IN THE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU BENCH
[Through Physical hearing/VC Mode (Hybrid)]

ITEM No.04
IA 388/21, 316/2022 & IA (IBC) 111/2026 in
CP. (IB) No. 189/BB/2018

IN THE MATTER OF:

M/s Moonbeam Advisory Pvt Ltd ... Petitioner

Vs.

M/s Sammrudhi Reality Ltd ... Respondent

Petition under Section 9 of I & B Code, 2016

Order delivered on: 28.07.2026

CORAM:

SHRI. SUNIL KUMAR AGGARWAL
HON'BLE MEMBER (JUDICIAL)

SHRI. RADHAKRISHNA SREEPADA
HON'BLE MEMBER (TECHNICAL)

PRESENT:

For the Liquidator : Shri Harikrishna Pramod and
Ms. Aishwarya V. Ravindranath

ORDER

1. **Vide Separate order IA (IBC) 111/2026 has been allowed.**
2. List the IA.388/2021 and IA.316/2022, **for Orders on 18.08.2026.**

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

BL

IN THE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU BENCH

(Exercising powers of Adjudicating Authority under
The Insolvency and Bankruptcy Code, 2016)

I.A. No. 111 of 2026

in

C.P. (IB) No. 189/BB/2018

Section 35(1) (N) & 60(5) of the Insolvency and Bankruptcy Code, 2016, read with Regulation 33(2) (C) & Schedule I (2) of the IBBI (Liquidation Process) Regulations, 2016,

IN THE MATTER OF

Mr. Pankaj Srivastava,
Liquidator of **Samruddhi Realty Ltd.**,
Having its Office at:
58, 3rd Cross, Vinayaka Nagar, Hebbal,
Bengaluru - 560024 …Applicant

Versus

Pinnacle Property Solutions
No. 6, First Floor, 49, Sri Rama Nilaya,
3 Rd Cross, G Block, Sahakarnagar,
Bangalore, Karnataka – 560092 …Successful Bidder/Respondent

IN THE MAIN MATTER OF

M/s. Moonbeam Advisory Private Limited ….Operational Creditor

Versus

M/s. Samruddhi Realty Limited …Corporate Debtor

Order delivered on: 28.07.2026

Coram: 1. Shri Sunil Kumar Aggarwal, Hon'ble Member (Judicial)

2. Shri Radhakrishna Sreepada, Hon'ble Member (Technical)

Parties/Counsels Present:

For Applicant : Shri Abhishek Anand with Shri Karan Kohli
For the Respondent : Shri Abhijit Atur

O R D E R

1. This Application has been filed on 18.03.2026 by the Liquidator of M/s Samruddhi Realty Ltd. seeking approval of the Private sale of ***Project Sunshine****,* of the Corporate Debtor comprising 67% share in the Joint Development Agreement of Project Sunshine, in favour of the Respondent, Pinnacle Property Solutions.

2. Brief facts of the case narrated in the application are as follows:
   i. The Corporate Debtor was admitted into the CIRP by an order dated 16.04.2019 in C.P. (IB) No. 189/BB/2018 filed under Section 9 of the Code by the Operational Creditor.

   ii. Since no Resolution Plan was approved by the Committee of Creditors, Liquidation of Corporate Debtor was directed vide order dated 13.03.2020 and the Applicant was appointed its Liquidator, who issued public announcement on 17.03.2020 in terms of Regulation 12 of the IBBI (Liquidation Process) Regulations, 2016, invited claims from stakeholders, and constituted the **S**takeholders' **C**onsultation **C**ommittee in accordance with Regulation 31A.

   iii. Several rounds of e-auctions were conducted between January 2024 and February 2025 for realization of the assets of the Corporate Debtor. Whereas some of the assets of Corporate Debtor were successfully sold, the *Project Sunshine* could not be realized through auction despite repeated attempts.

   iv. In the 16th SCC meeting held on 13.06.2024, the Liquidator discussed the possibility of private sale for unsold assets including Project

Sunshine and placed a draft private sale process memorandum but the SCC did not approve the proposal.

v. Thereafter, 3rd round of e-auction was conducted, and Project Sunshine was attempted to be sold individually as well part of Sale of Corporate Debtor as going Concern. No EMD, however was received for Project Sunshine and hence the sale could not proceed.

