



\* IN THE HIGH COURT OF DELHI AT NEW DELHI  
% *Judgment Reserved on: 13.03.2026*  
*Judgment pronounced on: 17.03.2026*

+ **CRL.A. 1596/2025, CRL.M.A. 34399/2025**

M/S JAS INFRASTRUCTURE AND POWER LTD .....Appellant

Through: Mr. Shambo Nandy, Advocate.

versus

CENTRAL BUREAU OF INVESTIGATION .....Respondent

Through: Mr. R.S. Cheema, Sr. Adv. with Ms.  
Tarannum Cheema, Mr. Akshay N.,  
and Mr. Akash Singh, Advocates.

**CORAM:**  
**HON'BLE MS. JUSTICE CHANDRASEKHARAN SUDHA**

**JUDGMENT**

**CHANDRASEKHARAN SUDHA, J.**

**CRL.M.(BAIL) 2312/2025 in CRL.A. 1596/2025**

1. This application under Section 430 of the Bhartiya Nagrik Suraksha Sanhita, 2023 (the BNSS), read with Section 528 BNSS, 2023, has been filed on behalf of accused number 1 (A1) in C.C. No. CBI/297/2019 titled “*CBI Vs. JAS Infrastructure Capital Pvt. Ltd. &Ors.*” on the file of Special Judge(CBI), Rouse Avenue, New Delhi, Special Judge, (PC Act) (CBI)(Coal Block Cases) –



02, seeking suspension of sentence during the pendency of the appeal. The appellant has been found guilty of the offences punishable under Sections 420 and 120B IPC of the Indian Penal Code, 1860, (the IPC). *Vide* the order on sentence dated 08.07.2025, A1 has been sentenced to pay a fine of ₹50,00,000/- (Fifty Lakhs) each for the offences punishable under Section 120B read with Section 420 IPC and Section 420 IPC.

2. The learned counsel appearing for the appellant/A1 at the outset submitted that the sentence of A2, who was also convicted under the aforementioned sections has been suspended by a Coordinate Bench of this Court. He submitted that once any Company goes into insolvency and/or liquidation, no past criminal liability can be attributed to the said Company and that the sentence of fine imposed herein shall be suspended. He further submitted that the sentence imposed was in the year 2025, however, the company is under insolvency since the year 2019 and thereafter, in liquidation since the year 2020. He submitted that as



per Section 32A of the Insolvency and Bankruptcy Code, 2016 (the IBC), any liability of the Company for the offence committed prior to the commencement of insolvency and/or liquidation proceedings shall cease. He further submitted that as per Section 33(5) of the IBC, once the liquidation order is passed, any legal proceeding against the Company shall not survive and as per Section 14 IBC, there shall be a moratorium period upon the proceedings against the corporate debtor/Company. The learned counsel submitted that it is essential that the sentence be suspended for the continuation of liquidation proceedings so as to encourage buyers for acquiring the assets of the Company. He further submitted that there is a bar against the action on the property, of the Company as well as the person who acquires the said property, under the Corporate Insolvency Resolution Process (CIRP). In support of his arguments, the learned counsel has placed reliance upon the dictums in **Manish Kumar v Union of India** (2021) 5 SCC 1, **P Mohanraj &Ors. v Shah Brothers IspatPvt. Ltd.**



(2021) 6 SCC 258 and **Directorate of Enforcement v Manoj Kumar Agarwal & Ors.** (2021) SCC OnLine NCLAT 121.

3. *Per Contra*, learned Senior Counsel appearing on behalf of the respondent, has vehemently opposed the present application. He submitted that the matter pertains to the Coal Block Allocation cases and the chargesheet in the present matter was filed way back in the year 2014, which was before the insolvency proceedings of A1 had been initiated. He submitted that as per the provisions of IBC, if after the insolvency proceedings the Company is taken over by a new management which is not connected with the previous management, the Company will be protected and also discharged of its liability. He submitted that in the case at hand, admittedly the CIRP plan was not approved and there is no take over by any new management, therefore A1 ought not to be protected. He further submitted that A1 is not covered under Section 32A IBC and a reading of paras 34 to 36 of the impugned judgement substantiate the same.



4. Heard both sides.

5. As per Section 32A, the liability of a corporate debtor for an offence committed under any law prior to the commencement of CIRP shall cease and the corporate debtor will not be prosecuted for such an offence from the date, the resolution plan is approved by the adjudicating authority. However, reading of the proviso makes it clear that there are conditions attached to this benign provision i.e. exemption under Section 32A can be availed only if the resolution plan results in the change in the management or control of the corporate debtor to a person who was not: (i) a promoter, or in the management or control of the corporate debtor or a related party of such person; or (ii) a person who abetted or conspired for the commission of the offence according to the relevant investigating authority, and where the investigating authority has submitted a report or filed a complaint to the relevant statutory authority or Court. Section 32A also provides that if the prosecution has been initiated during the CIRP,



corporate debtor shall stand discharged from the date of approval of the resolution plan.

6. Coming to the case at hand, it is admitted that the resolution plan was not approved by the adjudicating authority. It must be remembered that the immunity is premised on various conditions being fulfilled, the foremost being, there must be a resolution plan and it must be approved. Moreover, the aforementioned provision aims at the extinguishment of the liability of the corporate debtor to provide a clean slate to the ‘new management’ and not for the wrongdoers to get away with the liability. (See **Manish Kumar** (*Supra*)).

7. Section 32A IBC has no direct bearing on Section 14 IBC, which provides for a mandatory moratorium period to the corporate debtor from the insolvency commencement date. Section 32A deals with extinguishment of liability of the corporate debtor, from the date the resolution plan has been approved by the Adjudicating Authority, so that the new management may make a



clean break with the past and start on a clean slate. A moratorium provision, on the other hand, does not extinguish any liability, civil or criminal, but only casts a shadow on proceedings already initiated and on proceedings to be initiated, which shadow is lifted when the moratorium period comes to an end. During the moratorium period, institution of new suits or continuation of the pending suits, against the corporate debtor, are temporarily suspended until the completion of the CIRP. It is also to be noted that the present proceedings were instituted much prior in time from the date of insolvency.

8. The appellant does not meet out the necessary conditions as envisaged under Section 32A IBC. This aspect coupled with the gravity of the offence committed, this Court is not inclined to suspend the sentence of the appellant/A1.

9. The application is dismissed.



2026:DHC:2192



**CRL.A. 1596/2025**

10. List on 15.10.2026.

**CHANDRASEKHARAN SUDHA  
(Judge)**

**MARCH 17, 2026**