IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, COURT – 1, AHMEDABAD

ITEM No.302 - IA/741(AHM)2025 in CP(IB) 141 of 2019

Under Section 60(5) IBC r/w Regulation 32 & 32A IBBI r/w rule 11 NCLT Rules, 2016

IN THE MATTER OF:

M/s Mahaveer Exim Through Its Authorised Signatory Sumit Rajnikant Mehta **.....Applicant**

V/s **.....Respondent**

CA Tejas Shah Liquidator of M/s Avantha Power and Infractructure Ltd

Order delivered on: 09/03/2026

C O R A M:

MR. SHAMMI KHAN, HON'BLE MEMBER (J)
MR. SANJEEV SHARMA, HON'BLE MEMBER (T)

O R D E R
(Hybrid Mode)

The case is fixed for pronouncement of order. The order is pronounced in the open court, vide separate sheet.

-Sd-

SANJEEV SHARMA
MEMBER (TECHNICAL)

-Sd-

SHAMMI KHAN
MEMBER (JUDICIAL)

BEFORE THE ADJUDICATING AUTHORITY
THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, COURT–I, AHMEDABAD

IA/741(AHM)2025
In
CP(IB) No.141/NCLT/AHM/2019

[An application filed under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 r.w. Regulation 32(e) & 32A of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 and Rule 11 of National Company Law Tribunal Rules, 2016 for issuance of necessary and appropriate directions.]

In the matter of : M/s. Avantha power & infrastructure Ltd

M/s Mahaveer Exim
Through Its Authorised Representative
Sumit Rajnikant Mehta
Having address at: 712-7th floor,
Addor Aspire, Nr Jhanvi Restaurant,
University Road, Ahmedabad, 380015.

...Applicant/ Auction purchaser

VERSUS

CA, Tejas Shah,
Liquidator, M/s. Avantha power & infrastructure Ltd
Reg. Address: B-201,
Narayan Krupa Avenue. Opp.
Prernatirth Derasar, Satellite.
Jodhpur, Ahmedabad -380015

.... Respondent/Liquidator

Order Pronounced on 09.03.2026

C O R A M:

SH. SHAMMI KHAN, HON'BLE MEMBER (JUDICIAL)
SH. SANJEEV SHARMA, HON'BLE MEMBER (TECHNICAL)

A P P E A R A N C E:

For the Applicant	:Mr. Dheeraj Garg, Adv.
For the Respondent/Liq.	:Mr. Sumit Parikh, Adv. a. w.
	:Mr. Tejas Shah, CA, Liquidator in Person

O R D E R
[Per: Bench]

1. This application is filed on 09.06.2025 by the Applicant under Section 60(5)(c) of the IB Code, 2016 *r.w. Regulation 32(e) & 32A of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 and Rule 11 of National Company Law Tribunal Rules, 2016* seeking approval of relief and concessions with the following prayers: -

A. *This Hon'ble Adjudicating Authority be pleased to allow this application;*

B. *This Hon'ble Adjudicating Authority be pleased to grant the reliefs and concessions as referred in this application;*

C. *That this Hon'ble Tribunal may be pleased to grant such other and further reliefs as may be deemed fit and proper by this Hon'ble Tribunal, in the interest of Justice;*

2. The facts leading to the present application are as follows:-

(a) It is submitted that the Applicant is a partnership firm and has purchased the Corporate Debtor as a going concern pursuant to the e-auction conducted on 16.09.2024 under Regulation 32(e) of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016, for a total consideration of ₹58,52,000, and the sale stands approved by the Hon'ble NCLT, Ahmedabad Bench. The present application has been filed by the authorised representative on behalf of the Applicant firm.

(b) The Applicant, namely *Mahaveer Exim*, is a partnership firm having its registered office at 712, 7th Floor, Addore Aspire, Near Jhanvi Restaurant, University Road, Ahmedabad, Gujarat-380015, and has been constituted as a Special Purpose Vehicle (SPV) for the purpose of acquisition of the Corporate Debtor as a going concern.

(c) It is submitted that the Corporate Debtor was incorporated under the provisions of the Companies Act, 1956 and has its registered office at Thaper House, 124, Janpath, New Delhi–110001. It is further submitted that a Financial Creditor had filed an application being CP (IB) 141/AHM/2019 under Section 7 of the Insolvency and Bankruptcy Code, 2016 for initiation of Corporate Insolvency Resolution Process (CIRP) against the Corporate Debtor.

(d) This Hon'ble Tribunal, vide order dated 16.08.2021, was

pleased to admit the said application and consequently initiated CIRP against the Corporate Debtor. A copy of the admission order dated 16.08.2021 is annexed hereto and marked as **Annexure–A**.

(e) It is submitted that upon failure of the CIRP, the Resolution Professional filed IA/513/2020 in CP (IB) 141/AHM/2019 seeking liquidation of the Corporate Debtor, which was allowed by this Hon'ble Tribunal vide order dated 14.06.2024, thereby commencing liquidation and appointing Respondent No. 1 as Liquidator. A copy of the order dated 14.06.2024 is annexed as **Annexure–B.**

(f) It is submitted that after commencement of liquidation, the Liquidator took charge of the Corporate Debtor and issued a sale notice dated 22.08.2024 under the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 for sale of the Corporate Debtor as a going concern.

(g) The Applicant, prior to and after submission of its Expression of Interest and before the auction, raised certain queries with the Liquidator through emails regarding the proposed sale. A copy of the e-auction process information document issued by the Liquidator is annexed herewith as **Annexure–C**.

(h) It is submitted that thereafter the Applicant submitted its Expression of Interest along with requisite documents, including details of the potential bidder,

affidavits and undertakings as required by the Liquidator, and also furnished a Confidentiality and Non-Disclosure Undertaking.

(i) It is submitted that the e-auction was conducted on 16.09.2024 in terms of the E-Auction Process Information Document, wherein the Applicant participated and was declared the successful bidder for a consideration of ₹58,52,000. The Liquidator issued a Sale Confirmation Letter dated 25.09.2024 confirming the Applicant as the successful bidder. A copy of the said letter is annexed as **Annexure–D.**

(j) In accordance with the terms of the E-Auction Process Information Document and the Sale Confirmation Letter, the Applicant duly deposited the entire sale consideration of ₹58,52,000 with the Liquidator within the prescribed time, along with applicable interest. Pursuant to receipt of the full consideration, the Liquidator issued a Sale Certificate dated 20.01.2025 in favor of the Applicant. A copy of the Sale Certificate dated 20.01.2025 is annexed herewith and marked as **Annexure–E**.

(k) The Applicant has paid the entire sale consideration along with applicable interest and a Sale Certificate has been issued by the Liquidator, the Applicant has approached this Hon'ble Adjudicating Authority seeking necessary directions, reliefs, concessions and approvals, as set out in the prayer clause, for the purpose of

effectuating and facilitating the takeover and transfer of the Corporate Debtor as a going concern on a clean slate basis in favor of the Applicant.

(l) In a going concern sale, the existing equity shareholding of the Corporate Debtor stands extinguished and the acquirer takes over the Corporate Debtor together with its assets, licenses and entitlements, free from past liabilities. While the legal entity of the Corporate Debtor continues to exist, its ownership is transferred by the Liquidator to the successful purchaser, who thereafter carries on its business. The sale consideration received by the Liquidator is distributed amongst the stakeholders in accordance with Section 53 of the Code.

(m) It is submitted that since the liabilities of all stakeholders are to be satisfied out of the sale consideration in accordance with Section 53 of the Insolvency and Bankruptcy Code, 2016, the Applicant, being the successful bidder, is entitled to take over the Corporate Debtor as a going concern on a clean slate basis, free from any past claims, encumbrances, charges or actions by any creditor.

(n) It is further submitted that any pending proceedings, inquiries, investigations, assessments, disputes or litigation of civil or criminal nature against the Corporate Debtor and/or its assets shall not affect the assets transferred pursuant to the e-auction. Reliance is placed on the judgment of the Hon'ble NCLAT in ***M/s***

Shivshakti Interglobe Exports Pvt. Ltd. v. M/s KTC Foods Pvt. Ltd. & Anr., Company Appeal (AT) (Insolvency) No. 650 of 2020, decided on 25.02.2022, wherein it has been held that:

> *"21...we hold that the sale proceeds of a 'Corporate Debtor' are duly distributed in the Order of priority and in the manner prescribed under Section 53 of the Code, claims of any other Creditor cannot be entertained contrary to the provisions entailed under Section 53; subsequent to the distribution of sale proceed under Section 53 no other entity including any Government entity can claim any past unpaid or outstanding dues against the Appellant who has purchased the 'Corporate Debtor Company' as a 'going concern.*
>
> *22. It is no longer Res Integra that while approving a 'Corporate Debtor sale as a 'going concern' in Liquidation Proceedings without its dissolution in terms of Regulation 32 (e) of the Liquidation Process Regulation, 2016, it is essential to see that the 'Corporate Debtor is not burdened by any past or remaining unpaid outstanding liabilities prior to the sale of the Company as a 'going concern' and after payment of the sale proceeds distributed in accordance with Section 53 of the Code..."*

(o) It is submitted that mere purchase of the Corporate Debtor as a "going concern" under the Liquidation Regulations would not, by itself, be sufficient to effectively operate and revive the Corporate Debtor. It is imperative that this Hon'ble Adjudicating Authority grants certain necessary reliefs, concessions, relaxations and permissions, which are essential for

running the Corporate Debtor as a going concern.

(p) In the absence of such reliefs and concessions, the very purpose and object of revival of the Corporate Debtor under the Liquidation Regulations would be defeated. These permissions and concessions are crucial to ensure value maximization and to achieve the underlying objective of preserving the Corporate Debtor as a going concern.

(q) In absence of a specific mechanism under the Code for effectuating transfer of the Corporate Debtor as a going concern, this Hon'ble Adjudicating Authority may exercise powers under Section 60(5) of the Code to grant necessary directions, reliefs and concessions, including extinguishment of existing shareholding, issuance of fresh shares to the Applicant and settlement of stakeholders' liabilities from the sale consideration.

(r) It is submitted that the directions, approvals, reliefs and concessions sought in the present Application are essential to enable acquisition of the Corporate Debtor as a going concern on a clean slate basis, so that all past claims stand extinguished and no person is entitled to initiate or continue any proceedings in respect of such past claims against the Corporate Debtor.

