, Vinayaka Nagar, Hebbal,
Bengaluru - 560024 …**Applicant**

Versus

Innovative Developers
Having its Office at:
SY No. 9/1, 6/4, Panathur Post,
Bhoganahalli Village, Bangalore – 560 004 **…Successful Bidder/Respondent**

Order delivered on: 14.11.2025

IN THE MATTER OF

M/s. Moonbeam Advisory Private Limited **….Operational Creditor**

Versus

M/s. Samruddhi Realty Limited **…Corporate Debtor**

Coram: 1. Shri Sunil Kumar Aggarwal, Hon'ble Member (Judicial)
2. Shri Radhakrishna Sreepada, Hon'ble Member (Technical)

Parties/Counsels Present:

For the Respondent : Shri Abhijit Atur

O R D E R

1. The present Application has been filed by the Liquidator of M/s Samruddhi Realty Ltd. under Section 35(1)(N) r/w 60(5) of the Insolvency and Bankruptcy Code, 2016, read with Regulation 33(2)(C) r/w Schedule I (2) of the Insolvency and

Bankruptcy Board of India (Liquidation Process) Regulations, 2016, seeking approval of the Private sale of the *Project Rhythm* , comprising 62% share in the Joint Development Agreement of Project Rhythm of the Corporate Debtor in favor of the Respondent.

2. Brief facts of the case as in the application are as follows:
   i. The Corporate Debtor was admitted into the CIRP by order dated 16.04.2019 in C.P. (IB) No. 189/BB/2018 filed under Section 9 of the the Code by the Operational Creditor.
   ii. Since no Resolution Plan was approved by the Committee of Creditors, the Adjudicating Authority, vide order dated 13.03.2020, ordered liquidation of the Corporate Debtor and appointed Mr. Pankaj Srivastava as the Liquidator who issued public announcement on 17.03.2020 in terms of Regulation 12 of the IBBI (Liquidation Process) Regulations, 2016, invited claims from stakeholders, and constituted the Stakeholders' Consultation Committee (SCC) in accordance with Regulation 31A.
   iii. Several e-auctions were conducted between 2024 and 2025 through the NeSL platform to sell various assets of the Corporate Debtor. While some assets were successfully sold, the project *"Rhythm"* could not be realized through auction.
   iv. In the 16th SCC meeting held on 13.06.2024, the Liquidator discussed the possibility of private sale for unsold assets. Subsequent discussions in the 18th and 19th SCC meetings considered but did not approve the proposal. In the 22nd SCC meeting held on 15.11.2024, members deliberated on adopting Private Sale under Regulation 33(2) of the Liquidation Process Regulations, 2016, and resolutions were passed for initiating private sale of certain projects, including *Project Rhythm*.
   v. Pursuant to the SCC's decision, the Liquidator issued Public Announcement and Private Sale Process Memorandum dated 29.11.2024, inviting Expressions of Interest (EOI) from potential buyers. In response, M/s Innovative Developers submitted its EOI dated 24.12.2024 expressing interest in acquiring *Project Rhythm*.

vi. In the 24th SCC meeting held on 10.02.2025, the Liquidator informed members that the process for private sale was at an advanced stage and deliberated upon proposals received for *Projects North Square, Rhythm,* and *Sunshine*. During February–March 2025, M/s Innovative Developers executed Memoranda of Understanding with the homebuyers of *Project Rhythm*, obtaining their consent to take over development and completion of the project.

vii. On 10.04.2025, a sub-committee constituted for *Project Rhythm* discussed the proposal in detail, followed by submission of a clarificatory letter dated 21.04.2025 by M/s Innovative Developers to the Liquidator. The Liquidator sought and obtained extension of the liquidation period till 25.05.2025 vide order dated 28.04.2025.

viii. On 02.05.2025, M/s Innovative Developers submitted a Revival Plan proposing to acquire development rights in *Project Rhythm* for a total consideration of ₹7 crore, with terms and conditions for project completion.

ix. In the 26th SCC meeting held on 19.05.2025, the Revival Plan and private sale proposal were placed for voting. The SCC approved the private sale under Regulation 33(2) with 71.02% votes in favour. An objection letter dated 28.05.2025 was received from one unsecured financial creditor, which was duly placed before the SCC in the 27th meeting held on 02.06.2025 and considered.

x. The Liquidator thereafter issued a Letter of Intent (LOI) dated 04.06.2025 to M/s Innovative Developers, which was unconditionally accepted on 10.06.2025. The entire sale consideration of ₹7 crore was deposited into the liquidation account of the Corporate Debtor. Hence, the present application is filed seeking approval of private sale on as "as is where is" and "as is what is" basis.

