IN THE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU BENCH

[Through Physical hearing/ VC Mode (Hybrid)]

ITEM No.10
I.A. (IBC) Nos.124/2025, 13 & 438/2026 in
C.P. (IB) No.92/BB/2023

IN THE MATTER OF:

M/s. National Skill Development Corporation ... Petitioner

Vs.

M/s. Ants Consulting and Services Pvt. Ltd. ... Respondent

Petition under Section 7 of IBC, 2016

Order delivered on: 31.07.2026

CORAM:

SHRI SUNIL KUMAR AGGARWAL
HON'BLE MEMBER (JUDICIAL)

SHRI RADHAKRISHNA SREEPADA
HON'BLE MEMBER (TECHNICAL)

COUNSELS PRESENT:

For the Liquidator : Shri Theerthesh

For the Respondent : Shri Manikyam Sonil

ORDER

1. Heard Ld. Counsel for the Liquidator.
2. **I.A. (Dis.) No.13/2026 and I.A.No.438/2026 are disposed of** vide separate order.
3. List the case on **21.09.2026 for hearing on PUFE Application.**

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

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IN THE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU BENCH
(Exercising powers of Adjudicating Authority under
The Insolvency and Bankruptcy Code, 2016)
(through physical hearing/web based video-conferencing platform)

I.A No. 438/BB/2026

in

CP (IB) No.92/BB/2023
(Application under sub-section (5) of section 60 of the Insolvency and Bankruptcy Code, 2016)

In the matter of:

1. **MR. RAJESH RATHOD**
   96 Eagle Ridge Begur Koppa Road
   Bangalore-560068

2. **MS. RUMI SIKDAR**
   96 Eagle Ridge Begur Koppa Road
   Bangalore-560068 … Applicants

Versus

MR. PRASHANT JAIN
Liquidator of
ANTS CONSULTING AND SERVICES PVT. LTD.
Ants Skill Varsity, No. 37/1, Yashas Complex,
1 Floor, Singasandra, Begur Hobli,
Hosur Main Road, Bangalore, Bangalore,
Karnataka, India,560068. …Respondent

Order delivered on: 31.07.2026

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

O R D E R

1. The present Application has been filed on 30.04.2026 for the following reliefs:

   a) Direct the Respondent to take immediate and effective steps to raise invoices and recover all pending dues payable to the Corporate Debtor from the concerned State Government authorities;

b) Stay the dissolution of the Corporate Debtor until such time the aforesaid amounts are recovered and brought into the liquidation estate;
c) Direct the Respondent to file a detailed action taken report before this Hon'ble Tribunal with respect to recovery of the said dues;
d) Pass such other order or orders as this Hon'ble Tribunal may deem fit and proper in the facts and circumstances of the case.

2. Brief Facts of the case stated in support of the Application are as follows:
   a. The Corporate Debtor was a going concern at commencement of CIRP, engaged in providing vocational training services under various State Government projects, including projects with the Governments of Himachal Pradesh and Madhya Pradesh. Under the contractual arrangements, the Corporate Debtor was entitled to reimbursement of salaries paid to trainers together with management fees ranging between 14% and 15%.
   b. The Respondent failed to take necessary steps to continue the Corporate Debtor as a going concern despite the existence of ongoing revenue-generating contracts. Consequently, the concerned State authorities began making direct payments to the trainers, bypassing the Corporate Debtor, thereby depriving it of its agreed management fee and disrupting its revenue stream.
   c. The Respondent had himself filed **I.A Nos. 326/2024** and **327/2024** seeking directions to the concerned State authorities, wherein the concerned authorities were directed to pay management charges at the rate of 14% and 15% respectively by an order dated 21.10.2024. The Respondent however failed to take consequential steps such as raising invoices, pursuing the authorities or initiating appropriate recovery proceedings.
   d. An amount of **₹31,44,435/-** was due towards management fees in respect of the Madhya Pradesh project for the relevant period and an amount of **₹2,81,567/-** pertaining to the Himachal Pradesh project. Thus, an aggregate of ₹34,26,002/- was identified as due

and payable to the Corporate Debtor, without prejudice to further amounts accruing from the continuing projects.