(s) It is submitted that the bid amount paid by the Applicant, along with applicable interest, is substantially higher than the reserve price of

₹11,00,000 fixed for the Corporate Debtor and thus achieves maximization of value for all stakeholders. However, mere sale of the Corporate Debtor without grant of necessary consequential reliefs and concessions would defeat the very object and purpose of the Code.

(t) It is submitted that grant of necessary permissions and approvals by this Hon'ble Adjudicating Authority, along with fulfillment of conditions under the Process Document, is essential to give full effect to the sale and transfer of the Corporate Debtor in favour of the Applicant.

(u) It is submitted that in terms of Clause 1.10.2 of the Process Document, the Successful Bidder is required to obtain all necessary approvals, consents and reliefs in relation to the sale of the Corporate Debtor as a going concern. Accordingly, the Applicant has approached this Hon'ble Adjudicating Authority seeking approval for transfer of ownership of the Corporate Debtor in its favour, along with grant of necessary reliefs, concessions, directions and waivers.

(v) It is submitted that various Benches of this Hon'ble Adjudicating Authority have consistently held that, in a going concern sale during liquidation, grant of necessary approvals, reliefs and concessions is essential to enable the successful bidder to operate the Corporate Debtor on a clean slate basis, free from past claims and proceedings. Reliance is placed, inter alia, on

i. *M/s* KKR India Financial Services Ltd. v. M/s Kwality Ltd., *I.A. No. 5881 of 2021 C.A. No. 32 of 2021 I.A No. 5208 of 2021 in C.P.(IB) No. 1440/ND/2018,* order dated 21.01.2021.

ii. *Glan Celsus Biochemical Ltd v. KSK Energy Ventures Ltd. IA No. 112 of 2021 in CP(IB) No. 675/7/HDB of 2018*

iii. *Bank of Baroda v M/s. Topworth Pipes & Tubes Pvt. Ltd. C.P. (IB) No. 1239/MB/2018 dated 9 March 2021;*

iv. *Dr. Devaiah Pagidipati v Southern Online Bio Technologies Ltd. I.A. No. 1039 of 2019 in C.P. (IB) No. 343/7/HDB/2018 dated 26 November 2019; SREI*

v. *Equipment Finance Ltd. v M/s. Vishwa Infrastructures and Services Pvt. Ltd. C.P. (IB) No. 329/7/HDB/2018 dated 30 June 2018*

vi. *M/s. Elecon Engineering Company Ltd. v M/s. Enviiro Bulk Handling Systems Pvt. Ltd. I.A. No. 741 of 2021 in C.P. (IB) No. 1319/MB/2017 dated 21 June 2021,*

vii. *Sherisha Powertech Private Limited v. Sundaresh Bhat, Liquidator of EMCO Limited- IA No. 870/MB/C-II/2022 in C.P (IB) No. 2849/MB/C-II/2018, Sherisha Technologies Private Limited v. K. Sivalingam, Liquidator of Cauvery Powergeneration Chennai Private Limited IA No. 558(CHE)/2023 in CP (IB) 756/CHE/2019*

(w) It is submitted that the Hon'ble Supreme Court in ***Arun***

Kumar Jagatramka v. Jindal Steel & Power Ltd. **(2021 SCC OnLine SC 220)** has recognized that the Code contemplates three modes for revival of a Corporate Debtor.

> *"The IBC provides for three modes of revival:*
>
> *(a) CIRP under Chapter II*
>
> *(b) Sale of company in liquidation as a going concern (read with Regulation 32(e) and (f); and*
>
> *(c) a scheme of compromise or arrangement under Section 230 of Companies Act, 2013, following upon an order for liquidation being passed under Chapter III of the IBC;"*

It is submitted that in paragraph 75 of *Arun Kumar Jagatramka v. Jindal Steel & Power Ltd.* (2021 SCC OnLine SC 220), the Hon'ble Supreme Court, while referring to *Y. Shivram Prasad v. S. Dhanapal* ***(2019 SCC OnLine NCLAT 172)***, recognized three modes for revival of a Corporate Debtor and clarified that sale of the Corporate Debtor as a going concern under Regulation 32/32A of the Liquidation Regulations is one of the recognized modes of resolution, placed on par with other modes, including compromise or arrangement under Section 230 of the Companies Act, 2013 read with Regulation 2B.

(x) It is submitted that on the same analogy, a sale of the Corporate Debtor as a going concern under Regulation 32(e) and (f) of the Liquidation Regulations is to be treated as a mode of resolution akin to approval of a

resolution plan under Section 31 of the Code; hence, this Hon'ble Adjudicating Authority is equally empowered to grant necessary reliefs and concessions in such going concern sale.

(y) The Hon'ble Supreme Court in *Arun Kumar Jagatramka (Supra)* has held that the concept of a "clean slate" is available even in cases of resolution of a corporate debtor in liquidation through Section 230 of the Companies Act, 2013, akin to resolution under Section 31 of the Code. It is further submitted that sale of the Corporate Debtor as a going concern in liquidation, whether under Regulation 2B read with Section 230 or under Regulation 32(e) & (f), flows from Section 35(1)(f) of the Code, and such transfer is to be implemented on a clean slate basis.

(z) Applying the same analogy to a sale under Regulation 32(e) & (f) of the Liquidation Regulations, the transfer of the Corporate Debtor as a going concern must also be on a clean slate basis, and the successful bidder is therefore entitled to necessary reliefs and concessions to enable operation of the Corporate Debtor as a going concern free from past liabilities.

(aa) The applicant submits that in case of ***Shiv Shakti Inter Globe Exports (P.) Ltd. vs. KTC Foods (P.) Ltd., reported in [2022] 138 taxmann.com 511 (NCLAT-New Delhi)*** it is held thus:

i). Adverting to the contention of the Learned Counsel for the

Appellant that the Adjudicating Authority has erred in denying the sale of the 'Corporate Debtor' as a 'going concern' to the Appellant without including any contingent liabilities, we hold that it is a settled law that when the sale proceeds of a 'Corporate Debtor' are duly distributed in the Order of priority and in the manner prescribed under section 53 of the Code, claims of any other Creditor cannot be entertained contrary to the provisions entailed under section 53; subsequent to the distribution of sale proceeds under section 53 no other entity including any Government entity can claim any past unpaid or outstanding dues against the Appellant who has purchased the 'Corporate Debtor Company' as a 'going concern'. It is significant to mention that the second Respondent/Liquidator has specifically submitted that even these claims by the Uttar Haryana Bijili Vitran Nigam were not submitted in the prescribed form either during the CIRP Process or at the Liquidation stage. We are of the considered view that at this stage subsequent to the sale of the 'Corporate Debtor Company' as a 'going concern', these claims cannot be foisted upon the Appellant. The scope and objective of the Code is to extinguish all claims specifically the ones which were not even made during the CIRP or in the Liquidation stage, to aid the purchaser of the Company as a 'going concern' to start on a 'clean slate'. The Hon'ble Supreme Court in 'Ghanashyam Mishra & Sons (P.) Ltd.' (supra), and in 'CoC of Essar Steel India Ltd.' (supra) has laid down the proposition that the purchaser of the Company even in the Liquidation stage cannot be burdened with past liabilities when it is not mentioned in the 'Sale Notice'.

ii). It is no longer res Integra that while approving a 'Corporate Debtor' sale as a 'going concern' in Liquidation Proceedings without its dissolution in terms of regulation 32(e) of the Liquidation Process Regulations, 2016, it is essential to see that

the 'Corporate Debtor' is not burdened by any past or remaining unpaid outstanding liabilities prior to the sale of the Company as a 'going concern' and after payment of the sale proceeds distributed in accordance with section 53 of the Code. The Impugned Order in I.A. 889 of 2020 is modified to the extent that the sale of the first Respondent as a 'going concern' is upheld and the direction sought for in prayer (c) & (e) in CA No. 1189 of 2019 seeking extinguishment of past/remaining unpaid outstanding liabilities including contingent liabilities, prior to the sale as a 'going concern', after payment of sale proceeds distributed in accordance with section 53 of the Code, is allowed.

(bb) It is submitted that in ***RMY Industries LLP v. Apple Industries Pvt. Ltd. through its Official Liquidator*, Company Appeal (AT) (Insolvency) No. 1114 of 2022**, the Hon'ble Adjudicating Authority had rejected the application seeking reliefs, waivers and exemptions; however, in appeal, the Hon'ble NCLAT was pleased to consider and observe that:

"2. Appellant was the Successful Auction Purchaser in the liquidation proceeding where assets were sold as going concern on 'as is where is' basis. In the application I.A. No. 880 of 2022, the Appellant in Para 28 has claimed about 30 reliefs and concessions. The Adjudicating Authority has rejected application observing that no relief and concession can be granted.

3. Learned counsel for the Appellant has relied on judgment of this Tribunal in "Company Appeal (AT) (Ins.) No. 650 of 2020, Shiv Shakti Inter Globe Exports Pvt. Ltd. v. KTC Foods Private Limited". In the aforesaid case with regard to liquidation sale

as going concern Liquidator has filed application for certain relief which was related to the past dues and prayer for extinguishment of past/remaining unpaid outstanding liabilities, which was permitted.

4. We are of the view that the Adjudicating Authority is empowered to consider any application filed by the Liquidator or Successful Auction Purchaser, which may arise with regard to terms and conditions of auction sale or sale as going concern as per the Liquidation Regulation. We, thus, are of the view that end of justice be served in giving liberty to the Appellant to file an appropriate application before the Adjudicating Authority, which may arise from the terms and conditions of the auction sale or sale as going concern, which may be considered by the Adjudicating Authority. The Appeal is disposed of with liberty aforesaid."

(cc) It is therefore submitted that this Hon'ble Adjudicating Authority is empowered under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 read with the Liquidation Regulations and Rule 11 of the NCLT Rules to grant necessary and consequential reliefs, concessions, approvals and directions, as prayed for, to enable transfer of ownership of the Corporate Debtor to the Applicant as a going concern on a clean slate basis.

(dd) It is further submitted that this Hon'ble Adjudicating Authority, in terms of the Liquidation Process Regulations read with Section 60(5)(c) of the Insolvency and Bankruptcy Code, 2016, is empowered to grant necessary reliefs and concessions in respect of the Corporate Debtor sold as a going concern, and may

therefore be pleased to grant the same in favour of the Applicant.

3. RELIEFS SOUGHT:

The Applicant therefore prays that this Hon'ble Adjudicating Authority may be pleased to: -

A. Direct that the status of the Corporate Debtor in the records of the Registrar of Companies and on the website of the Corporate Debtor be reflected as "active" from the status of "liquidation".