3. The Respondent filed its Reply, on 06.11.2025 stating as follows:

i. The Respondent confirms participation in the private sale process initiated by the Liquidator pursuant to the Private Sale Process Memorandum dated 29.11.2024, and submission of its EOI on 24.12.2024 for Project Rhythm where the Respondent thereafter executed Memoranda of Understanding with the homebuyers of the project during February – March 2025, demonstrating intent to revive and complete the project.

ii. The Respondent submitted a Revival Plan dated 02.05.2025, proposing a consideration of Rs.7 crores towards acquisition of development rights, which was approved by the SCC on 19.05.2025

iii. Pursuant to the SCC's approval, the Liquidator issued a Letter of Intent dated 04.06.2025, which the Respondent accepted unconditionally on 10.06.2025. The entire sale consideration was paid into the liquidation account in accordance with the schedule.

iv. The Respondent states that the project is approximately 65% complete, and it proposes to revive and complete the remaining work within 18 months from reinstatement of RERA registration, subject to statutory approvals and clarifies that it will separately approach this Hon'ble Tribunal for necessary reliefs and concessions to facilitate completion of the project, such as reinstatement of approvals, exemption from past dues, clean-slate protection, and recognition of the revival plan.

v. It is further submitted that during the 26th SCC meeting, the Liquidator clarified that such concessions must be sought independently by the Respondent and not form part of the present sale approval process.

vi. The Respondent reiterates that it assumes no liability for any past or pending claims, dues, or proceedings of the Corporate Debtor, except to the extent expressly provided in the Revival Plan.

vii. The Respondent asserts that it is purchasing the development rights on a "clean slate" basis, limited to the payment of ₹7 crore, and will not bear any obligations relating to past liabilities, penalties, or debts of the Corporate Debtor.

viii. The Respondent submits that further delay in approving the transaction would adversely affect homebuyers whose investments are already locked and could result in deterioration of the project structure. The Respondent therefore does not oppose the Liquidator's application and supports approval of the private sale of *Project Rhythm* in its favor, subject to liberty being granted to file a separate application for reliefs and concessions to enable project completion.

4. Heard Learned Counsels for the parties and carefully perused the material on record.

5. This Adjudicating Authority is seized of the present application filed by the Liquidator of the Corporate debtor seeking approval for the Private Sale of development rights vested with the Corporate Debtor in respect of Project Rhythm for a total consideration of Rs. 7Crores. The Liquidator submits that the sale process has been conducted transparently, in compliance with the provisions of the Code and Regulations, after due consultation and approval from the SCC and the Respondent has confirmed payment of the entire sale consideration and expressed no objection to the application.

6. It is considered appropriate to first refer to the statutory framework governing the powers of the Liquidator to effect sale of assets by private contract under the Code and the Liquidation Regulations. Section 35(1)(n) of the Code empowers the Liquidator to sell the immovable and movable property and actionable claims of the Corporate Debtor by public auction or private contract, subject to the directions of the Adjudicating Authority and Regulation 33(2) of the Liquidation Process Regulations, 2016 specifically permits the Liquidator to effect a private sale, after prior consultation with the Stakeholders' Consultation Committee.

7. The legislative intent underlying the Insolvency and Bankruptcy Code, 2016 and the Liquidation Process Regulations framed thereunder is not merely the recovery of dues, but the maximization of value of the assets of the Corporate Debtor in a time-bound and transparent manner, for the benefit of all stakeholders. This principle has been emphatically recognized by the Hon'ble Supreme Court in ***Swiss Ribbons Pvt. Ltd. v. Union of India*, (2019) 4 SCC 17**, wherein it was observed that the Code is a beneficial legislation aimed at preserving the economic value of viable assets and ensuring equitable distribution among creditors, rather than being a mere recovery mechanism. The Court further underscored that both the Corporate Insolvency Resolution Process and the Liquidation Process are guided by the overarching objective of value maximization, which must inform every decision of the Resolution Professional or Liquidator.