vi. In the 22nd SCC meeting held on 15.11.2024, members deliberated on adopting Private Sale under Regulation 33(2) of the Liquidation Process Regulations, 2016, and resolutions were passed for initiating private sale of certain projects, including *Project Sunshine*.

vii. Pursuant to approval of the SCC, a Public Announcement and Private Sale Process Memorandum dated 29.11.2024 were issued inviting Expressions of Interest from prospective purchasers.

viii. Meanwhile, Homebuyer's representatives were actively engaged with prospective developers for completion of Project Sunshine and, pursuant thereto, **Pinnacle Property Solutions** emerged as an interested bidder. An MoU was executed between Samruddhi Sunshine Residents Welfare Association and PPS for takeover and completion of the project.

ix. Pinnacle Property Solutions submitted its Expression of Interest on 07.07.2025 and gradually furnished a revised proposal for revival and completion of Project Sunshine.

x. Upon due deliberations, the SCC members accepted the revised submissions/documents furnished by Pinnacle Property Solutions and reaffirmed its approvals earlier granted in the 29 and 30" SCC Meetings for the private sale of Project Sunshine in favour of Pinnacle Property Solutions against full sale consideration of **Rupees Three Crores** already received in the liquidation bank account. The SCC further approved the said transaction in terms of Section 35(1)(f) of the Insolvency and Bankruptcy Code, 2016 read with Regulations 33 and 32(a) and (f) of the IBBI (Liquidation Process) Regulations, 2016. The

SCC members also authorized the Applicant, as Liquidator, to file the necessary application before this Authority and to take all actions required to give effect to the said resolution, including execution of the sale certificate, handover of possession, realization of sale proceeds, and distribution in accordance with Section 53 of the Insolvency and Bankruptcy Code, 2016.

xi. In the 30th SCC Meeting held on 04.11.2025, additional time was granted for payment of the balance consideration by the intending party. The entire consideration of Rs.3,00,00,000/- stood deposited in the liquidation account of the Corporate Debtor by 28.11.2025.

xii. In the 33rd SCC Meeting held on 14.01.2026, the SCC considered revised documents submitted by Pinnacle Property Solutions consequent to reconstitution of the partnership firm, reaffirmed its earlier approvals, recorded receipt of the entire sale consideration, and authorized the Liquidator to file the present Application. The resolution was approved by 71.19% voting share.

xiii. In furtherance of the approvals granted by the Stakeholders' Consultation Committee in its 29th and 30th meetings, and in view of the entire sale consideration of INR 3.00 Crores having been duly received by the Applicant in the liquidation account of the Corporate Debtor, this Application seeking final approval for the private sale of the development rights vested with the Corporate Debtor in respect of Project "Sunshine", being 67% JDA rights of Samruddhi Realty Limited, situated at Survey No. 11/1, Naganathapura Village, Beguru Hobli, Bengaluru East Taluk, Bengaluru District, on "***as is where is***", "***as is what is***", "***whatever there is***" and "***without any recourse***" basis in favour of Pinnacle Property Solutions, as approved by the Stakeholders' Consultation Committee, in accordance with Section 35(1)(f) of the Insolvency and Bankruptcy Code, 2016 read with Regulation 33 of the IBBI (Liquidation Process) Regulations, 2016, is filed in the interest of all the stakeholders of the Corporate Debtor and maximisation of the value of the Corporate Debtor.

3. The Respondent has filed its Reply on 12.03.2026 stating as follows:

    i. The Respondent confirms participation in the private sale process initiated by the Liquidator pursuant to the Private Sale Process Memorandum dated 29.11.2024 and submission of its Expression of Interest dated 07.07.2025.

    ii. The SCC, in its 33rd SCC Meeting, accepted the revised documents submitted by the Respondent, reaffirmed the approvals granted in the 29th and 30th SCC Meetings, and approved the private sale of Project Sunshine in favour of the Respondent for a consideration of Rs.3,00,00,000/-, which has entirely been paid into the liquidation account of the Corporate Debtor.

    iii. The Project Sunshine is presently approximately 90% complete and completion of its remaining work would facilitate revival and operationalization of the project.

    iv. Further delay in approving the transaction would adversely affect homebuyers whose investments are already locked and could result in deterioration of the project structure. The Respondent therefore does not oppose the Liquidator's application and supports approval of the private sale of 67% developmental rights held by the Corporate Debtor in *Project Sunshine* in its favor, subject to liberty being granted to file a separate application for reliefs and concessions to enable project completion as certain approvals that may be necessary for successful completion of the project.

