NATIONAL COMPANY LAW TRIBUNAL
INDORE BENCH
COURT NO. 1

ITEM No.201

IA/85(MP)2026
in
CP(IB)/53(MP)2023

Order under Section 60(5) r.w. Rule 11

IN THE MATTER OF:

AAA Insolvency Professionals LLP Liquidator of Chinar Realty Pvt Ltd **.....Applicant**

Coram:

Hon'ble Shri Brajendra Mani Tripathi, Member (J)
Hon'ble Shri Man Mohan Gupta Member (T)

PRONOUNCMENT OF ORDER

Delivered on 30/04/2026

The case is fixed for pronouncement of the order.

The order is pronounced in open Court *vide* separate sheet.

SD/- **SD/-**

MAN MOHAN GUPTA
MEMBER (TECHNICAL)

BRAJENDRA MANI TRIPATHI
MEMBER (JUDICIAL)

Chandni - LRA

IN THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL

INDORE BENCH

IA (I.B.C)/85(MP)2026
IN
CP (IB) No. 53 of 2023

[This is an application on behalf of the liquidator under section 60(5) of the Insolvency and Bankruptcy code, 2016 and read with rule 11 of the NCLT Rules, 2016]

IN THE MATTER OF:

M/S AAA Insolvency Professionals LLP
Through Authorised Partner CA Anil Goel
Reg. No.:
IBBI/IPE-0002/IPA-1/2022-23/50001
First Floor, #64, Okhla Estate, Phase III,
(Near Modi Mills), New Delhi 110020
E-mail Id: .... Liquidator/
Liquidation.Chinarrealty@Gmail.Com Applicant

IN THE MAIN MATTER OF:

Omkara Assets Reconstruction Pvt. Ltd. ....Financial Creditor

Versus

Chinar Realty Private Limited ....Corporate Debtor

CORAM:

BRAJENDRA MANI TRIPATHI, HON'BLE MEMBER (J),

MAN MOHAN GUPTA, HON'BLE MEMBER (T)

APPEARANCE

For Applicant/Liquidator: Mr. Utsav Mukherjee, Advocate, Neo Legal Partners, B-404, LGF, CR Park, New Delhi – 110019

ORDER

DELIVERED ON 30.04.2026

1. BACKGROUND AND NATURE OF THE APPLICATION

1.1 The present application is being filed by the Liquidator (hereinafter referred to as "Applicant") of Chinar Realty Private Limited (hereinafter referred to as "Corporate Debtor") in CP (IB) No. 53 of 2023 seeking leave of this Hon'ble Adjudicating Authority to pursue a Scheme of Compromise and Arrangement of the Corporate Debtor under Section 230 of the Companies Act, being filed under Section 60 (5) of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as "the Code") read with Regulation 2B of the IBBI (Liquidation Process) Regulations, 2016 (hereinafter referred to as "Liquidation Regulation") in the best interest of the Corporate Debtor, pursuance of the decision of the Stakeholders' Committee and evinced interest by Scheme Proposer regarding the same.

1.2 The Applicant has prayed for the following reliefs:

a) *Grant of leave to pursue a Scheme of Compromise and Arrangement of the Corporate Debtor under Section 230 of the Companies Act, 2013 read with Regulation 2B of the IBBI (Liquidation Process) Regulations, 2016 ("Liquidation Regulations");*

b) *Grant of leave to publish an Expression of Interest ("EOI") and invite compromise/arrangement schemes from the public at large and all eligible persons/entities, and to place all such proposals received before the Stakeholders' Consultation Committee ("SCC") for consideration and further recommendation/approval; and*

c) *Pass such further and other orders and directions as the nature and circumstances of the case may require and as this Hon'ble Tribunal may deem fit and proper.*

2. RELEVANT FACTS AND BACKGROUND:

2.1 The Corporate Insolvency Resolution Process ("**CIRP**") of the Corporate Debtor, Chinar Realty Private Limited, was commenced by this Adjudicating Authority vide order dated **02.05.2024**.