B. This acquisition shall be deemed to be a resolution plan for all effective purpose and the reliefs and concessions as available to a resolution plan shall be mutatis mutandis applicable to the present acquisition.

C. Direct that all the agreements/ documents entered into by the Corporate Debtor with the Secured creditors shall be deemed to be terminated without any liabilities, claims or obligations whatsoever arising out of or in relation to such contracts extinguished on payment of the amount as stipulated under this sale as going concern and the Company and the Applicant or its nominee's/ successors/ partners/acquirers shall at no point of time, directly or indirectly, have any obligation, liability or duty in relation to such agreements/ documents.

D. Direct that the change in shareholding of the Corporate Debtor in favor of the Applicant be implemented as per below:

a) Corporate Debtor to issue 5000 fresh equity shares with a face value of INR 100 each, aggregating to INR 5,00,000 to the Applicant and/or its nominees.

b) Except for the shares issued to the Applicant (and/or to its nominees) by the Corporate Debtor, the entire existing issued share capital of the Corporate Debtor, including equity and preference shares and convertible instruments (whether pledged or not), held by shareholders of the Corporate Debtor, shall be entirely cancelled and extinguished, for a consideration equivalent to the amount, if any, to be received by the shareholders under Section 53 of the Code without any further approval from any creditor, shareholder, regulatory authority(ies) including the Registrar of Companies etc. The approval by this Adjudicating Authority shall be deemed to be due compliance with all the provisions of Applicable Law in this regard, and there shall be no requirement to add "and reduced" in the name of the Corporate Debtor.

E. To the extent any secretarial filings, corporate actions and compliances and/or any other actions, filings, intimations, etc. are required to be made in connection with the aforesaid, the Liquidator, shall be deemed to be fully authorized to act on behalf of the Corporate Debtor and to undertake all such actions. Without prejudice to the foregoing, the Applicant may, if required and from time to time, seek necessary directions from the

Adjudicating Authority in connection with actions to be undertaken or filings to be made with the ROC and/or any other statutory or regulatory authority in connection with matters contemplated herein.

F. Direct that the Board of Directors of the Corporate Debtor be re-constituted and the existing Board of Directors be removed and the nominees of the Applicant be permitted to be appointed as Directors of the Corporate Debtor, and direct the Registrar of Companies to do all such acts, deeds, and things that are necessary to enable appointment of such individuals as directors of the Corporate Debtor either online or though back end mode, including filing of relevant returns a required by applicable laws. Further direct that the Registrar of Companies to change registered office address to such place as new board decide, remove the names of all existing Directors and Key Managerial Personnel appearing on the master data of Ministry of Corporate Affair's website either online or through back-end mode.

G. Direct that from the date of the Sale Certificate, all past liabilities, penalties, and any form of payment by way of late fees, damages, etc., which occurred or become due because of any non-compliance related to Companies Act, 1956/2013 and rules and regulations framed thereunder, till the date of the Sale Certificate shall stand extinguished.

H. Direct that the sale of the Corporate Debtor to the Applicant in liquidation be treated in the same manner

as a resolution plan approved under Section 31 of the Code (including but not limited to in respect of the operation of Section 31(1) and Section 32A of the Code) and all attendant benefits, privileges, and exemptions under various laws including but not limited to benefit of any tax holiday, benefit under Section 79(2)(c) of the Income Tax Act, 1961, exemption, deduction, carry forward of losses of any prior years and set-off against the income arising in the future years in accordance with the taxation laws, as they are available to any Resolution Applicant for any resolution plan shall be available to this sale of Corporate Debtor to the Applicant under the liquidation process.

I. Direct that the Corporate Debtor and Applicant shall not be liable for any Taxes and shall be granted an exemption from all Taxes, levies, fees, transfer charges, transfer premiums, surcharges, control charges, conversion charges, mutation charges stamp duty, registration charges and any such other levies, that arise from or relate to the sale of Corporate Debtor to the Applicant, since payment of these amounts may make the sale unviable. Any reference to Taxes shall include any transfer premiums or charges, change of ownership/ Control charges payable in connection with the acquisition and the consequent change in ownership and Control of the Corporate Debtor. Further, any withholding tax, income-tax, and MAT liability or consequences (including interest, fine, penalty, etc.) on

the Corporate Debtor, the Applicant, and its shareholders on account of the sale of Corporate Debtor to the Applicant, write back/write off of liabilities in the books of accounts of the Corporate Debtor and revaluation of assets of the Corporate Debtor to their realisable value pursuant to the sale of the Corporate Debtor, including but not limited to liabilities if any under Section 28, Section 41, Section 56, Section 43. Section 28, Section 115JB, Section 79, Section 45, Section 269SS, Section 269T and Section 271E of the Income-tax Act, 1961 will be written off without any impact on brought forward tax and book loss/ depreciation, pursuant to the acquisition.

J. Direct that all the assessments, proceedings, demand notices, penalty proceedings, show-cause notices and appeals, whether completed or uncompleted, initiated or not initiated with respect to Income Tax, Central Sales Tax, GST, VAT, CENVAT, MODVAT, Customs and any other applicable Taxes under any applicable laws, shall be deemed to have been completed and closed and the Applicant and/or the Corporate Debtor shall not be liable to pay any Taxes or interest or penalty or any prosecution arising out of such assessments or adjust its taxable income or brought forward losses under Income-tax Act, 1961 pertaining to any period prior to the date of the Sale Certificate including but not limited to claim arising out of any notice or order received by Corporate Debtor pertaining to any prior period having

an impact on the taxable income, brought forward losses and/or Tax payable by the Corporate Debtor on account of any reason including non-compliances in relation to filings of Tax returns, non-deduction of TDS, underreporting or misreporting or no reporting of income. Further, all claims (whether contingent or crystallized, known or unknown, filed or not filed) of the Governmental Authorities in relation to all Taxes/ interest/ penalty which the Corporate Debtor was or may be liable to pay (including with respect to financial years under assessment), all deductions and all withholding Taxes on any payment, as required under applicable law and pertaining to the past period shall stand extinguished and any assessment, re-assessment, revision, or other proceedings under the provisions of the applicable laws relating to Taxes would be deemed to be barred in relation to any period prior to the date of the Sale Certificate, by virtue of an order of this Hon'ble Adjudicating Authority:

a) Any non-compliance in relation to filing of Income-tax Return under Section 139 of Income-tax Act, 1961 including any other forms as required to be filed by Corporate Debtor under provisions of Income tax Act, 1961.
b) Non-deduction of TDS under provisions of Income Tax Act, 1961.
c) Any transaction entered by Corporate Debtor having an impact on taxable income, brought

forward losses and/or Tax payable/ Tax refund of such entity for any period prior to Transfer Date and any underreporting or misreporting in relation to the same.

d) Any non-recording/reporting of income by Corporate Debtor in its books of account.

e) Any tax losses which may not be available due to tax returns not filed by the Corporate Debtor or in case of erroneous filed for which the statutory due date for rectification has lapsed for the Corporate Debtor as per the provisions of Income Tax Act, 1961 should also be available to the Bidder.

K. Direct that the Corporate Debtor shall be entitled to all the assets including all benefits with respect to CENVAT, MODVAT, input tax credit of various Taxes including but not limited to central excise duty, service tax, sales tax, goods, and service tax or cess by whatever name known, available as balance in its financial statements which pertains to the transactions of the Corporate Debtor for the period prior to the date of the Sale Certificate. Any liability relating to a prior period arising out of or relating to any such benefit / asset accruing or to be accrued to the Corporate Debtor, will be treated as settled under the Liquidation and no additional payment shall be made or be payable with respect to such liability by the Corporate Debtor and/or the Applicant.

L. Direct that on and from the date of the Sale Certificate,

respective statutory authorities shall deemed to have allowed carry forward losses and depreciation as per the provision of Section 79 of the Income Tax Act, 1961 or such other applicable provisions; allowed total loss brought forward (including unabsorbed depreciation) to be reduced from the book profit for the purposes of levy of MAT under Section 115 JB of the Income Tax Act, 1961

M. Direct that the Corporate Debtor shall not be liable for any non-compliance under the Income-tax Act, 1961 including but not limited to the filing of Income-Tax Returns under Section 139 of the Income-tax Act, 1961 including any other forms as required to be filed by the Corporate Debtor under the provisions of Income-Tax Act, 1961.

N. Direct that the Corporate Debtor/ Applicant shall be allowed to carry forward Income-tax assets (MAT credit, TDS Credit) available as per the provisions of the Income Tax Act, 1961 and utilize the same appropriately.

O. Direct that the requirement of obtaining a no objection certificate under section 281 of the Income-tax Act, 1961 and provisions of taking over its predecessor's Tax liability under section 170 of the Income Tax Act, 1961 shall not be applicable. Further, the transaction shall not be treated as void under section 281 of the Income Tax Act, 1961 for any claims in respect of Tax or any other sum payable by the Corporate Debtor or any

shareholder of the Corporate Debtor. Similarly, any requirements to obtain waivers from any Tax Authorities including in terms of Section 79 and Section 1 15 JB and any other provision of the Income Tax Act, 1961 is deemed to have been granted.

P. Direct that all claims by any person against the Corporate Debtor or any liabilities or obligations or costs or expenses owed or payable by the Corporate Debtor to any person, including liabilities arising from corporate insolvency resolution process costs, liquidation costs, financial or operational debt, contractual liabilities, statutory liabilities, employee or workmen liabilities, claims of any Government authority or department, Tax liabilities, penalties, claims of any shareholders, whether direct or indirect, admitted or not, due or contingent, asserted or unasserted, crystallized or un-crystallized, known or unknown, secured or unsecured, disputed or undisputed, in relation to any period prior to the date of the Sale Certificate, whether admitted by the Liquidator or not in full or part, shall be settled only and solely from the proceeds of the liquidation estate (being the Sale Consideration) in accordance with the Code. Consequently, upon distribution by the Liquidator to the stakeholders under Section 53 of the Code, all such claims/ liabilities/ obligations shall stand permanently extinguished without requirement of paying any additional amounts to the stakeholders of the Corporate

Debtor. Further, in case there is any pending gratuity or provident fund liability (including interest and damages) payable to employees, workmen or provident fund authority and in case the existing provident and gratuity fund (if any) of the Corporate Debtor is not to pay such liabilities in full, such liabilities will be discharged Liquidator from the Sale Consideration and the Applicant shall not be required to pay any additional amounts towards such liabilities (over and above the Sale Consideration paid by it to the Liquidator)

Q. Direct that claims of any Government Authority, including for Electricity Charges/ Electricity Tax, or any other Statutory Dues, pertaining to period prior to the date of the Sale Certificate shall stand settled and extinguished in accordance with Section 53 of the Code and no additional amounts shall be payable by the Corporate Debtor or the Applicant towards such dues.