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

5. The Application concerns approval of the private sale of Project Sunshine, comprising development rights vested with the Corporate Debtor under the

Joint Development Agreement relating to the said project, in favour of the Respondent for a total consideration of Rs.3,00,00,000/-. The Liquidator submits that the private sale process was undertaken only after multiple failed auction attempts and extensive deliberations with the SCC. The Respondent has confirmed payment of the entire consideration and expressed no objection to the relief sought.

6. An examination of the statutory framework governing the powers of the Liquidator to effect sale of assets by private contract under the Code and the Liquidation Regulations becomes necessary. Section 35(1)(n) of the Code empowers the Liquidator to sell the immovable and movable property and actionable claims of the Corporate Debtor by public auction or private contract, subject to the directions of this Authority and Regulation 33(2) of the Liquidation Process Regulations, 2016 specifically permits the Liquidator to effect a private sale, after prior consultation with the Stakeholders' Consultation Committee.

7. The central issue for determination in this application is whether the process adopted by the Liquidator in effecting the proposed private sale of *Project Sunshine* conforms to the requirements of the Code and IBBI Regulations and whether such sale serves the overarching objectives of the Code. The record demonstrates that the Liquidator has conducted multiple rounds of e-auction before resorting to private sale. The private sale has not been adopted in haste but only after realizing that public auction was not yielding results.

8. The legislative intent underlying the Insolvency and Bankruptcy Code, 2016 and the Liquidation Process Regulations framed thereunder is not merely the recovery of dues, but the maximization of value of the assets of the Corporate Debtor in a time-bound and transparent manner, for the benefit of all stakeholders. This principle has been emphatically recognized by the Hon'ble Supreme Court in ***Swiss Ribbons Pvt. Ltd. v. Union of India*, (2019) 4 SCC 17**, wherein it was observed that the Code is a beneficial legislation aimed at preserving the economic value of viable assets and ensuring equitable

distribution among creditors, rather than being a mere recovery mechanism. The Court further underscored that both the Corporate Insolvency Resolution Process and the Liquidation Process are guided by the overarching objective of value maximization, which must confirm every decision of the Resolution Professional or Liquidator.

9. Similarly, in ***Meghal Homes Pvt. Ltd. v. Shree Niwas Girni K.K. Samiti*, (2007) 7 SCC 753**, the Hon'ble Supreme Court, while dealing with liquidation under the Companies Act, observed that even in the course of winding up, the assets of a company must be dealt with in a manner that secures the best possible realization for stakeholders. This guiding rationale continues under the present Code, where the Liquidator acts as a fiduciary of the estate and is duty-bound to adopt such methods of sale whether by auction or private contract as would best achieve the objective of value maximization within the framework of law. Thus, the legislative policy, as consistently affirmed by judicial precedent, mandates that every step in the liquidation process must subserve the twin purposes of transparency and maximization of value, and any bona fide effort by the Liquidator that demonstrably achieves these ends warrants judicial affirmation.

10. The documents placed here demonstrates that Project Sunshine was subjected to multiple auction attempts over an extended period. Despite repeated efforts by the Liquidator, including restructuring of sale strategies and issuance of several auction notices, the asset remained unsold and the SCC extensively deliberated upon the proposal over multiple meetings but despite repeated efforts, the asset remained unsold. The private sale proposal ultimately received approval by a substantial majority of stakeholders and the decision to proceed through private sale is not a departure from the statutory framework but a commercially justified step adopted after exhaustion of auction mechanisms.

11. The entire sale consideration of Rs.3,00,00,000/- has already been deposited in the liquidation account of the Corporate Debtor. The process adopted by the Liquidator appears transparent, consultative and consistent with Regulation

33(2) of the Liquidation Process Regulations. A delve into the minutes of 28th and 29th meetings of SCC held on 01.09.2025 and 12.09.2025 respectively revealed that Rs.3,00,00,000 is not the entire sale consideration but only the amount towards share of Secured Creditors as well as unpaid CIRP and Liquidation costs which does not include the consideration to be paid to Allotees, Cancelled allotees and other unsecured creditors the detailed proposal of the Respondent is tabulated below:

Project Sunshine Private Sale proposal of Pinnacle Property Solutions (PPS)