2.2 The 6th Committee of Creditors ("**CoC**") meeting was held on **23.12.2024**, wherein the members of the CoC **unanimously voted** for liquidation of the Corporate Debtor and proposed AAA Insolvency Professional LLP as the Liquidator. It is pertinent to note that while recommending liquidation, the CoC had additionally

expressed its wish that the Liquidator first explore **sale of the Corporate Debtor as a going concern**, as was permissible under Regulation 39C of the CIRP Regulations at that time. However, the CoC **did not** make any specific recommendation under **Regulation 39BA** of the CIRP Regulations for exploring a scheme of compromise or arrangement under Section 230 of the Companies Act, 2013.

2.3 This Adjudicating Authority passed an order for liquidation of the Corporate Debtor on **11.06.2025** and appointed Mr. Mohd. Raees Sheikh as the Liquidator. Aggrieved by the said appointment, a Financial Creditor filed Company Appeal (AT)(Ins) No. 914 of 2025 before the Hon'ble National Company Law Appellate Tribunal ("**NCLAT**").

2.4 The Hon'ble NCLAT, vide order dated **01.12.2025**, allowed the said Company Appeal (AT)(Ins) No. 914 of 2025 and set aside the direction to appoint Mr. Mohd. Raees Sheikh as the Liquidator.

2.5 Consequentially, this Adjudicating Authority, vide order dated **15.12.2025** (communicated on **19.12.2025**), appointed the Applicant — AAA Insolvency Professional LLP — as the Liquidator of the Corporate Debtor. The Liquidator's appointment thus became **effective from 19.12.2025**.

2.6 On **16.01.2026**, the Applicant received a Letter of Intent ("**LOI**") from a group of landowners who had entered into

a Joint Development Agreement ("**JDA**") with the Corporate Debtor, proposing to submit a Scheme of Compromise and Arrangement under Section 230 of the Companies Act, 2013 read with Regulation 2B of the Liquidation Regulations. The LOI disclosed that **only 1 out of 5 phases** of the Corporate Debtor's residential project has been completed. The landowners further stated that all statutory approvals and registrations are in the name of the Corporate Debtor.

2.7 The Applicant sought the deposit of an Earnest Money Deposit ("**EMD**") of **INR 5,00,00,000/- (Rupees Five Crores)** from the landowners to demonstrate their bona fide intent. The landowners duly submitted the said EMD amount into the designated liquidation bank account of the Corporate Debtor.

2.8 On **22.01.2026**, the landowners submitted a brief note detailing the key elements of the proposed scheme, disclosing that the scheme, if approved, envisages completion of all pending construction and handover of units to all homebuyers, including outreach to homebuyers who may not have yet filed their claims.

2.9 The **3rd SCC meeting** was also held on **22.01.2026**, wherein the Applicant duly apprised the members of the SCC regarding the proposal received and the legal issues involved, particularly: (i) the absence of a Regulation 39BA recommendation by the CoC; and (ii) the expiry of the 90-day timeline under Regulation 2B of the

Liquidation Regulations. Accordingly, the Applicant informed the members of the Stakeholders' Committee ("SCC") that if the stakeholders wish to proceed with the said proposal, it would be necessary to seek appropriate permission/ directions from this Hon'ble Authority for permitting continuation/revival of the Corporate Debtor through such compromise or arrangement, in the larger interest of all stakeholders including the homebuyers, and for the purpose of maximisation of value and revival. Thereafter, the following resolutions were passed by the SCC, each of which was duly approved by the members with a majority of 96.54% in favour.

i. Accord consent to the Applicant to proceed with the proposal for a scheme under Section 230 of the Companies Act, 2013 and Regulation 2B of the Liquidation Regulations, subject to obtaining necessary directions from this Adjudicating Authority;

ii. Authorize the Applicant to file the instant application seeking permission/directions to pursue the Scheme of Compromise and Arrangement; and

iii. Authorize the Applicant to publish an EOI inviting compromise/arrangement schemes upon receiving necessary leave from this Adjudicating Authority.