R. Direct that on and from the date of the Sale Certificate, the Liquidator (and not the Corporate Debtor or the Applicant) shall be responsible for making distributions to the existing stakeholders of the Corporate Debtor in accordance with the law (including under Section 53 of the Code) and no claim, liability, costs, expenses, penalties or interest shall be recoverable in any form or manner whatsoever from the Corporate Debtor/ or their successors or assignees or the new management and the payment of Sale Consideration by the Applicant shall be considered as a full and final settlement

towards all such claims, liabilities, costs, expenses, interest etc. by the Applicant. Further, the Liquidator (and not the Corporate Debtor or the Applicant) shall be responsible for classification of any creditor (including Tax authority) as secured or unsecured and all such creditors shall be paid by the Liquidator from the Sale Consideration and the Corporate Debtor or the Applicant shall not be liable to make any additional payments for distribution towards any unsecured or secured creditor, including if subsequently an unsecured creditor is classified as a secured creditor.

S. Direct that on and from the date of the Sale Certificate, all claims by any person (including but not limited to financial and operational creditors, employees and workmen, lessors and contractual counterparties, Government and tax authorities municipal, land and revenue authorities) against any assets, owned by or leased to the Corporate Debtor, including immovable property and any liabilities or obligations owed or payable by the Corporate Debtor in respect of such assets to any person, including contractual liabilities, liability to the Government (including but not limited to property taxes) whether direct or indirect, whether admitted or not, due or contingent, asserted or un-asserted, crystallized or un-crystallized, known or unknown, secured or unsecured, disputed or undisputed, in relation to any period prior to the Sale Certificate, whether admitted by the Liquidator or not in

full or part, shall stand permanently extinguished and no such claim, liability etc. shall be recoverable in any form or manner whatsoever from the Corporate Debtor/ Applicant or their successors or assignees and the payment of sale consideration by the Applicant is a full and final settlement towards such claims, liabilities etc.

T. Direct that on and from the date of the Sale Certificate, the assets of the Corporate Debtor shall continue to vest in the Corporate Debtor free from any security interest, encumbrance, attachment, claim, counter claim, or charge of any creditor of the Corporate Debtor of any creditor of any of the subsidiary or affiliate company of the Corporate Debtor, and free from any liability that may arise under any pending proceedings or litigations, without payment of any additional consideration and that any such creditors holding any charge or encumbrance on the assets of the Corporate Debtor shall duly return all documents relating to such charges/ encumbrances and co-operate with the Corporate Debtor/ Applicant in removal of any such charges/ attachment/ encumbrances from the public registries/ Registrar of Companies/MCA/CERSAI. Further, if any assets of the Corporate Debtor are under attachment, the same shall stand released from the date of the Sale Certificate;

U. Direct that all demands, inquiries, investigations, assessments, notices, causes of action, suits, claims, disputes, litigations, arbitration, or other judicial,

regulatory or administrative proceedings against, or in relation to, or in connection with the Corporate Debtor or its assets or the affairs of the Corporate Debtor (other than against the erstwhile promoters or former members of the management of the Corporate Debtor), pending or threatened, present or future, in relation to any period till the date of the Sale Certificate shall not be continued and/or instituted in future against the Corporate Debtor/ Applicant or their successors or assignees or the new management and all such demands/ inquiries/ investigations/ claims/proceedings etc. shall stand extinguished qua the Corporate Debtor and its assets to enable the Applicant to acquire the Corporate Debtor on a clean slate basis. Further, any attachment order passed by any Governmental Authority in relation of assets of the Corporate Debtor (including assets that are the subject matter of the pending legal proceedings) shall stand revoked and any property covered by such attachment order released from such attachment and the Applicant, Corporate Debtor (or its assets) shall at no point of time be, directly or indirectly, held responsible or liable in relation thereto.

V. Direct that any non-compliance of provisions of any laws, rules, regulations, directions, notifications, circulars, guidelines, policies, licenses, approvals, consents or permissions as applicable to the Corporate Debtor including but not limited to any liability arising

out of non-compliance under the provisions of the Companies Act, 1956 and the Companies Act, 2013, Employees Provident Fund and Miscellaneous Provisions Act, 1952, Employees State Insurance Act, 1948, Securities Exchange Board of India Act, 1992, Foreign Exchange Management Act, 1999 and under various labour legislations including liability in respect of employee welfare dues such as gratuity, leave encashment etc., on and from the date of Sale Certificate shall be settled only from the Sale Consideration and no amounts shall be payable by the Corporate Debtor/ Applicant and no proceedings in respect hereof shall be undertaken in future against the Corporate Debtor/ Applicant or their successors or assignees. Further, the Corporate Debtor/ Applicant shall have immunity in respect of all past offences of the Corporate Debtor in terms of Section 32A of the Code.

W. Direct that any claim made under any existing bank guarantee or letter of credit issued by banks to any third party based on the applications made by the Corporate Debtor or any guarantee or indemnity or counter indemnity issued by the Corporate Debtor to any third party including to any bank for issuance of bank guarantees or letter of credit and all liability of the Corporate Debtor under such guarantees/ indemnities/ counter indemnities shall stand extinguished on and from the date of the Sale Certificate and that the beneficiaries of such guarantees/ indemnity/ counter-

indemnity, including the banks issuing bank guarantee shall not have any recourse against the Corporate Debtor and/or Applicant in future and the payment of sale consideration by Applicant is a full and final settlement towards all such claims, liabilities etc.

X. All liabilities (whether contingent or crystallized) in relation to any corporate guarantees, indemnities, extension and all other forms of credit support provided by the Corporate Debtor upto the date of approval of the Sale as going concern of CD by NCLT shall stand extinguished. However, it is clarified that all the liabilities, personal guarantee, corporate guarantee provided by the erstwhile promoters/directors/guarantors of the Corporate Debtor shall be in subsistence and financial creditors shall have the right to continue and proceed against the erstwhile promoters/ directors/ guarantors which shall not include the Corporate Debtor or new management. The Powers of Attorney (POA) and/or other authorizations or mandates (including the sub-delegations of POA, if any, by the Attorneys), in whatsoever form, issued by the Corporate Debtor till the approval of the Sale as going concern of CD by NCLT to any person to enable such person to carry out various functions of the Corporate Debtor shall stand revoked and rescinded.

Y. All consents, licenses, approvals, rights, entitlements, benefits and privileges whether under law, contract,

lease or license, granted in favor of the Corporate Debtor or to which the Corporate Debtor is entitled or accustomed to shall, notwithstanding any provision to the contrary in their terms and notwithstanding that they may have already lapsed or expired due to any non-compliance or efflux of time, be deemed to continue without disruption for the benefit of the Corporate Debtor. Upon approval of the Sale as going concern of Corporate Debtor by NCLT. the Liquidator of the Corporate Debtor shall hand over peaceful possession of all the properties and assets of the Corporate Debtor whether moveable or immoveable, including delivery instruction slips of any demat account of the Corporate Debtors or physical share certificates of the investee companies, in which Corporate Debtor has made investment till the date of Sale Letter so far not disposed of alienated or transferred.

Z. Direct that no right of subrogation shall be available to third parties/ existing promoters/ shareholders/guarantors of the Corporate Debtor under any guarantees/ indemnities/ contractual comforts/collateral provided by such parties to any creditor of the Corporate Debtor and all such subrogation rights shall stand extinguished;

AA. Direct that all subsisting consents, licenses, trademarks, approvals, rights, entitlements, benefits and privileges whether under law, contract, lease or license. granted in favour of the Corporate Debtor or to

which the Corporate Debtor is entitled to shall, notwithstanding any provision to the contrary in their terms and irrespective of the commencement of the insolvency/liquidation proceedings under the Code, in relation to the Corporate Debtor be deemed to continue without disruption, for the benefit of the Corporate Debtor/ Applicant.

BB. Direct the Liquidator to, immediately,

a) write back all the liabilities of the Corporate Debtor, including creditors term loans, working capital loans, tax liabilities, other statutory liabilities, etc. which are not payable and reflect the total liabilities at the amount of the consideration (as reduced by the amount of insolvency resolution process costs and the liquidation costs) determined in the auction be derecognized in the books of accounts of the Corporate Debtor by credit to 'Capital Reserve;

b) The carrying value of the assets shall be restated at their realizable value (simultaneous to the above restructuring of liabilities) including but not limited to the following:

i. The trade receivables to the extent not receivable shall be written off to the Profit & Loss Account as bad debts.

ii. The realizable value of the Investments & Long-term loan advances to be estimated and the difference between the carrying value and realizable value, shall be provided for/written

off in the Profit & Loss Account.

iii. The residual estimated useful life of the Fixed Assets shall evaluate and revaluation of the fixed assets shall be undertaken.

c) The carrying amount of the equity, debts, loans, liabilities, dues to creditors (including related parties) and provisions for liabilities of any nature whatsoever which are extinguished, cancelled, waived or remitted pursuant to this application shall be de-recognised in the books of accounts of the Corporate Debtor by credit to `Capital Reserve' which shall form part of her Equity" in the Balance Sheet of the Corporate Debtor. By virtue of the approval of this Application, all pledges, charges, encumbrances, liens, and any other security interests created in favor of any financial creditors or lenders of the Corporate Debtors or the financial creditors of any of its subsidiaries, associate companies, group entities, joint or any other affiliated firms, partnerships, or corporate bodies on the investments of the Corporate Debtor in its subsidiaries, associate companies, group entities, joint ventures, or any other affiliated firms, partnerships, or corporate bodies shall stand fully, finally, and irrevocably discharged, released, and extinguished without the need for any further act.

d) The Capital reserve balance (being the amount credited pursuant to clause above) along with the

balances existing in securities premium reserve in aggregate will be adjusted against the debit balance of Profit and Loss account (including the amount debited pursuant to write-off of assets pursuant to clause above).