e. The Projects continued to be operational and the Government of Madhya Pradesh was directly paying salaries of the trainers while the management commission payable to the Corporate Debtor was not paid. The Respondent, who was initially the RP and later the Liquidator, failed to take steps for recovery of such recurring management commission.
f. The Applicants being the erstwhile directors of the Corporate Debtor, had addressed several communications to the Respondent drawing his attention to the non-recovery of the dues and requesting appropriate action. Several such communications remained unanswered and no effective recovery steps were taken.
g. The funds of the Corporate Debtor had substantially depleted during the CIRP/liquidation process, from approximately ₹50 lakh to ₹14 lakh. The Respondent had utilised approximately ₹26 lakh but failed to take effective steps either to continue the Corporate Debtor as a going concern or to recover the management commission.
h. The Respondent, both as Resolution Professional and Liquidator, was under a statutory obligation to preserve and protect the assets of the Corporate Debtor and maximise their value. The failure to recover the admitted and crystallised receivables and to act upon order dated 21.10.2024 amounted to failure to discharge such statutory duties.
i. Placing reliance upon the principles laid down by the Hon’ble Supreme Court and the Hon’ble NCLAT concerning value maximisation, preservation of the Corporate Debtor as a going concern and the duties of the Liquidator, the Applicants contend that the Respondent ought to have pursued the outstanding

receivables and explored all available avenues for maximisation of the value of the Corporate Debtor.

j. It is thus stated that the amounts due from the State Government authorities constitute realisable assets of the Corporate Debtor and ought to be recovered and brought into the liquidation estate before dissolution. The Applicants accordingly seek directions to the Respondent to recover the pending dues, stay dissolution until such recovery and file an action-taken report before this Tribunal.

3. The Respondent has filed the objections on 17.06.2026 and stated that:

   a. The present Application is belated and misconceived, having been filed with the sole intention of obstructing and delaying completion of the liquidation proceedings. The Applicants remained silent throughout the CIRP and liquidation proceedings for more than one and a half years and raised no grievance regarding the alleged non-recovery of receivables or conduct of the RP/Liquidator. The Application has been filed only when the liquidation proceedings were nearing completion.

   b. The timing of the Application raises serious questions regarding the bona fides of the Applicants, particularly as it was filed after the alleged failure/breach of settlement terms with National Skill Development Corporation, the Financial Creditor. According to the Respondent, the Application is an attempt to protract the liquidation proceedings and frustrate their timely conclusion.

   c. Under the contractual arrangements with HPSES and MPSES, the Corporate Debtor was required to first make payment of salaries/honorarium to the Vocational Trainers and thereafter raise invoices for reimbursement, supported by documents evidencing such payments. Thus, reimbursement and Management Monitoring Expenses were contractually linked to prior payment by the Corporate Debtor.

d. Upon commencement of CIRP, the Respondent found that salaries/honorarium payable to the trainers for certain periods were already outstanding. Since the Corporate Debtor did not have sufficient funds to make such payments, the matter was placed before the CoC and efforts were made to obtain advance funds from the concerned Government authorities. Communications were accordingly addressed to HPSES and MPSES seeking release of funds and cooperation for continuation of the projects.

e. The Respondent has made efforts to recover the outstanding Management Monitoring Expenses and other contractual dues. In particular, invoices aggregating to ₹11,92,072/- and ₹13,83,223/-, besides a ToT invoice of ₹67,500/-, were raised and forwarded to MPSES.

f. In order to protect the interests of the Corporate Debtor and ensure continuation of the projects, the Respondent filed IA No. 326/2024 against HPSES and IA No. 327/2024 against MPSES, seeking, inter alia, release of advance funds towards salaries/honorarium and pending management fees and contractual dues. The filing of these applications indicates that he had taken proactive steps to preserve and realise the contractual receivables of the Corporate Debtor.

g. Pursuant to the order dated 21.10.2024, he again addressed communications dated 27.11.2024 to MPSES enclosing the order along with the relevant invoices and requesting release of the outstanding amounts. Thus, the allegation that no invoices were raised or no follow-up action was taken, is specifically denied.

h. MPSES thereafter released ₹7,54,459/-, though a deduction of ₹39,833/- was made towards penalties for delay in payment of honorarium. The Respondent challenged the deduction and sought release of the balance ₹25,75,295/-, contending that the delays were attributable to non-release of funds by the concerned authorities.

i. The Applicants' claim of ₹31,44,435/- as management fees from MPSES is not entirely correct as the contractual mechanism required the Corporate Debtor to first make the salary payments, whereas the Corporate Debtor had already defaulted in making payments for September 2023 to December 2023. The Government authorities consequently refused to provide advance payments and instead made direct payments to the trainers. The order dated 21.10.2024, according to the Respondent, directed payment of MME only in respect of salaries actually disbursed by the Corporate Debtor.

j. Despite these difficulties, the respondent continuously pursued recovery through invoices, filing of application, written communications and objections to penalties. The non-recovery of the amounts is therefore attributable to the conduct and lack of response of the concerned Government authorities and not to any inaction on his part.

k. As per the contractual entitlement, the amounts presently shown as receivable are approximately ₹5,53,997/70 from MPSES and ₹1,99,677/84 from HPSES. However, in the prevailing circumstances, it is not practical to initiate recovery proceedings for these amounts.