3. SUBMISSIONS OF THE APPLICANT:

3.1 Learned Counsel for the Applicant submitted that the primary objective of the Code, as enshrined in its Preamble, is **maximisation of value of assets** of the Corporate Debtor. A liquidator is, therefore, duty-bound to attempt to maintain the Corporate Debtor as a going concern and avoid piecemeal sale of its assets.

3.2 It was submitted that the application is filed under **Section 60(5) of the IBC**, which vests this Adjudicating Authority with jurisdiction to exercise inherent powers to fulfil the objectives of the Code. Reliance was placed on the NCLAT's decision in ***Fivebro Water Services Pvt. Ltd. v. Bijay Murmuria [Company Appeal (AT)(Insolvency) No. 1730 of 2025],*** which held that Section 60(5) vests wide jurisdiction on the Adjudicating Authority and must be interpreted to facilitate resolution/liquidation in a manner that preserves maximum value of assets.

3.3 On the issue of absence of Regulation 39BA recommendation, reliance was placed on the ***NCLAT's decision in Shahid Ali v. Kuldeep Verma & Ors. [Comp. App. (AT)(Ins) No. 655 of 2025*]**, wherein the Hon'ble NCLAT held that the absence of a recommendation under Regulation 39BA of the CIRP Regulations does not operate as an absolute bar to the consideration of a scheme of compromise or arrangement under Section 230 of the Companies Act, 2013, and that the second proviso to Regulation 2B cannot be construed in a manner that defeats the substantive framework

enabling such consideration. The Applicant thus argued that the absence of a Regulation 39BA recommendation is not an absolute bar.

3.4 It was further submitted that the **CoC itself had voted to recommend going concern sale first** — demonstrating that the CoC's commercial wisdom was directed towards revival rather than piecemeal liquidation. However, owing to the **amendment dated 14.10.2025 to the Liquidation Regulations**, the provision for sale of the Corporate Debtor as a going concern during liquidation has been **wholly omitted**. The Applicant, therefore, cannot give effect to the CoC's recommendation through any route other than a Sec. 230 scheme.

3.5 On the **expiry of the 90-day timeline** under Regulation 2B, the Applicant submitted that: *(i)* the Applicant's appointment became effective only on **19.12.2025**, i.e., more than six months after the liquidation order of 11.06.2025, due to appellate proceedings initiated by a Financial Creditor; and *(ii)* the 90-day timeline under Regulation 2B is **directory and not mandatory**, as consistently held by the NCLAT in ***Y. Shivram Prasad v. S. Dhanapal & Ors. [Company Appeal (AT)(Insolvency) No. 224 of 2018] and M/s Prakash Oil Depot v. G. Madhusudhan Rao & Anr. [Company Appeal (AT)(CH)(Ins) No. 304/2025].*** In case for any reason the liquidation process under Section 230 takes more time, it

is open to the Adjudicating Authority to extend the period where there is a chance of approval of the scheme.

3.6 On the **rationale and necessity** of the application, the Applicant submitted that:

I. All statutory approvals and registrations necessary for the completion of the residential project — including RERA registration, SDM approvals, Town & Country Planning approvals, IDC/EDC payments, Municipal Corporation permissions, and land use conversion — are in the **name of the Corporate Debtor**. These cannot be transferred without the Corporate Debtor's active participation.

II. The **project land is not owned by the Corporate Debtor** — it is owned by the landowners who have entered into a JDA. Piecemeal auction of built-up assets or rights without the cooperation of the landowners would be practically infructuous and legally contentious.

III. Allotment letters and Builder Buyer Agreements have already been executed in favour of homebuyers, creating **third-party rights**. Any piecemeal sale would require the new purchaser to obtain all statutory approvals afresh, resulting in inordinate delay, increased costs, and higher litigation risk — severely prejudicing homebuyers.

IV. A scheme of compromise or arrangement, particularly one proposed by the landowners

themselves (who are the owners of the project land), is the **only commercially prudent and litigation-free option** available for value maximisation.