e) make requisite accounting entries for smooth transmission – the accounting treatment set out in this application shall be an integral part of the application;

f) prepare and file the said financial statements and relevant forms / returns with the relevant regulators such as Registrar of Companies, Income Tax Authorities etc:

g) complete all compliances in respect of the Corporate Debtor for the period up to the Transfer Date including filing of necessary documents including annual reports and returns with the Registrar of Companies, Income Tax Authorities any other Government Authorities:

h) cooperate with, and provide all necessary support and assistance to the Applicant, including but not limited to handing over of the original copies of the title deeds and other relevant documents of the land and other assets owned by the Corporate Debtor, perfecting/ amending/modifying/creating the land records in relation to all parcels of land, the immovable properties and assets, belonging to the Corporate Debtor in favour of the Corporate Debtor:

CC. Direct that all claims that the Corporate Debtor may have against third parties and related parties and all receivables of the Corporate Debtor, including without limitation, in relation to any litigations/proceedings initiated by the Corporate Debtor and/or for the benefit of the Corporate Debtor shall continue to remain recoverable by the Corporate Debtor in accordance with law and in case of any such claim/ recovery in future, the benefits of the same shall be solely available to the Corporate Debtor:

DD. Direct that the Corporate Debtor/ Applicant shall be solely entitled to all future cash flows and receivables of the Corporate Debtor and no such future cash flows/ receivables shall be available for distribution to the stakeholders of the Corporate Debtor as on the date of the Sale Certificate,, which proceeds shall be available for distribution as per the Code to the stakeholders of the Corporate Debtor, subject however to the cost of such proceedings being borne by the Liquidator/ stakeholders and not the Applicant or the Corporate Debtor;

EE. Direct that all notifications with regards to defaults filed with Credit Information Bureau (India) Limited, any information utility, RBI or any other regulatory authority for and on account of Corporate Debtor shall be withdrawn by the respective financial creditors and any invocation or enforcement action already undertaken before Debt Recovery Tribunal ("DRT")

against the Corporate Debtor and any of its assets shall stand automatically revoked and cancelled and deemed null and void and financial creditors shall take requisite action to ensure that all such pending matters before the DRT shall stand withdrawn. Further, all accounts of the Corporate Debtor shall stand regularized, and asset classification by the financial creditors shall be restored to "standard" for the purposes of all Applicable Laws.

FF. Direct that the relevant State Pollution Control Boards shall approve renewal of the consents to establish/ operate obtained by the Company under applicable provisions of the Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and Control of Pollution) Act, 1981, in accordance with law;

GG. Direct that the Corporate Debtor shall be entitled to utilities such as water, gas and electricity from the relevant suppliers/ departments in accordance with law, without such suppliers/ departments insisting on payment of past dues to them. Further direct that, from the date of approval order passed by this Hon'ble Adjudicating Authority, the power connection to the Corporate Debtor be restored with immediate effect without the relevant suppliers/ departments insisting on payment of past dues:

HH. Direct that the Corporate Debtor/ Applicant would not be liable for any disability of the Corporate Debtor or Applicant in terms of Section 29A of Code for default of existing associates or subsidiaries of Corporate Debtor;

II. Direct that any blacklisting or debarment of the Corporate Debtor or its subsidiaries, prior to the date of acquisition, shall stand fully set aside/ withdraw/ extinguished from the date of the approval order of this Hon'ble Adjudicating Authority;

JJ. Save and except as identified by the Applicant, all the authorizations/ powers of attorney/letters of authority which may have been issued in respect of the Corporate Debtor to any person(s) by the erstwhile board of directors/ management/ shareholders of the Corporate Debtor, the erstwhile RP/ Liquidator of the Corporate Debtor, upto the date of approval by this Hon'ble Adjudicating Authority, shall stand withdrawn, revoked and rescinded with immediate effect from the date of the approval order of this Hon'ble Adjudicating Authority.

KK. Direct that all grants and subsidies given to the Corporate Debtor be permitted to be carried forward with effect from the date of approval order passed by this Hon'ble Adjudicating Authority;

LL. Direct that from the date of approval order of this Hon'ble Adjudicating Authority, all past non-compliances by the Corporate Debtor and/ or its subsidiaries, shall stand regularized and any interest, costs, penalties or such other amounts levied or threatened to be levied shall stand extinguished;

MM. Direct Secured Creditors that upon payment of all the amount as stipulated under this Sale as going concern of Corporate Debtor, the secured creditors shall release

all the original title deeds, documents and papers held by them in respect of the Company;

NN. Claimants shall upon distribution of sale proceeds by the Liquidator in accordance with Section 53 of the Insolvency and Bankruptcy Code, 2016 shall withdraw all litigations filed by the Claimant against the Company with any judicial/ quasi-judicial/ arbitration or any such other forum.

OO. The claims of the Employees whether admitted or not, due or contingent, asserted or unasserted, crystallised or uncrystallised, known or unknown, disputed or undisputed, present or future, shall stand settled and to the extent of the remaining dues, shall stand permanently extinguished and no proceedings on the basis of any such claims or dues shall be carried out or survive or continue against the Company.

PP. Direct that the Corporate Debtor/ Applicant shall be at liberty to approach this Hon'ble Adjudicating Authority to address any difficulties faced with respect to implementation in taking over of the Corporate Debtor in liquidation.

QQ. Grant liberty to Applicant to amend, alter, modify, delete, rescind and/or substitute any prayer(s); pass any further orders(s) or directions that this Hon'ble Adjudicating Authority may deem fit and proper.

It is submitted that Applicant is proposing to acquire the Corporate Debtor as a going concern which is similar to resolution/revival of the Corporate Debtor.

In light of the same, Applicant prays for the customary reliefs and concessions set out in afore mentioned paragraphs for the successful implementation of this Acquisition done by the Applicant.

4. An affidavit in reply on behalf of the Respondent, Mr. Tejas Shah, Liquidator of Avantha Power & Infrastructure Limited has been filed on 19.08.2025 vide Inward No. D 5569, which is reproduced as under:-

a. It is submitted that the Respondent is the duly appointed Liquidator of M/s. Avantha Power & Infrastructure Limited vide order dated 14.06.2024 passed in IA (Liq) No. 11 of 2024 in CP (IB) 141/AHM/2019, is conversant with the facts of the case, has perused IA No. 741 of 2025 along with its annexures, and is duly authorised to file the present reply.

b. It is submitted that, before adverting to the merits of the case, it is necessary to set out the relevant dates and events pertaining to the liquidation process of the Corporate Debtor.

c. It is submitted that this Hon'ble Tribunal, vide order dated 16.08.2021 passed in CP (IB) No. 141/NCLT/AHM/2019, was pleased to initiate CIRP against the Corporate Debtor and appointed Mr. Srikanth Dwarkanath as the Interim Resolution Professional (IRP).

d. It is further submitted that during the CIRP, the Resolution Professional, Mr. Rahul Kavathekar, filed IA (Liq.) No. 11 of 2024 seeking initiation of liquidation of the Corporate Debtor. This Hon'ble Tribunal, vide order dated 14.06.2024, was pleased to order liquidation and appointed the deponent as the Liquidator. A copy of the order dated 14.06.2024 is annexed as *Annexure B* (Page Nos. 48–59) to the main application.

e. It is submitted that pursuant to the duties of the Liquidator under the IBBI (Liquidation Process) Regulations, 2016, a public announcement in Form B was made on 19.06.2024 in two newspapers, namely *Jansatta* (Hindi) and *Financial Express* (English).

f. It is submitted that the deponent convened the Second Meeting of the Stakeholder Consultation Committee (SCC) on 18.07.2025, wherein the members approved the sale of the Corporate Debtor as a going concern under Regulation 32(e) of the Liquidation Regulations, 2016, at a reserve price of ₹9,00,000.

g. **It is submitted that** during the liquidation process, the deponent received an Expression of Interest dated 15.08.2024 from M/s. Mahavir Exim for acquisition of the Corporate Debtor as a going concern under the Swiss Challenge Method for a consideration of ₹11,00,000/-, along with an EMD of ₹1,10,000/-. The EOI dated 15.08.2024, along with the Section 29A declaration and KYC documents of the entity and its partners, is annexed hereto as ***Annexure A*** to the

present reply.

h. It is submitted that upon receipt of the offer dated 15.08.2024 from M/s. Mahavir Exim, the deponent convened the 3rd SCC Meeting on 16.08.2024 and apprised the members of the EOI received. Approval was sought to sell the Corporate Debtor as a going concern under Regulation 32(e) of the Liquidation Regulations through the Swiss Challenge Method, with ₹11,00,000/- as the reserve price (being the anchor bid).

i. The SCC approved the upward revision of the reserve price from ₹9,00,000/- to ₹11,00,000/-. A copy of the Minutes of the 3rd SCC Meeting dated 16.08.2024 is annexed as ***Annexure B*** to the present reply.

j. It is submitted that pursuant to the approval of the SCC for sale of the Corporate Debtor as a going concern under Regulation 32(e) of the Liquidation Regulations through the Swiss Challenge Method, the deponent issued an E-auction sale notice dated 22.08.2024 in *Financial Express* and *Jansatta*. A copy of the said E-auction notice dated 22.08.2024 is annexed as ***Annexure C*** to the present reply.

k. It is submitted that pursuant to the said publication and issuance of the tender document, the deponent received Expressions of Interest dated 06.09.2024, along with requisite documents, from seven prospective bidders, namely: Mr. Aashish Balchand Baldota, M/s. Marg Finserv LLP, M/s. Image Vinimay Ltd., Mr.

