**IN THE NATIONAL COMPANY LAW TRIBUNAL**
**AHMEDABAD**
**COURT – 2**

ITEM No.302

**IA/1485(AHM)2025 in CP(IB) 120 of 2017**

**Proceedings under Section 60(5) of IBC,2016**

**IN THE MATTER OF:**

Mr.Rajendra Dallaram Choudhary **.....Applicant**
V/s
Kiran Shah Liquidator for M/s.ORG Informatics Limited **.....Respondent**

**Order delivered on: 17/11/2026**

**Coram:**

**Mrs. Chitra Hankare, Hon'ble Member(J)**
**Dr. Velamur G Venkata Chalapathy, Hon'ble Member(T)**

This case is fixed for pronouncement of order

The order is pronounced in open court vide separate sheet

SD/-

**DR. V. G. VENKATA CHALAPATHY**
**MEMBER (TECHNICAL)**

SD/-

**CHITRA HANKARE**
**MEMBER (JUDICIAL)**

**IN THE NATIONAL COMPANY LAW TRIBUNAL**
**AHMEDABAD (COURT - II)**

**IA No. 1485 of 2025**
**IN**
**CP (IB) No. 120 of 2017**

*[Application u/s. 60(5) of the Insolvency & Bankruptcy Code, 2016 r/w. Rule 11 of National Company Law Tribunal Rules, 2016]*

**Mr. Rajendra Dallaram Choudhary**
Having address at L-4-7-107,
Sastrinagar, Opposite Sarkari Vasahat,
Naranpura Ahmedabad, Gujarat, India- 380013

...Applicant

**Versus**

**CA Kiran Shah**
Liquidator of ORG Informatics Ltd
Having address at 608, Sakar 1,
Near Gandhigram Railway Station Ashram Road,
Ahmedabad- 380009 ...Respondent

**In the matter of**

TVS Interconnect Systems Pvt. Ltd ....Petitioner

Versus

ORG Informatics Ltd ....Respondent

**Order pronounced on 17.11.2026**

**Coram:**

**MRS. CHITRA HANKARE**
**HON'BLE MEMBER (JUDICIAL)**

**MR. VELAMUR G VENKATA CHALAPATHY**
**HON'BLE MEMBER (TECHNICAL)**

**Appearance:**

| | | |
|---|---|---|
| For the Applicant | : | Mr. Dheeraj Garg, Adv. and Mr. Harshvardhan Nasra, Adv. |
| For Liquidator | : | Mr. Monaal J. Davawala, Adv. |
| For Income Tax Dept | : | Mr. Aman A. Mir, Adv. |

**JUDGEMENT**

1. The present application is filed under Section 60(5) of Insolvency and Bankruptcy Code, 2016 seeking reliefs and concessions in respect of acquisition of the corporate debtor i.e. ORG Informatics Ltd as a going concern.

2. The Applicant submitted that TVS Interconnect Systems Pvt. had initiated CIRP against the Corporate Debtor by filing a petition under Section 9 of the Code being CP(IB) No. 120 of 2017 which was admitted vide order dated 27.11.2018. It is submitted liquidation of the Corporate Debtor was ordered on 20.11.2019 under Section 33 of the Code and appointed Mr. Kiran Shah as liquidator.

3. Pursuant to the public notice dated 22.10.2024 issued by the liquidator for sale of the Non-Readily Realisable Assets (NRRA), he participated in the process, deposited the requisite security deposit of Rs.1,00,000/- and EMD of Rs.3,10,000/-, and was

declared the successful bidder vide Letter of Intent dated 21.12.2024. Thereafter, pursuant to the auction notice dated 18.05.2025 for sale of the Corporate Debtor as a going concern under Regulation 32(e) of the IBBI (Liquidation Process) Regulations, 2016, the Applicant participated in the e-auction held on 07.06.2025 and emerged as the highest bidder for Rs. 1,65,70,000/-. A Letter of Intent dated 23.06.2025 was accordingly issued in his favour under the Swiss Challenge mechanism. The Applicant submitted that he paid the entire sale consideration, and vide confirmation dated 25.09.2025, the Liquidator confirmed the sale as a going concern, recording receipt of Rs. 75,500/- towards interest on delayed payment. The confirmation also records payments of Rs. 53,00,000/- and Rs.26,50,000/- made on the Applicant's behalf by Mr. Kunjan Narendrakumar Vora and M/s. Confiance Property Solutions Private Limited, respectively, along with undertakings against future claims. It is submitted that the Liquidator further agreed to treat the NRRA as part of the Corporate Debtor acquired by the Applicant, pursuant to his communication dated 24.09.2025.

4. The Applicant further submitted that the acquisition of a Corporate Debtor as a going concern under Regulation 32(e) of the Liquidation Regulations is one of the modes contemplated under the Code for revival of a Corporate Debtor. However, mere acquisition of the Corporate Debtor as a going concern would not achieve the object of revival and value maximisation in the absence of appropriate reliefs, concessions, exemptions and relaxations. Therefore, such reliefs are necessary to facilitate continuity of business operations and enable the new management to revive the Corporate Debtor.

5. The respondent liquidator in his reply submitted that he had conducted the sale of the Corporate Debtor as a going concern in favour of the Applicant. It is stated that the Applicant's offer under the Swiss Challenge mechanism, the terms of the auction process and the sale in favour of the Applicant were approved by the Stakeholders' Consultation Committee in its 11th, 12th and 13th meetings held on 10.02.2025, 29.03.2025 and 13.06.2025, respectively.