l. So far as continuing accrual of management fees is concerned, the projects are no longer being implemented through the Corporate Debtor. The MPSES contract expired on 31.03.2025, while the HPSES contract was terminated. Therefore, there is no continuing entitlement of the Corporate Debtor to MME or management commission.

m. The allegation that the funds of the Corporate Debtor were improperly depleted is refuted. It is stated that the amounts utilised were towards genuine CIRP and liquidation expenses, including professional fees, legal costs, administrative expenses and other liquidation-process costs. The Respondent had also paid the salaries for January 2024 in respect of both projects, though only the MPSES amount was subsequently reimbursed.

n. Finally, the Respondent has discharged his duties both as Resolution Professional and Liquidator and made every reasonable effort to realise the assets of the Corporate Debtor. Since HPSES and MPSES have remained largely unresponsive and the Corporate Debtor has no other realisable assets, continuation of liquidation merely for pursuing the pending dues would result in further liquidation costs and additional financial burden. Therefore, steps towards dissolution are being taken in the interest of the liquidation estate.

4. We have heard Learned Counsels for the parties and perused the material on record.

5. The Applicants have sought to contend that Management Monitoring Expense (MME) aggregating to ₹34,26,002/- constitutes realizable assets of the Corporate Debtor and that the Respondent remained inactive despite the common order dated 21.10.2024 passed by this Authority directing release of management charges. Such inaction has resulted in erosion of the liquidation estate and warrants intervention under Section 60(5) of the Code.

6. The Respondent has, however, disputed both the allegation of inaction as well as the quantum claimed by the Applicants. It has been placed on record that, on commencement of CIRP, communications were addressed to the concerned Government authorities, invoices were raised, IA Nos. 326/2024 and 327/2024 were filed seeking release of funds and contractual dues, and subsequent follow-up communications were issued even after the order dated 21.10.2024. In fact, MPSES released a sum of ₹7,54,459/-, though subject to certain deductions, which was thereafter challenged by the Respondent.

7. The material placed before us reveals that default in payment to trainers had started when the Applicants were at the helm of affairs of Corporate Debtor. What they themselves had failed/neglected to do including raising of invoices and pursuing with concerned State Govt. Authorities, the Respondent is being

blamed. Nothing has been placed to reflect that the issue of realization from State Authorities had been raised by the Applicants and viable mode suggested. The contention therefore, that the Respondent remained completely inactive in pursuing the receivables, is exaggerated. The documents produced by the Respondent rather show that steps were undertaken by way of correspondence with the concerned authorities, raising of invoices, filing of interlocutory applications, and continued follow-up for release of the outstanding amounts. In this background, the allegation of dereliction of statutory duties by the Respondent, is not getting culled.

8. Equally significant is the dispute regarding the nature and extent of the alleged receivables. While the Applicants have proceeded on the footing that the entire amount of ₹34,26,002/- represents admitted and crystallized dues, the Respondent has pointed to the contractual framework governing both the HPSES and MPSES projects, under which reimbursement of salaries and Management Monitoring Expenses was linked to prior payment of honorarium by the Corporate Debtor and fulfilment of contractual conditions. The Respondent has also specifically disputed the computation of the amount claimed by the Applicants and placed a different assessment of identifiable receivables on record. In the absence of material substantiating that the larger amount asserted by the Applicants constitutes an admitted and presently enforceable receivable, we cannot presume that the entire amount forms part of an undisputed liquidation asset.

9. The Applicants' contention that the projects continue to generate recurring entitlement in favour of the Corporate Debtor also has no legs to stand. The MPSES agreement expired on 31.03.2025, while the HPSES contract was terminated. The Applicants have not placed any material to establish that, notwithstanding the expiry or termination of the respective contracts, the Corporate Debtor continues to possess any subsisting contractual right to receive future management charges.

10. The jurisdiction of this Tribunal under Section 60(5) of the Code may undoubtedly be wide enough to pass appropriate orders in aid of the insolvency process, but such jurisdiction cannot be invoked to indefinitely stall the conclusion of liquidation merely on the basis of disputed or unsubstantiated claims, particularly where the Liquidator has exhibited that reasonable steps were undertaken for recovery of the contractual dues but the concerned Government authorities have remained largely unresponsive. Continuation of the liquidation process solely for pursuing such disputed claims would inevitably result in adding avoidable liquidation costs, without any assurance of corresponding benefit to the stakeholders.
11. In view of the foregoing discussions, we find that the Application lacks sufficient grounds for issuance of the desired directions, including staying the dissolution of the Corporate Debtor or directing further recovery proceedings of alleged dues. The Application therefore does not deserve to be favoured.
12. Consequently, **IA (IBC) No. 438/2026 is dismissed**. No order as to costs.

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RADHAKRISHNA SREEPADA
MEMBER (TECHNICAL)

-SD-

SUNIL KUMAR AGGARWAL
MEMBER (JUDICIAL)