Piyush Jain, M/s. Primus Teq Power Pvt. Ltd., M/s. Real Value Infotech Pvt. Ltd., and Mr. Amol Mittal (Pro. Shanti International)

l. It is submitted that upon verification of the documents submitted by the prospective bidders, the deponent issued the list of qualified bidders dated 06.09.2024. Though seven bidders were found qualified, only six remitted the requisite EMD and were thus eligible to participate in the E-auction held on 16.09.2024. The list of eligible bidders dated 13.09.2024 is annexed as ***Annexure D*** to the present reply.

m. It is submitted that the deponent conducted the E-auction on 16.09.2024 for sale of the Corporate Debtor as a going concern, wherein five bidders participated. M/s. Real Value Infotech Projects Pvt. Ltd. emerged as the highest bidder with ₹58,41,000/-. In terms of the Swiss Challenge Method, an opportunity was granted to M/s. Mahavir Exim to match the bid, who thereafter enhanced its offer to ₹58,52,000/- vide email and letter dated 18.09.2024, and was accordingly declared the Successful Bidder. The E-auction results are annexed as ***Annexure E*** to the present reply.

n. It is submitted that pursuant to the aforesaid, the deponent issued a Sale Confirmation Letter dated 25.09.2024 to the Applicant. A copy of the said letter along with the Affidavit under Section 29A is annexed as ***Annexure F*** to the present reply.

o. It is further submitted that in terms of the E-auction

notice and tender documents, the Applicant has paid the entire sale consideration for acquisition of the Corporate Debtor as a going concern. A Sale Certificate dated 22.01.2025 has been issued, and a copy thereof is annexed as ***Annexure G*** to the present reply.

p. It is further submitted that the last audited Balance Sheet of the Corporate Debtor for the Financial Year 2020–21 is annexed hereto and marked as ***Annexure H*** to the present reply.

q. It is submitted that the matter was listed on 07.07.2025, wherein this Hon'ble Tribunal was pleased to observe as under:–

> *"Further, the respondent/Liquidator is directed to verify the eligibility and compliance of Section 29A of the proposed directors which are sought to be included in the corporate debtor by the Applicant/Auction Purchaser and file an affidavit of compliance regarding their eligibility for the same within two weeks."*

It is submitted that in compliance with the order dated 07.07.2025, the deponent called upon the Successful Bidder to furnish the names of the proposed Directors of the Corporate Debtor. The Applicant proposed Mr. Sumit Rajnikant Mehta and Mrs. Sonal Sumit Mehta and submitted their affidavits under Section 29A of the IBC on 12.08.2025.

It is further submitted that the deponent appointed M/s. Chandabhoy & Jassoobhoy, Chartered Accountants, to examine their eligibility under Section 29A, and the firm issued a certificate confirming their

eligibility. Upon independent verification and based on the said certificate, the deponent is satisfied that the proposed Directors are eligible and not disqualified under Section 29A of the IBC, 2016.

The affidavits under Section 29A and the eligibility certificate are annexed as Annexure I to the present reply

r. It is further submitted that the Applicant has filed the present Interlocutory Application seeking grant of certain reliefs and concessions to enable it to run the Corporate Debtor as a going concern.

s. It is submitted that in view of the facts and circumstances stated hereinabove, the deponent is a formal party to the present proceedings and has no objection if the Application filed by the Successful Bidder is allowed by this Hon'ble Tribunal.

t. It is further submitted that the present Affidavit-in-Reply is filed to place the relevant facts and circumstances on record for the assistance of this Hon'ble Tribunal in passing appropriate orders in the interest of justice, in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016 and the regulations framed thereunder.

u. It is submitted that the deponent craves leave of this Hon'ble Tribunal to add to, alter, amend, or modify the contents of the present Affidavit-in-Reply, as may be required.

v. It is further submitted that the deponent craves liberty

of this Hon'ble Tribunal to file a detailed Affidavit, if so required, in the interest of justice.

5. Vide order dated 07.07.2025, this Tribunal directed the Applicant/Auction Purchaser to file an affidavit of concise reliefs and concessions sought through this application without any repetition of the same in any manner. However, affidavit in compliance of order dated 19.08.2025 has been filed on 22.09.2025 vide Inward No. D 6393.

6. Vide order dated 19.12.2025, a revised Affidavit of Compliance to the orders dated 07.07.2025 and 10.11.2025 was filed on 18.12.2025 vide Inward Diary No. D-8645, on account of certain inadvertent errors in the earlier compliance affidavit, wherein some reliefs and concessions were repeated. The said revised affidavit also disclosed the names of the persons to whom shares of the Corporate Debtor shall be allotted and affirmed their eligibility under Section 29A of the Insolvency and Bankruptcy Code, 2016. The revised affidavit was taken on record by ignoring the earlier affidavit.

7. Affidavit in compliance of order dated 10.11.2025 has been filed on 17.12.2025 vide Inward No. D 8652, by the

Respondent/Liquidator. The same is taken on record.

8. Affidavit in compliance of order dated 19.12.2025, has been filed by the Respondent/Liquidator on 13.01.2026 vide Inward No. D 315 qua the report on the concise relief and concessions affidavit filed by the Applicant/Auction Purchaser.

9. Vide an order dated 16.01.2026, another affidavit was filed by the Respondent/Liquidator on 24.02.2026 vide Inward Diary No. D1743 qua the verification of the relief and concession which is taken on record.

10. Vide order dated 19.08.2025, the Applicant/Auction Purchaser undertook that there was no need to file a rejoinder; accordingly, the right to file rejoinder was closed.

11. We have heard the learned counsels for the parties, perused the material of record, and considered the legal position under the IBC, 2016, the Liquidation Regulations, and the cited judicial precedents.

12. **<u>The observations of this Tribunal are as under</u>**: -

12.1 The present Interlocutory Application being IA/741(AHM)2025 has been filed by the Applicant –

M/s Mahaveer Exim, the Successful Auction Purchaser, under Section 60(5)(c) of the Insolvency and Bankruptcy Code, 2016 read with Regulation 32(e) and 32A of the IBBI (Liquidation Process) Regulations, 2016, seeking various reliefs, concessions and directions consequent upon purchase of the Corporate Debtor as a going concern.

12.2 The Corporate Debtor, M/s Avantha Power & Infrastructure Limited, was admitted into Corporate Insolvency Resolution Process by this Tribunal vide order dated 16.08.2021 in CP (IB) 141/AHM/2019. Upon failure of CIRP, liquidation was ordered vide order dated 14.06.2024 and the Respondent herein was appointed as the Liquidator.

12.3 It is an undisputed position on record that pursuant to commencement of liquidation, the Liquidator issued a sale notice dated 22.08.2024 for sale of the Corporate Debtor as a going concern under Regulation 32(e) of the Liquidation Regulations.

12.4 The e-auction was conducted on 16.09.2024 in accordance with the E-Auction Process Information Document. The Applicant participated in the auction process and was declared as the Successful Bidder for a total consideration of ₹58,52,000/-.

12.5 The Liquidator issued a Sale Confirmation Letter dated 25.09.2024 confirming the Applicant as the Successful

Bidder. The Applicant deposited the entire sale consideration within the stipulated period, and upon receipt of full payment, the Liquidator issued a Sale Certificate dated 20.01.2025 in favor of the Applicant.

12.6 The Applicant has contended that the bid amount is substantially higher than the reserve price of ₹11,00,000/- fixed for the Corporate Debtor and that the sale has resulted in maximisation of value for stakeholders.

12.7 The Applicant has sought various reliefs including extinguishment of past liabilities, cancellation of existing share capital, issuance of fresh shares, reconstitution of the Board, removal of encumbrances, protection from proceedings, continuation of licenses, merger with Adani Tradeline Private Limited and dissolution without winding up.

13. Before we consider the prayer in the Application, we consider its necessary to briefly state the facts leading to the issue of sale certificate. These are given below:

13.1 E-Auction Notice and Process Memorandum (Tender Document) dated 22.08.2024 (Pages 60 to 91 of the Application) contains the following facts relevant to the Application:

(a) M/s Avantha Power and Infrastructure Limited as a going concern to be sold on "As is where is

basis", "As is what is basis", "Whatever there is basis" and "No recourse" basis.

(b) The Tender document was for carrying out E-Auction of the company for sale as a going concern comprising all assets (except PUFE Transactions which will be determined under sections 43,45,49 &66 of IBC) under the provisions of IBC, 2016 and the IBBI (Liquidation Process) Regulations, 2016.

(c) The Successful Bidder desiring any relief or concessions relating to " Sale of Corporate Debtor as a going concern" shall have to submit necessary application with Hon'ble NCLT at its own cost and risk and liquidator shall not be responsible if such relief or concessions are not granted by Hon'ble NCLT. Non-approval of any of such relief and concession by the Hon'ble NCLT /Other Statutory Authorities shall not affect the sale of Corporate Debtor as a going concern.

(d) Annexure A to the Tender Document contains details of available assets and include property, plant and equipment, investments, financial assets, other current assets, cash and cash equivalents, loan given and other current assets. All totaling to Rs 64549.91 lakhs. The latest available financial statement was for FY 2020-

2021 and same is not filed with MCA. However, no details nor records were available with the liquidator for any of the assets.

(e) The company had carried forward unabsorbed depreciation of Rs 7,02,527 for AY 2019-2020 and the return of income was not assessed by the Income Tax Department.

(f) 13.2 The Certificate of sale dated 22.01.2025 contains following details:

(g) The corporate debtor was sold as a going concern (except PUFE transactions).

4. Notwithstanding anything to the contrary to the provisions of the law for the time being in force, the Sale of the Corporate Debtor on a going concern basis under Regulation 32(c) of Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 is unconditional and subject to the terms and conditions of the Tender document dated 22.08.2024, sale confirmation letter dated 25.09.2024, the Code and the rules and regulations made thereunder and orders of quasi-judicial/ judicial authorities.

5. The Liquidator declare that all the Stakeholders being the Creditors/ Claimants of the Corporate Debtor shall abide by the decision of the Liquidator in terms of the distribution of sale consideration among the Stakeholders as per the

provisions of Section 53 of the IBC or any such provisions of the IBC during the said distribution.

6. The Purchaser shall get all the rights, title and interest over whole and every part of the Corporate Debtor except PUFE transactions including but not limited to its assets & contracts free from security interest, encumbrance, claim, counter claim or any demur. The consideration received from the Purchaser shall be distributed by the Liquidator in terms of the Section 53 of the Code and no liabilities of any creditor shall remain pending or alive qua the Purchaser/Corporate Debtor. Further, liabilities against all types of claims or dues which have not been filed by any Operational Creditors, Financial Creditors, Other Creditors, Employees, Workmen, Government, Local Authorities etc. shall stand extinguished against the Corporate Debtor in terms of the Provisions of the Code.

7. The sale of the Corporate Debtor has been undertaken by the Liquidator in exercise of the powers granted to the Liquidator under "The Insolvency and Bankruptcy Code, 2016 read with the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016" and by the National Company Law Tribunal, Ahmedabad Bench vide order dated 14.06.2024.

8. All documents, records, data, records of the Corporate Debtor, whatever available with the Liquidator immediately prior to the date of this Sale Certificate shall be handed over by the Liquidator to the Successful buyer. By virtue of this Sale Certificate, pledge of lenders on all investments of M/s Avantha Power & Infrastructure Ltd., in subsidiaries, associates, group entities, joint ventures, or any other firms, partnerships, or corporations, shall stand fully and irrevocably discharged, released, and extinguished without any further action and shall be made available to the successful buyer.