6. It is further submitted that, upon the applicant matching the highest bid, the Letter of Intent dated 23.06.2025 was issued

in his favour and upon receipt of the entire sale consideration along with applicable interest, the Liquidator issued the confirmation of sale dated 25.09.2025. The Liquidator submits that the sale was conducted in accordance with Section 35(1)(f) of the Code read with Regulations 31A(1)(b), 32(e) and 33(1) of the Liquidation Process Regulations, 2016, and the applicable IBBI guidelines.

7. The Income Tax Department has submitted its response to the reliefs and concessions sought by the Applicant, particularly those under paragraph 20.14 of the application. It is submitted that there is no provision under the Income-tax Act, 1961 empowering the Assessing Officer to pass a blanket order extinguishing income-tax or Minimum Alternate Tax (MAT) liabilities or any other liability arising under the said Act. As per the liquidation order dated 20.11.2019, the moratorium under Section 14 of the Code ceased to have effect from the date of the liquidation order.

8. With regard to the Applicant's claim for carry-forward and set-off of losses, the Department refers to Section 79(2)(c) of the Income-tax Act, 1961. It submitted that the said provision

provides an exception to the restriction on carry-forward and set-off of losses where a change in shareholding takes place pursuant to a Resolution Plan approved under the Code. In the present case, no Resolution Plan has been approved by this Tribunal and the CIRP was withheld, whereas the Corporate Debtor underwent liquidation pursuant to the order dated 20.11.2019. Accordingly, the benefit of Section 79(2)(c) is not available and the claim for carry-forward and set-off of losses cannot be allowed. It is further submitted that the liquidation order dated 20.11.2019 contains no express or deemed direction granting waiver of any outstanding income-tax demand, including relief under Section 79 of the Income-tax Act. Therefore, granting a blanket waiver would be inconsistent with the provisions of the Income-tax Act as well as the directions contained in the liquidation order. It is submitted that being an operational creditor, the department retains the right to continue proceedings pending under the Income-tax Act, including recovery proceedings, and that the Applicant cannot, at this stage, be granted a blanket waiver of liabilities under the said Act.

9. The applicant has relied upon following judgments:

i. Hon'ble Supreme Court in *Arun Kumar Jagatramka v. Jindal Steel & Power Limited*, 2021 SCC OnLine SC 220

ii. *Divine Vidyut Limited*, IA (IB) No. 537/KB/2022

iii. *Gaurav Jain v. Sanjay Gupta, Liquidator of Topworth Pipes and Tubes Private Limited*, IA 2264 of 2020

iv. *Jhanvi Dixit v. Hitech Services*, IA 741 of 2021

v. *Profit Plus Infra Private Limited v. Pradeep Kumar Kabra, Liquidator of Pacific Pipe Systems Private Limited*, IA 411 of 2021

vi. *Nirav Shah v. Pradeep Kumar Kabra, Liquidator of Proeyetech Electrotekniks Private Limited*, IA 369 of 2021

vii. *Mr. Shiv Charan & Ors. v. Adjudicating Authority & Ors.*, in Writ Petition (L) No. 9943 of 2023

viii. *Ghanshyam Mishra & Sons Pvt. Ltd. v. Edelweiss Asset Reconstruction Company Ltd.*

10. Heard the parties and perused the documents placed on record and judgments cited.

11. <u>Observations & Findings:</u>

a. The applicant has sought reliefs and concessions for having purchased the entity as a going concern.

b. The Income tax department has raised various objections in granting the reliefs and concessions which if granted is

restricted to an entity under a resolution plan.

c. The CD was liquidated vide orders dated 20.11.2019. The liquidator has within his rights sold the assets of the CD as a going concern/sale of assets on independent basis.

d. The IBBI has already placed a discussion paper and subsequently amended the provision directing liquidators to prefer slump sale than sale as going concern(approach paper as on 4 Feb 2025) for the purpose of availing reliefs and concessions. Further this CD has been liquidated over 6 years before this application was filed and there is no benefit or value arrived at in favour of creditors on such sale and cannot be equated to a revival under resolution plan. Further this approval may also restrict the interest of the operational creditors who have particularly in the case of Income tax department opposed granting any reliefs and concessions. Further the liquidator had not sought any approval of this authority In view of the above, we do not consider granting any blanket relief to the applicant other than those applicable under sale on slump basis, duly allowing any operational creditor to proceed against the

suspended management other than on the assets sold, if the claim has been submitted during the liquidation period and allowed by the Liquidator and considered in distribution of assets. This sale is deemed to be considered as a slump sale and no concession deserves to be granted in favour of applicant. There are no appropriate valuations done if the asset carries such good will for granting concessions, and the liquidator has not sought the approval of the adjudicating authority to conduct such sale as going concern particularly 6 years after the order for liquidation.

e. We rely on the judgment of Alap Pradeepkumar Gadhvi Vs. Ashish A. Shah, Liquidator of Balaji Fiber Reinforce Pvt. Ltd. – NCLT Ahmedabad Bench

12. In view of the above, we pass the following order:

**ORDER**

IA No. 1485 of 2025 is rejected and disposed of.

SD/-
**DR.V. G. VENKATA CHALAPATHY**
**MEMBER (TECHNICAL)**

SD/-
**CHITRA HANKARE**
**MEMBER (JUDICIAL)**

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