8. Similarly, in ***Meghal Homes Pvt. Ltd. v. Shree Niwas Girni K.K. Samiti*, (2007) 7 SCC 753**, the Hon'ble Supreme Court, while dealing with liquidation under the Companies Act, observed that even in the course of winding up, the assets of a company must be dealt with in a manner that secures the best possible realization for stakeholders. This guiding rationale continues under the present Code, where the Liquidator acts as a fiduciary of the estate and is duty-bound to adopt such methods of sale — whether by auction or private contract — as would best achieve the objective of value maximization within the framework of law. Thus, the legislative policy, as consistently affirmed by judicial precedent, mandates that every step in the liquidation process must subserve the twin purposes of transparency and maximization of value, and any bona fide effort by the Liquidator that demonstrably achieves these ends warrants judicial affirmation.

9. The central issue for determination in this application is whether the process adopted by the Liquidator in effecting the proposed private sale of *Project Rhythm* conforms to the requirements of the Code and IBBI Regulations and whether such sale serves the overarching objectives of the Code. The record demonstrates that the Liquidator has conducted multiple rounds of e-auction before resorting to private sale. The private sale was not adopted in haste but only after realising that public auction was not yielding results. This approach aligns with the principle laid down in ***Y. Shivram Prasad v. S. Dhanapal & Ors.*, Company Appeal (AT) (Insolvency) No. 224 of 2018**, wherein the Hon'ble NCLAT held that a Liquidator may consider private sale after exhausting other methods if it facilitates effective value realization.

10. The SCC's deliberations across successive meetings, culminating in an approval by a substantial majority, reflect institutional consultation and collective decision-making. The Liquidator has adhered to Regulation 33(2) by obtaining SCC approval prior to seeking leave of this Tribunal. Such consultation enhances transparency and safeguards against arbitrary exercise of discretion. The process further reveals that the entire sale consideration has been received from the purchaser, *M/s Innovative Developers*, prior to confirmation. The payment having been made in full, the transaction has reached substantial completion. The

Tribunal's confirmation at this stage therefore only formalizes a process that has been conducted within the contours of law.

11. Importantly, the private sale process as conceived under Regulation 33(2) is not an exception to public auction but a legitimate statutory mode of sale, particularly suited to assets that are encumbered, partially developed, or unlikely to fetch value through open auction. The nature of *Project Rhythm*—an ongoing but stalled residential project—fits squarely within that category. Therefore, this Tribunal finds that the Liquidator has acted bona fide, exercised commercial judgment with due care, and ensured that the decision-making process was transparent, documented, and consistent with the statutory objectives. There is no material placed before this Authority to indicate collusion, mala fides, or procedural irregularity and No stakeholder has produced any substantive ground showing prejudice, undervaluation, or deviation from the prescribed process. On the contrary, the sale ensures realization of value where prolonged auction attempts had failed.

12. In view of the above facts, statutory provisions and judicial precedents, this Adjudicating Authority holds that the sale deserved to be approved by this Adjudicating Authority under Section 35(1)(n) of the Code read with Regulation 33(2) of the Liquidation Regulations where the following directions are issued:
    i. The Liquidator is authorized to execute the Sale Certificate and other necessary transfer documents in favor of the purchaser, upon completion of requisite formalities.
    ii. The Liquidator shall ensure that the proceeds of the sale are distributed strictly in accordance with Section 53 of the Code.
    iii. The Respondent is at liberty to approach this Tribunal through a separate application for consideration of the concessions or reliefs sought in the Revival Plan, which shall be examined independently on merits.

13. Accordingly, the **I.A. No. 820 of 2025** filed by the Applicant is **allowed and disposed of**.

-Sd-

RADHAKRISHNA SREEPADA
MEMBER (TECHNICAL)

-Sd-

SUNIL KUMAR AGGARWAL
MEMBER (JUDICIAL)