9. The Purchaser shall not be liable for any known or unknown, claimed or unclaimed, disclosed or undisclosed, seen or unforeseen tax liabilities or other liabilities/obligations /government dues/ local authority dues/claims under any statute in force in relation to any period prior this Sale Certificate including but not limited to any past tax litigations/statutory dues such as income tax, TDS, TCS, GST, Custom Duty & Octroi Tax, Local Taxes, Entry Tax, Sales Tax, CST, VAT, Service Tax, Excise Duty, Property Tax, Cess, Penalty, DGFT dues etc. which relate to the period prior to this Sale Certificate. All such liabilities of the Corporate Debtor which relate to the period prior to 25.09.2024 shall be extinguished pursuant to the decision of Hon'ble Supreme Court in the case of "Ghanshyam Mishra" (Civil Appeal No. 8129 of 2019) and subject to provisions of the Code.

10. The Liquidator declares that once the sale proceeds are distributed among the Stakeholders in accordance with Section 53 of the Code, the Successful buyer shall neither bear nor be held responsible for any liability towards outstanding claims of Stakeholders against the Corporate Debtor, as affirmed in the case of "Ghanshyam Mishra" (Civil Appeal No. 8129 of 2019). This would ensure that the Corporate Debtor, sold as a 'going concern' in Liquidation Proceedings without dissolution, is relieved of any past or remaining unpaid liabilities prior to and after the sale, as per Regulation 32(e) of the Liquidation Process Regulations, 2016.

11. This Sale Certificate issued is pursuant to the Tender Document dated 22.08.2024 duly executed and received from you as well as the provisions of the law for the time being in force.

14. This Tribunal had, vide orders dated 07.07.2025 and 10.11.2025, directed the Liquidator to verify the eligibility under Section 29A and to file compliance affidavits. The

Liquidator has filed reply dated 14.08.2025 and subsequent compliance affidavits verifying the eligibility of the Applicant and proposed directors under Section 29A of the Code. The Liquidator, based on the Certificate from professional firm, (Chandabhoy & Jassoobhoy CAs) opined that Mr. Sumit Rajnikant Mehta and Mrs. Sonal Sumit Mehta are eligible to be appointed as proposed directors of the Corporate Debtor and they are not in violation of Section 29A of the IBC, 2016. M/s Mahaveer Exim has also filed 29A certificate. There were 10 financial creditors in the SCC.

15. M/s Mahaveer Exim, the successful auction purchaser, filed an affidavit on 18.09.2025 in compliance of order dated 07.07.2025. The Applicant filed reliefs and concessions in a concise form, and these are available on pages 1 to 7 of the Affidavit.

16. The Applicant filed another affidavit on 17.12.2025 (99 pages), in compliance of orders dated 7.7.2025 and 10.11.2025 passed by this Adjudicating Authority, containing among other things a copy of order passed by Hon'ble NCLT Hyderabad in the case of **Vedanta Limited v. Athena Chhattisgarh Power Limited IA (IBC)/1440/2022**

in CP (IB) No. 616/7/hdb/2018 approving merger in Relief and Concession Application and a copy of order passed I the case of Bijal Sanghavi v. Sumit Rajnikant Mehta [Company Appeal (AT) (Ins) 1475 of 2024 by the Hon'ble NCLAT where merger was allowed in the Resolution Plan. It was also submitted that the Applicant, its partners including Adani Tradeline Private Limited, and its directors are eligible under section 29A of the IB Code. It has been submitted that shares of the Corporate Debtor would be issued in favour of Adani Tradeline Private Limited and the Corporate Debtor shall become the wholly owned subsidiary of Adani Tradeline Private Limited and then the Corporate Debtor shall be merged with Adani Tradeline Private Limited. Affidavits of proposed shareholders of the Corporate Debtor certifying that the proposed shareholders are eligible under section 29A of the IBC, 2016 are attached. This Affidavit contains a concise note on relief and concessions prayed for (Pages 3 to 8 of the Affidavit).

17. The Liquidator filed an affidavit on 17.12.2025, in compliance of order of 10.11.2025 of this Adjudicating Authority. He has filed a copy of affidavit dated 15.12.2025

filed by the Applicant under section 29A of the Code. This Affidavit notes that M/s Adani Tradeline Private Limited, being the major partner of M/s Mahaveer Exim (99.98%), is the proposed shareholder of the Corporate Debtor and a 29A certificate for Adani Tradeline Private Limited is filed.

18. This Adjudicating Authority vide order of 19.12.2025 asked the Liquidator to submit a report on the concise relief and concessions mentioned in the revised affidavit of the auction purchaser. The Liquidator filed compliance affidavit on 12.01.2026. Vide order of 16.01.2026, the Liquidator was again directed to submit its response on the relief and concessions based on the practical requirement for the auction purchaser basis of the record available with the Corporate Debtor. The Liquidator filed the Compliance Affidavit on 23.02.2026.

19. The principal issue for consideration is **whether this Adjudicating Authority, in exercise of jurisdiction under Section 60(5)(c) of the Code, can grant the reliefs and concessions sought by the Successful Auction Purchaser** to operationalise the Corporate Debtor on a clean slate basis and to what extent such reliefs are legally permissible.

20. It is clarified that the jurisdiction of this Adjudicating Authority under Section 60(5)(c) of the Code is **residual and facilitative**, and does not extend to granting blanket statutory exemptions or overriding substantive provisions of other enactments, except to the limited extent expressly recognized under Sections 31, 32A and 238 of the Code, and judicial precedents extending clean-slate principles to going-concern sales under Regulation 32(e).

21. The legal position is no longer res integra that: sale of a Corporate Debtor as a going concern under liquidation is a recognized mode of revival, and such sale must necessarily ensure that the Corporate Debtor is not burdened with past liabilities, once distribution under Section 53 is completed.

22. The Hon'ble Supreme Court in ***Arun Kumar Jagatramka vs. Jindal Steel & Power Ltd. (2021 SCC OnLine SC 220)*** has categorically recognized sale of a Corporate Debtor as a going concern in liquidation as one of the **three statutory modes of revival** under the Code.

23. Further, the Hon'ble Supreme Court in ***Ghanshyam Mishra & Sons Pvt. Ltd. vs. Edelweiss Asset Reconstruction Co.***

Ltd. [6 2021 SCC OnLine SC 313] has laid down that once claims are dealt with in accordance with the Code, **all past claims stand extinguished**, and no creditor or authority can resurrect such claims against the Corporate Debtor or the successful acquirer.

24. The Hon'ble NCLAT, in multiple decisions including ***Shiv Shakti Inter Globe Exports Pvt. Ltd. vs. KTC Foods Pvt. Ltd. [Company Appeal (AT) (Insolvency) No.650 of 2020]*** and ***RMY Industries LLP vs. Apple Industries Pvt. Ltd. [Company Appeal (AT)(Insolvency) No.1114 of 2022],*** has held that: this Adjudicating Authority is empowered to grant appropriate reliefs in a going concern sale, and denial of essential reliefs would defeat the very object of value maximization and revival.

25. The Hon'ble NCLT, Hyderabad Bench in the case of ***Vedanta Limited v. Athena Chhattisgarh Power Limited (supra), vide order of 17.07.2023*** had granted the relief and concessions requested that included, " A direction be issued that (i) the Corporate Debtor be amalgamated with the Applicant, as a going concern by operation of law; (ii) the Corporate Debtor be dissolved without being wound-up; and

(iii) necessary accounting entries as mentioned in paragraph 7 be recorded in the books of the Applicant, in connection with the amalgamation of the Corporate Debtor with the Applicant.

26. This Tribunal does not exercise plenary jurisdiction over statutory authorities under special enactments, except to the limited extent recognized by the Insolvency and Bankruptcy Code and binding judicial precedents.

27. We have carefully considered the provisions of section 32A of the IBC, 2016 and the judgments of the Hon'ble Supreme Court in the cases of Ghanshyam Mishra & Sons (P) Ltd. V. Edelweiss Asset Reconstruction Co. Ltd., (2021) 9SCC 657 and Committee of Creditors of Essar Steel India Limited v. Satish Kumar Gupta, (2020) 8SCC 531; and Embassy Property Development Private Limited Vs. State of Karnataka & Ors. Civil Appeal No. 9170 of 2019.

28. The Applicant will be entitled to file appropriate application before various statutory authorities, regulatory authorities, government department, statutory bodies seeking various relief and concessions having acquired the corporate debtor

as a going concern. These Departments, who have not been noticed have their own Acts, Rules and Regulations which may require certain procedural compliances and such procedural compliances have to be granted by law only by that authority. NCLT is the adjudicating authority in respect of the IBC, 2016. The Applicant is entitled to utilize the asset as a going concern seeking necessary relief and concessions that are sector specific to be dealt by the department/authority concerned to keep the corporate debtor as a going concern. All authorities may keep in mind that unrealistic demands, process, liability claim, that will defeat the object of the Code should be avoided and refrain from raising such claims, demands, liability etc. which got extinguished after distribution of the amounts received under section 53 of the IBC, 2016. The department/authorities should deal with such relief and concessions, taking into consideration the clean slate principle enshrined in the IBC, 2016.

29. The Applicant shall be entitled to all such reliefs and concession/ waivers that are available/permissible to it under section 32A of the IBC and as per other applicable

provisions of the IBC, 2016. The Applicant shall comply with all statutory timelines and procedural requirements under the Insolvency and Bankruptcy Code, 2016, the Liquidation Regulations, and other applicable laws.

30. On a careful examination of the reliefs sought, this Tribunal finds that: reliefs relating to **extinguishment of past claims, liabilities, proceedings and encumbrances**, post distribution under Section 53, are legally permissible; reliefs relating to **change in shareholding, cancellation of old capital and issuance of fresh shares** are incidental and necessary to effectuate the going concern sale. These matters are already included in the Sale Certificate. The prayers seeking automatic tax exemptions, deemed compounding of violations, or blanket immunity under all laws **cannot be granted in such sweeping terms** and appropriate authorities should be approached as discussed above.

31. Therefore, the reliefs sought deserve to be **partly allowed** with necessary clarifications and limitations so as to balance revival of the Corporate Debtor with statutory discipline and jurisdictional boundaries.