Sl	Stakeholder	Treatment	Remarks
1	Share of unpaid CIRP and Liquidation Costs	Rs. 3 Crores to be paid upon SCC approval (timelines to be decided)	Included in overall payment of Rs. 3 Crores towards Share of unpaid CIRP and liquidation cost and balance
2	Secured Creditors		
3	Unsecured Creditors - Allottees	Post completion of sale - handover of units to allottees	New Construction Agreement with cost escalation of Rs. 1311 per sft + GST and other statutory levies + balance due as per original agreement with CD of which Rs. 5 lakhs per unit payable immediately.
4	Unsecured Creditors - Cancelled Allottees	MOU and terms as agreed for refund	MOU terms to be detailed.
5	Unsecured Creditors and all Other categories of creditors/claimants	No Treatment provided	

12. The aggregate proposal of Respondent is for Rs.16,18,00,000/- out of which an amount of Rs.3,76,90,540 would be contributed by the Respondent/Developer, Rs.1,80,000/- by the Landlord and Rs.10,51,09,460/- in following manner as discussed in 28th meeting SCC:

S. No.	Clause / Page No.	Content in Proposal
1	Clause 5.2 – Page 11	*"For the home buyers of allotted units, the applicant proposes to construct the apartments and handover the apartment after construction."*

S. No.	Clause / Page No.	Content in Proposal
2	Clause 5.2 – Page 11	*"For this purpose, the applicant would enter into a construction and sale agreement with each of the allotted home buyers and would collect balance due as per original contractual terms with SRL and escalation amount (at the rate of Rs. 1,311 per SFT plus GST and other statutory levies additional as applicable). This would effectively discharge the obligation of the applicant."*
3	Clause 5.3 – Page 11	*"The home buyers have agreed to the escalation cost of Rs. 1,311 per sft. GST and other statutory levies are additional. This escalation amount would be in addition to payments mentioned in 4 below."*
4	Clause 5.4 – Page 11	*"Additionally the home buyers would contribute about Rs. 5 Lakhs immediately upon approval of the proposal by the SCC which will be utilised to pay financial creditors. This Rs. 5 Lakhs would be out of balance amount payable as per originally agreed contract with the Samruddhi Realty Ltd. Further, remaining amount of the balance payable as well as timeline for payment would be as per originally agreed contract and the same would be payable as per the terms of MOU entered with the applicant."*
5	Clause 5.5 – Page 11	*"Confirmation letters/e-mail confirmations received for each unit with the payment terms and total outstanding balance. Additionally, a separate MOU has been entered with Home Buyers Association - Samruddhi Sunshine Residents Welfare Association."*
6	Clause 5.6 – Page 11	*"Post NCLT order, new agreements for sale and construction will be signed by the home buyers."*
7	Clause 5.7 – Page 11	*"For the home buyers of existing cancelled units, MoUs have been signed for cancellation and terms of refund agreed."*
8	Clause 5.8 – Page 11	*"Under the scheme, it is re-iterated that all 80 flats will be constructed and handed over to allotted homebuyers and the land owner (legal heirs) as per their entitlement and as mentioned in the MOU."*
9	Clause 5.9 – Page 11	*"The payment schedule and MOU with the Home Owners Association and cashflow statement is outlined in Annexure E."*
10	Clause 10.3– Page 14	*"In the event of any default in payment of agreed payment by the allotted home buyers, the applicant shall have right to collect the same with interest at the rate specified in Section 18 of the Karnataka Real Estate Regulation Act or alternatively cancel the allotment and forfeit the amount already paid by such home allottee."*
11	Clause 3.5- Page 7	*"The arrangement involves a compromise among the landlord (legal heirs), Pinnacle Property Solutions, homebuyers, and secured financial creditors. The project would be completed and handed over to respective allottees upon completion of the project subject to full payment."*
12	Clause 3.10- Page 9	*"Exclusive right to collect proceeds from home buyers for the purpose of construction of the apartments at project Sunshine. This right includes right to collect unpaid amount as per the Liquidator/company's records as duly reviewed and finalised by the applicant. The right to collect proceeds includes additional costs being escalation costs due to time and cost overrun over the period as mutually agreed with home buyers."*
13	Clause 10.1- Page 14	*"For implementation and supervision, the applicant proposes the incumbent Liquidator to oversee the scheme with a monitoring committee formed consisting of two representatives of allotted home buyers nominated through Association and two representatives of applicant."*