4 CONSIDERATION AND FINDINGS

4.1 On Jurisdiction:

This Adjudicating Authority, as the NCLT exercising jurisdiction under the IBC, is vested with wide powers under **Section 60(5)** of the Code to decide any application or proceeding by or against the Corporate Debtor or any question of law or facts arising out of or in relation to the insolvency resolution or liquidation proceedings. The Hon'ble NCLAT in ***Fivebro Water Services*** (supra) has authoritatively held that these expressions — "relating to" and "arising out of" — must be interpreted to facilitate resolution or liquidation in a manner that preserves maximum value of assets of the Corporate Debtor. This Adjudicating Authority is, therefore, fully empowered to entertain and decide the present application seeking leave to pursue a scheme of compromise and arrangement.

4.2 On the Objective of the Code:

The Preamble to the Insolvency and Bankruptcy Code, 2016 envisages maximisation of value of assets of the corporate debtor and balancing the interests of all stakeholders. The Hon'ble Supreme Court in ***Swiss***

Ribbons Pvt. Ltd. v. Union of India has unequivocally held that liquidation is to be resorted to only as a last measure, where resolution is not possible, and that the Code prioritises revival and continuation of the corporate debtor as a going concern.

The Hon'ble NCLAT in ***Y. Shivram Prasad v. S. Dhanapal & Ors.*** has further emphasised that even during liquidation, an attempt ought first to be made to explore a compromise or arrangement under Section 230 of the Companies Act, 2013, and that sale of the corporate debtor as a going concern is to be preferred over piecemeal liquidation, the latter being a measure of last resort.

In the present case, it is noted that subsequent to the CoC's decision recommending liquidation and exploration of going concern sale, the regulatory framework underwent a material change, whereby the provision enabling sale of the corporate debtor as a going concern during liquidation came to be omitted from the Liquidation Regulations by way of amendment dated 14.10.2025. In such circumstances, the available course that aligns with the objectives of value maximisation and revival is the consideration of a scheme of compromise or arrangement under Section 230 of the Companies Act, 2013. Permitting such consideration, therefore, would be consistent with the

scheme and intent of the Code, as well as the settled judicial position that liquidation should not result in avoidable value destruction where a viable alternative exists.

4.3 On the Absence of Regulation 39BA Recommendation

This Adjudicating Authority has carefully examined the contention that the CoC did not make any recommendation under Regulation 39BA of the CIRP Regulations, 2016 while passing the resolution for liquidation, and whether this absence operates as an absolute legal bar.

Having considered the matter, this Adjudicating Authority is in agreement with the reasoning adopted by The Hon'ble NCLAT in **Shahid Ali v. Kuldeep Verma & Ors. (supra)** has held that the second proviso to Regulation 2B of the Liquidation Regulations cannot be construed in a restrictive manner so as to limit the consideration of a scheme of compromise or arrangement only to cases where the CoC has expressly recommended such exploration under Regulation 39BA. The absence of such recommendation does not preclude consideration of the scheme.

Further, this Adjudicating Authority notes the following additional circumstances that reinforce this conclusion in the present case:

1. The CoC had, in fact, demonstrated its preference for revival over piecemeal liquidation by recommending that the Liquidator first explore going concern sale — thereby displaying its commercial wisdom in favour of maximising value through a comprehensive approach rather than asset disposal.
2. Subsequent to the decision of the CoC to liquidate the Corporate Debtor, the option of conducting a sale as a going concern came to be omitted from the Liquidation Regulations by way of amendment dated 14.10.2025, rendering the CoC's recommendation in this regard incapable of implementation. In such circumstances, it would be inequitable to conclude that the omission by the CoC to indicate its preference under Regulation 39BA, at a time when the option of going concern sale was available and in fact preferred, should now operate to extinguish the sole remaining avenue for revival.
3. The SCC, which comprises members of the CoC, has with 96.54% majority in favour has approved proceeding with a Sec. 230 scheme in the 3rd SCC meeting held on 22.01.2026. This reflects the continuing commercial wisdom of the stakeholders

constituents in favour of exploring revival. The details of resolution passed in this regards were as follows:

RESOLUTION NO.1

To proceed with the proposal for a Scheme of Compromise and Arrangement under Section 230 of the Companies Act, 2013 read with Regulation 2B of the IBBI (Liquidation Process) Regulations, 2016:

RESOLVED THAT *the members of the Stakeholders Consultation Committee hereby approve and accord their consent to the Liquidator to proceed with the proposal for a Scheme of Compromise and Arrangement under Section 230 of the Companies Act. 2013 read with Regulation 2B of the IBBI (Liquidation Process) Regulations, 2016, subject to obtaining necessary directions permission from the Hon'ble NCLT.*

*"**RESOLVED FURTHER THAT** the Liquidator be and is hereby authorised to file an appropriate Application before the Hon'ble NCLT Indore Bench, seeking permission/directions to pursue the said Scheme of Compromise and Arrangement, and to do all such acts, deeds, matters and things as may be necessary in this regard.*

*"**RESOLVED FURTHER THAT** upon receipt of necessary directions/permission from the Hon'ble*

NCLT, the Liquidator shall publish an Expression of Interest (EOI) and invite compromise/arrangement schemes under Section 230 of the Companies Act, 2013 read with Regulation 2B of the IBBI (Liquidation Process) Regulations, 2016, from eligible persons/entities, and place all such proposals received before the SCC for consideration and further recommendation/approval"

The aforesaid resolutions has, with 96.54% voting share in favour, approved.

4. This Adjudicating Authority exercises its **inherent powers** under Section 60(5) of the IBC and Rule 11 of the NCLT Rules, 2016, to pass such orders as may be necessary for meeting the ends of justice. Permitting the Liquidator to explore a Sec. 230 scheme in these unique circumstances is well within the exercise of such jurisdiction.

For all the above reasons, this Adjudicating Authority holds that the **absence of a Regulation 39BA recommendation does not operate as an absolute bar** to the Adjudicating Authority granting leave to the Liquidator to pursue a Sec. 230 scheme.

4.4 On the Expiry of the 90-Day Timeline:

Regulation 2B(1) of the Liquidation Regulations mandates that a scheme of compromise or arrangement shall be **completed within ninety days of the order of liquidation**. The liquidation order was passed on 11.06.2025. On its face, the 90-day period expired on 09.09.2025 — well before the Applicant's appointment.

However, a crucial distinguishing feature of the present case merits consideration. The liquidation proceedings were subject to appellate scrutiny before the Hon'ble NCLAT, pursuant to which the appointment of the earlier liquidator came to be modified, and the Applicant was appointed as Liquidator only on 19.12.2025, i.e., more than six months after the liquidation order dated 11.06.2025.

It is to be noted that the present proposal for compromise or arrangement has emerged only subsequent to the Applicant assuming office. While it is conceivable that such a proposal could have been placed at an earlier stage, no such proposal had crystallised or was placed for consideration during the tenure of the erstwhile liquidator.

In these circumstances, and having regard to the fact that the delay has occurred during the pendency of proceedings before the Hon'ble NCLAT and the transition in the office of the Liquidator, this

Adjudicating Authority is of the considered view that such delay deserves to be condoned. The proposal, having now been placed for consideration, merits examination in accordance with law in furtherance of value maximisation and in the interest of all stakeholders.

In any event, and independently of the above, the consistent position of the Hon'ble NCLAT, as affirmed in multiple decisions placed before this Adjudicating Authority, is that the 90-day period under Regulation 2B is **directory in nature and not mandatory**:

(i) ***In Y. Shivram Prasad v. S. Dhanapal & Ors. (supra, Para 17***), the NCLAT held that if for any reason the process under Section 230 takes more time, it is open to the Adjudicating Authority to extend the period if there is a chance of approval of the scheme.

(ii) ***In M/s Prakash Oil Depot v. G. Madhusudhan Rao & Anr. (supra),*** the NCLAT, Chennai held that Regulation 2B is directory in nature, not mandatory; that the provision cannot be applied rigidly so as to frustrate the objective of Section 230 and the IBC; that commercial wisdom of parties must be respected; and that no absolute bar exists to granting an extension of time for completing a scheme.