32. In view of the aforesaid facts, circumstances and legal position, Interlocutory Application **is partly allowed** in the following terms: -

Sr. No.	**Relief and Concession sought**	**Remarks of this Adjudicating Authority**
1	This Hon'ble Adjudicating Authority may be pleased to issue directions to the effect that in lieu of the amount deposited by the applicant with the Liquidator, the following shall occur:	
	I. All the existing shares of the Corporate Debtor in dematerialized or physical form shall be cancelled without any further acts or deeds.	1 (I) is Granted. (Paragraph 5 of Certificate of Sale).
	II. A direction be issued to issue and allot 5,000 equity shares of the Corporate Debtor of the face value of Rs. 100/each aggregating	1(ii) The Corporate Debtor can issue shares as requested as the proposed shareholder is

	to Rs. 5,00,000/- (Rupees Five Lakhs Only) in favour of Adani Tradeline Private Limited being partner of the Applicant Firm, without any further acts, deeds or application and without following any other separate procedure prescribed under the provisions of the Companies Act, 2013.	stated to have complied with the requirements of Section 29A of the IBC, 2016. Subject to compliance with applicable provisions of the Companies Act, 2013 and filing of necessary forms with the Registrar of Companies
2	A direction be issued that from the date of passing of this order, the status of Corporate Debtor shall be reflected as "Active" from the status of "liquidation" in the records of Registrar of Companies.	Granted. (refer to paragraph 12 of Certificate of Sale).
3	A direction be issued to Registrar of Companies that from the date of passing of this order, Corporate Debtor i.e. Avantha Power &	Granted and request be made to the Registrar of Companies.

	Infrastructure Ltd may be assigned a new Corporate Identification Number (CIN).	
4.	A direction be issued that the existing members as appearing on the Board of Directors of the Corporate Debtor and its subsidiary companies stand removed without any amount payable to them and a further direction be issued that the BOD of Adani Tradeline Private Limited may appoint new Directors to the BOD of Corporate Debtor and its Subsidiary Companies.	Granted, including appointment of new Directors (Mr. Sumit Rajnikant Mehta and Mrs. Sonal Sumit Mehta) as proposed, subject to compliance with Section 164 of Companies Act, 2013, as their eligibility under Section 29A IBC has been verified and certified by the Liquidator.
5.	A direction be issued that all liabilities or obligations including but not limited to any Government Authority viz. income tax, excise duty, VAT, Central Sales Tax, Property Tax, etc. whether crystalised or	Granted (refer paragraphs 5, 6, 9 and 10 of the Certificate of Sale) in case of the Corporate Debtor.

	not crystalised in relation to the period prior to the Acquisition Date in relation to the Corporate Debtor and its subsidiary companies shall stand settled in terms of Sec.53 of the IB Code and whatever is not settled shall stand permanently extinguished relying upon judgment of the Hon'ble Supreme Court in the case of Ghanshyam Mishra and Sons vs. Edelweiss Asset Reconstruction Company Limited, reported at 2021 (9) SCC 657.	
6.	A direction be issued that no tangible/ intangible/corporeal or financial assets including brought forward losses under the Income Tax, TDS Claims; GST Input Tax Credit; export benefits; shall be lapsed, diminished or waived for delay in filing of any return wrongly on lately for the period prior to allowing of the present	Approach the authorities (refer paragraph 28 of this order).

	application.	
7.	A declaration be made that all pending legal proceedings whether civil or criminal pending including ED/PMLA if any) against the Corporate Debtor and its subsidiary companies pending before the Acquisition Date shall stand permanently closed.	Granted in terms of section 32A of the IBC, 2016 for the Corporate Debtor. The immunity under Section 32A shall apply only to the Corporate Debtor and shall not extend to the erstwhile promoters or persons responsible for such offences
8.	A direction be issued that all consents, licenses, approvals, rights, entitlements, benefits and privileges granted in favour of the Corporate Debtor or to which the Corporate Debtor is entitled or accustomed shall be deemed to continue without disruption for the benefit of the Corporate Debtor.	Approach relevant authorities and refer to paragraph 28 of this order.

9	A direction be issued that the claims of the Employees whether admitted or not, due or contingent, asserted or unasserted, crystallised or uncrystallised, known or unknown, disputed or undisputed, present or future, shall stand settled and to the extent of the remaining dues, shall stand permanently extinguished and no proceedings on the basis of any such claims or dues shall be carried out or survive or continue against the Corporate Debtor and its subsidiary companies.	Granted (refer to paragraphs 5,6, 10 of the Certificate of Sale).
10	A declaration be given that all the agreements entered into by the Corporate Debtor with the promoters shall stand terminated.	Granted
11	A declaration be given that all encumbrances over the assets of the Corporate Debtor shall stand satisfied and MCA/ROC	Granted (see Paragraphs 5 and 8 of the Certificate of Sale and

	and any other relevant authority to record the satisfaction of all charges, in accordance with the orders passed by this Hon'ble Adjudicating Authority without waiting for any corresponding satisfaction letters from the respective lenders and the final order passed by this Hon'ble Adjudicating Authority shall be a Sufficient proof for satisfaction of charges in the records of MCA, ROC or any other statutory or regulatory authorities.	paragraph 28 of this Order).
12	A declaration be given that neither the applicant firm nor any of its partners are liable for any liability of the Corporate Debtor and its subsidiary companies before the Acquisition Date.	Granted in respect of the Corporate Debtor.
13.	A direction be issued that all the creditors in accordance with the orders passed by this Hon'ble Adjudicating Authority	Granted (refer to paragraph 8 of the Certificate of Sale).

	shall release all the original title deeds, share certificates, pledge of shares documents and papers held by them in respect of the Corporate Debtor and its subsidiary companies.	
14.	A direction be given that the Corporate Debtor shall be deemed to have been granted absolute permission to hold the investments in the Corporate Debtor and its subsidiaries.	Granted (refer to paragraph 6 of the Certificate of Sale).
15.	A direction be issued that the Corporate Debtor shall draw its financial statements in subsequent year(s) so as to reflect the true and fair value of its assets and any consequential loss arising from sale/write off for existing investments/loans in group companies shall be available to new management of the Corporate Debtor as capital losses as per provisions of the Income Tax Act, 1961.	Approach authorities as noted in paragraph 28 of this Order.
16	A direction be issued that all	Granted in case of

	kinds of charges/lien on all the assets of the Corporate Debtor and its subsidiary companies shall be removed.	Corporate Debtor (refer to paragraph 8 of the Certificate of Sale).
17	A direction be issued that all inquiries, investigations, assessments, notices, legal proceedings against the Corporate Debtor and its subsidiary companies pending prior to the Acquisition Date shall stand permanently closed.	Granted (refer to paragraph 9 of the Certificate of Sale) in respect of the Corporate Debtor.
18	A direction be issued that the registered office of the Corporate Debtor be changed to "712, Addor Aspire, Nr. Jhanvee Restaurant, University Road, Panjrapole, Ahmedabad 380015" without following any further process or any further compliance of any law for the time being in force. -	Refer to paragraph 28 of this order.
19	Adani Tradeline Private Limited is a partner in the applicant firm who is Successful Auction	Not granted; merger requires separate

	Purchaser. The applicant proposes the merger of the Corporate Debtor with Adani Tradeline Private Limited without following any separate procedure/ compliance u/s. 230-232 of the Act. It is to state that as stated in the Application, the Hon'ble Supreme Court in the case of Arun Kumar Jagatramka v. Jindal Steel and Power Limited, reported at 2021 SCC Online SC 220 has held that there are three modes of revival of Corporate Debtor under the provisions of IB Code, viz. i. CIRP under Chapter-II; ii. Sale of Corporate Debtor as a going concern in liquidation r/w. Regulation 32(e) & (f); and A Scheme of Compromise	compliance under Sections 230-232 Companies Act, 2013, unless explicitly part of sale terms. Analogy to resolution plans noted but not extended automatically per facts.

	or arrangement under Sec. 230 of the Companies Act following upon and benefits which a Successful Resolution Applicant gets under Section 31 of IB Code would also be available in case of sale of Corporate Debtor in liquidation as a going concern to the Successful Auction Purchaser. The definition of "resolution plan" as contained in Sec.5(26) of the IB Code also provides that a resolution plan may include provisions for restructuring of Corporate Debtor including by way of merger, amalgamation and demerger. Therefore, applying the same analogy to the sale of Corporate Debtor as a going concern, the applicant prays this Hon'ble Adjudicating	

	Authority to issue directions to the effect that the Corporate Debtor be merged with Adani Tradeline Private Limited as a going concern by operation of law. Further, this Hon'ble Adjudicating Authority may be pleased to declare that the Corporate Debtor shall be dissolved without winding up. I beg to annex copy of judgment of Hon'ble NCLT, Hyderabad Bench in the case of Vedanta Limited v Athena Chattisgarh Power Limited, whereby similar relief was granted by the Hon'ble NCLT, Hyderabad Bench at Annexure-S2. I also beg to annex copy of the judgment passed by Hon'ble	

	NCLAT in the case of Bijal Sanghvi v. Sumit Rajnikant Mehta delivered in Company Appeal (AT) (Ins) 1475 of 2024 at Annexure-S3 whereby the Hon'ble NCLAT in the context of CIRP proceedings held that when a resolution plan contains a stipulation of restructuring of the Corporate Debtor by way of merger, the same has to be allowed by the Hon'ble NCLT.	

Note: The above directions shall apply only to the Corporate Debtor and not to subsidiary companies.

33. The prayer for relief and concessions includes these benefits for subsidiaries companies. However, the liquidator has filed a copy of the last audited balance sheet of the Corporate Debtor for the financial year 2020-2021 (pages 63 to 89) on 14.08.2025. This balance sheet shows that the Corporate Debtor has investments in subsidiaries companies namely TKS Developers Limited, Jhabua Power Investment Limited, and Malanpur Captive Power Limited. The liquidator in his

comments also referred to investments in three subsidiaries and one associated company. The Certificate of Sale or the Tender document does not refer to the subsidiaries and the cases of subsidiaries are not in the CIRP/Liquidation proceedings and therefore **no relief and concessions** related to subsidiaries can be considered.

34. Accordingly, **IA/741(AHM)2025 partly allowed** and **disposed of** as per the reliefs and concessions granted above.

35. A certified copy of this order may be issued, if applied for, upon compliance with all requisite formalities. No order as to costs.

-Sd-

SANJEEV SHARMA
MEMBER (TECHNICAL)

-Sd-

SHAMMI KHAN
MEMBER (JUDICIAL)

Aditi/LRA