PINNACLE PROPERTY SOLUTIONS

Milestone No.	Milestone Description	Due By (Day)	Amount (₹)	By Developer (₹)	By Landlord (₹)	By Homebuyers (₹)	Milestone Payments (Outflow)	Amount (₹)
1	Agreement Signing	Day 7	4,00,27,363	1,35,00,000	0	2,61,27,363*	Payable to liquidation estate for (a) cost of liquidation (b) payable to financial creditors	3,00,00,000*
2	Civil Finishing & MEP Progress	Day 90	3,33,17,162	1,20,95,270	0	2,12,21,892*	Completion of Civil Finishing & MEP Progress	4,33,44,527*
3	Plumbing, Electrical, Fire & Safety, EB Panel, Swimming Pool	Day 150	3,72,21,892	60,00,000	1,00,00,000	2,12,21,892	Completion of Plumbing, Electrical, Fire & Safety, EB Panel, Swimming Pool	3,72,21,892
4	POP False Ceiling, UPVC, Lift, STP, Fabrication, Motor & Pipe Installations	Day 210	3,13,17,162	60,95,270	40,00,000	2,12,21,892	POP False Ceiling, UPVC, Lift, STP, Fabrication, Motor & Pipe Installations	3,33,17,162
5	Door Installation, Paving, Generator Works	Day 280	1,46,10,946	0	40,00,000*	1,06,10,946	Door Installation, Paving, Generator Works	1,46,10,946
6	Painting, Interiors, Final Finish & Occupancy Certificate application	Day 365	53,05,473	0	0	53,05,473	Painting, Interiors, Final Finish & Occupancy Certificate	53,05,473
	Total		**16,18,00,000**	**3,76,90,540**	**1,80,00,000**	**10,61,05,460**		**16,18,00,000**

13. The Respondent through its authorized representative Mr. Pratik Mehta has stated in the CoC meetings that Secured creditor share would be Rs. 3 Crore and implementation Period of the real estate Project Sunshine would be would be One year.

14. The SCC's deliberations across successive meetings, culminating in an approval by a substantial majority, reflect institutional consultation and collective decision-making. The Liquidator has adhered to Regulation 33(2) by obtaining SCC approval prior to seeking leave of this Authority. Such consultation enhances transparency and ensures safeguards against arbitrary exercise of discretion. The process further reveals that the entire sale consideration has been received from the *purchaser, M/s Pinnacle Property*

Solutions and the payment having been made in full, the transaction has reached substantial completion and confirmation of this Authority only formalizes a process that has been conducted within the contours of law.

15. Importantly, the private sale process as conceived under Regulation 33(2) is not an exception to public auction but a legitimate statutory mode of sale, particularly suited to assets that are encumbered, partially developed, or unlikely to fetch value through open auction. The nature of *Project Sunshine* an ongoing but stalled residential project fits squarely within that category. Therefore, it is discerned that the Liquidator has acted bona fide, SCC exercised commercial judgment with due care, and ensured that the decision-making process was transparent, documented, and consistent with the statutory objectives. There is nothing to perceive collusion, malafide, preferential treatment or procedural irregularity and No stakeholder has outlined prejudice, undervaluation, or deviation from the prescribed process. On the contrary, the sale ensures realization of value where prolonged auction attempts had failed.

16. We further note that Project Sunshine is an ongoing residential project which, according to the Respondent, is approximately 90% complete. The completion-linked structure proposed through the private sale has the potential to facilitate realization of value and address the interests of homebuyers which has remained affected by prolonged delays.

17. In view of the above facts, statutory provisions and judicial precedents, there is no impediment in granting approval under Section 35(1)(n) of the Code read with Regulation 33(2) of the Liquidation Regulations, wherefore the following directions are issued:

    i. The Liquidator is authorized to execute the Sale Certificate and other necessary transfer documents in respect of 67% of developmental rights held by the Corporate Debtor in ***Project sunshine***, in favour of ***Pinnacle Property Solutions*** upon completion of requisite formalities.

    ii. The Liquidator shall ensure that the proceeds of the sale are distributed strictly in accordance with Section 53 of the Code.

iii. We will independently consider the applicability of concessions or reliefs in the Revival Plan on being called upon.

18. Accordingly, the **I.A. No. 111 of 2026** filed by the Applicant is **allowed**.

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