The prescribed 90-day period is intended to facilitate expeditious conduct of the liquidation process and cannot be construed as a rigid or inflexible cutoff that permanently forecloses the prospect of revival. Time expended in appellate proceedings, which remained entirely beyond the control of the Applicant, merits exclusion for the purpose of computing the said period.

This Adjudicating Authority accordingly holds that the expiry of the 90-day timeline does **not operate as an absolute bar** in the facts and circumstances of this case, and that the Adjudicating Authority is fully empowered to grant the requisite leave.

4.5 On the Merits and Necessity of Permitting a Sec. 230 Scheme

This Adjudicating Authority has carefully examined the factual matrix of the case. The following circumstances collectively demonstrate that permitting a scheme of compromise and arrangement is not merely legally permissible but is, in fact, the **most appropriate and commercially prudent** course of action:

1. **Nature of the project:** The Corporate Debtor was engaged in a residential real estate project. Only 1 out of 5 phases is complete. Homebuyers who have invested their life savings are awaiting delivery of

units. These homebuyers are allotees whose interests are paramount in the scheme of the Code and RERA.

2. **Land ownership structure:** The project land is not owned by the Corporate Debtor. It is owned by the landowners who had entered into a JDA. Any auction of the Corporate Debtor's assets without the cooperation of the land-owning parties would be commercially impracticable. No third-party purchaser at auction can complete the project without securing the consent and cooperation of the landowners. The fact that the **landowners themselves are the scheme proposers** creates a viable mechanism to project completion.
3. **Statutory approvals:** All project-related statutory approvals — RERA registration, planning permissions, municipal approvals, land use conversion, IDC/EDC payments — are in the name of the Corporate Debtor. These approvals are not freely transferable. Any piecemeal sale would require a new purchaser to obtain these approvals afresh, entailing years of regulatory process, during which time the project would stall and homebuyers would suffer further.
4. **Third-party rights of homebuyers:** Allotment letters and Builder Buyer Agreements have been executed, creating enforceable third-party rights. Piecemeal disposal ignores these rights and would expose the liquidation estate to extensive litigation.

5. **EMD deposited:** The landowners have deposited ₹5 crores as EMD, demonstrating serious intent and financial capacity.
6. **SCC approval:** The SCC — comprising the CoC members — has with majority of 96.54% in favour endorsed pursuing a Sec. 230 scheme.

In this background, this Adjudicating Authority is satisfied that granting leave to explore a Sec. 230 scheme is fully consistent with the objectives of maximising value, protecting homebuyers, and ensuring that the Corporate Debtor does not meet a premature and unproductive death by way of piecemeal liquidation.

4.6 Safeguards and Conditions

While granting the reliefs sought, this Adjudicating Authority deems it necessary to impose the following conditions and safeguards to protect the interests of all stakeholders:

1. The Expression of Interest shall be published in accordance with the applicable provisions of the Liquidation Regulations and the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. The EOI must be **widely publicised** — through newspapers of wide circulation (in English and the local language), on the IBBI website, and on any website of the

Corporate Debtor — so as to invite proposals from **all eligible persons and entities in the public at large**.

2. **Eligibility filter:** It is hereby directed that only such persons/entities who are eligible to submit a resolution plan under the Code and who are not disqualified under Section 29A of the IBC, as mandated by the first proviso to Regulation 2B(1) of the IBBI (Liquidation Process) Regulations, 2016, shall be entitled to submit a scheme proposal in response to the said EOI. The Liquidator shall incorporate this eligibility condition expressly in the EOI document, and shall place all compliant proposals received before the Stakeholders' Consultation Committee for evaluation, consideration, and recommendation/approval.
3. The Liquidator shall place all proposals received in response to the EOI before the **SCC** for evaluation, consideration, and recommendation/approval in accordance with the applicable provisions of the Liquidation Regulations.
4. Any scheme of compromise and arrangement that is eventually presented to this Adjudicating Authority for sanction must be tested for consistency with the statement and objects of the IBC — in particular, it must ensure **maximisation of value of assets** of the Corporate Debtor and **equitable treatment of all creditor classes** including financial creditors, operational creditors, homebuyers, secured creditors, and unsecured creditors, without discrimination.

5. Upon the SCC recommending/approving a scheme of compromise and arrangement under Section 230 of the Companies Act, 2013, the Liquidator shall forthwith move an application before this Adjudicating Authority under Section 230 of the Companies Act, 2013 read with Section 60(5) of the IBC and Regulation 2B of the IBBI (Liquidation Process) Regulations, 2016, seeking sanction of the said scheme.
6. The rights of the **Financial Creditor, Omkara Assets Reconstruction Pvt. Ltd.**, and all other creditors whose claims have been admitted in the liquidation proceedings, shall be fully preserved and shall not be prejudiced in any manner by the grant of leave under this order. Any scheme must provide for satisfaction of admitted claims in accordance with applicable law, including the principles underlying Section 53.
7. The **EMD amount of ₹5,00,00,000/- (Rupees Five Crores)** deposited by the landowners shall remain in the designated liquidation bank account of the Corporate Debtor and shall be dealt with in accordance with the terms of the scheme, if approved, or refunded in the event no scheme is sanctioned.
8. The delay, if any, in initiating steps under Regulation 2B of the IBBI (Liquidation Process) Regulations, 2016 is hereby condoned. The Liquidator is permitted to proceed in accordance with law for consideration of a scheme of

compromise or arrangement under Section 230 of the Companies Act, 2013.

9. This Adjudicating Authority clarifies that the **grant of leave to pursue a Sec. 230 scheme does not, in any manner, foreclose or prejudice the Adjudicating Authority's power** to independently examine and sanction (or decline to sanction) any specific scheme that may ultimately be placed before it. The present order only permits the Liquidator to initiate and conduct the process; the merits of any specific scheme shall be examined separately at the appropriate stage.

10. The Liquidator shall **file a progress report** before this Adjudicating Authority **every 30 days** from the date of this order, updating the Court on steps taken, EOI responses received, SCC deliberations, and the overall status of the Sec. 230 process.

5 ORDER

In view of the foregoing discussion, analysis of the law, and upon being satisfied that the reliefs sought are legally permissible, factually justified, and consistent with the objects and mandate of the Insolvency and Bankruptcy Code, 2016, this Adjudicating Authority is allowing IA No. 85 of 2026 and hereby passes the following directions:

5.1 The Applicant, AAA Insolvency Professional LLP, in its capacity as the Liquidator of the Corporate Debtor,

Chinar Realty Private Limited, is hereby **granted leave to pursue a Scheme of Compromise and Arrangement** of the Corporate Debtor under Section 230 of the Companies Act, 2013 read with Regulation 2B of the IBBI (Liquidation Process) Regulations, 2016, and to do all such acts, deeds, matters, and things as may be necessary in this regard in accordance with the Code and law made thereunder, subject to the conditions set out hereinabove.

5.2 The Applicant is hereby granted leave to publish an Expression of Interest ("EOI") and invite compromise/arrangement schemes under Section 230 of the Companies Act, 2013 read with Regulation 2B of the IBBI (Liquidation Process) Regulations, 2016, from the public at large.

5.3 The delay in initiating the process under Regulation 2B of the IBBI (Liquidation Process) Regulations, 2016 stands condoned. The Liquidator is permitted to proceed further in accordance with law, and take necessary steps for consideration of a scheme of compromise or arrangement under Section 230 of the Companies Act, 2013.

5.4 The Approval is subject to the **Safeguards and Conditions** as per para 4.6 of this order.

6 The present **IA (I.B.C)/85(MP)2026** stands allowed and disposed of in the above terms.

SD/- **SD/-**

MAN MOHAN GUPTA
MEMBER (TECHNICAL)

BRAJENDRA MANI TRIPATHI
MEMBER (JUDICIAL)

Chandni Wadhwani - LRA