IN THE NATIONAL COMPANY LAW TRIBUNAL
JAIPUR BENCH

CORAM: MS. REETA KOHLI,
HON'BLE JUDICIAL MEMBER

MS. KAVITA BHATNAGAR
HON'BLE TECHNICAL MEMBER

IA (IBC) No. 564/JPR/2025
CP No. (IB)- 247/9/JPR/2019

IN THE MATTER OF:
SANGEETA AJMERA PROP. M/S THE MANPOWER

...Operational Creditors

VERSUS

SHREE GANGOUR FOODS (JAIPUR) LLP

...Corporate Debtor

MEMO OF PARTIES

IA (IBC) No. 564/JPR/2025
Suresh Agrawal, Resolution Professional
of M/s Shree Gangour Foods (Jaipur) LLP
S-1, Aastha Excellency, Triveni Nagar,
Gopalpura Bypass, Jaipur-302018

...Applicant

For the Applicant : Mr. Suresh Agarwal, in person.

Order Pronounced On: 24.03.2026

ORDER

Per: Ms. Reeta Kohli, Judicial Member

1. The instant Interlocutory Application has been filed by the Resolution Professional seeking exclusion/extension of CIRP period under section 60(5) of Insolvency and Bankruptcy Code, 2016 ("the Code") read with rule 11 of the NCLT rules 2016. The prayers sought by Resolution Professional are reproduced as under:

Sdr

"It is therefore most humbly prayed that the Hon'ble Tribunal may kindly exercise its jurisdiction under section 60(5) of IBC 2016 read with rule 11 of NCLT rules 2016 to:

1. Condone the delay in seeking exclusion/extension of the CIRP proceedings on account of the reasons explained above.

2. Grant exclusion of the period from 25.02.2023 to 17.11.2025 from the total CIRP period because of the reasons explained above.

3. Grant extension of 60 days from 18.11.2025 for conclusion of pending IA 399/2025 for PUFE transaction and for contempt petition 6/2025 under section 19(2) of IBC.

4. Pass any other order as the Hon'ble NCLT deems fit in the interest of justice."

2. In the instant case, the Corporate Insolvency Resolution Process ("CIRP") commenced against the Corporate Debtor i.e., *Shree Gangour Foods (Jaipur) LLP* on 30.05.2022. The time frame prescribed under the sub-section (1) of the Section 12 of the Code for completion of the CIRP, i.e., 180 days from Insolvency Commencement Date expired on 26.11.2022. Since the CIRP proceedings could not be concluded within 180 days, the Resolution Professional sought extension of the CIRP period under the sub-section (3) of Section 12 of the Code *vide* IA no. *594/2022*. The Adjudicating Authority *vide* order dated 15.12.2022 granted the extension of 90 days beyond the period of 180 days. The relevant portion of the order granting the 90 days extension is reproduced hereunder:

"...It is submitted that CIRP period cannot be completed within the stipulated period of 180 days, the statutory period of 180 days elapsed on 26.11.2022. CoC by mandate of 99.63% has passed a Resolution for extension of CIRP period for 90 days beyond the stipulated period of 180 days. In view of the above, this application

Sd/-

is allowed and the CIRP period is extended for another 90 days beyond the period of 180 days. IA No. 594/JPR/2022 stands disposed of accordingly"

3. Meanwhile, one of the Corporate Debtor's partner, *Mr. Kamal Kishore Mukut* filed an Appeal before the Hon'ble NCLAT on 09.06.2022 challenging the Adjudicating Authority's order dated 30.05.2022 whereby the CIRP was initiated against the Corporate Debtor.

4. The aforementioned Appeal was admitted by the Hon'ble NCLAT *vide* order dated 10.08.2022 which is reproduced as follows: -

"Learned counsel for the Appellant submits that the Adjudicating Authority erred in admitting Section 9 application whereas there was pre-existing dispute. Submission needs scrutiny.
Issue notice. Requisites alongwith process fee be filed within three days.
Let a Reply be filed by the Respondent within three weeks. Rejoinder be filed within one week thereafter.
List this Appeal on 12.09.2022.
It is informed that CoC has already been constituted. In the meantime, let IRP run the Corporate Debtor as a going concern, however, till the next date no Form-H shall be issued."

5. Subsequently, the Hon'ble NCLAT dismissed the abovementioned Appeal *vide* order dated 11.08.2023. The said order is reproduced hereunder: -

"Ms Nivedita Ravindra Sarda learned counsel for the appellant in view of changed circumstances does not want to press this appeal. Accordingly, the appeal stands dismissed as not pressed. This order was passed in presence of Mr. Rupesh Gupta, learned counsel for Respondent.
It goes without saying that after dismissal of this appeal as not pressed, interim order, if any shall automatically stand vacated"

6. It is pertinent to note that the Hon'ble NCLAT did not grant any stay of proceedings of CIRP of the Corporate Debtor *vide* order dated 10.08.2022.

Sdr

The Hon'ble NCLAT directed the IRP/RP to not file the Form-H. Meaning thereby that the entire CIRP process may continue but filing of Form-H.

7. Hence, during the period between 10.08.2022 and 11.08.2023, while the abovementioned Appeal was pending before the Hon'ble NCLAT, it was the duty of the Resolution Professional to proceed with the CIRP as per the timelines provided under the Code.

8. The CIRP period of 180 days, along with the 90 days extension granted by the Adjudicating Authority *vide* order dated 15.12.2022 expired on 24.02.2023. No further extension of time for the CIRP was sought by the Resolution Professional. It was the Adjudicating Authority which had to seek an explanation for the Resolution Professional regarding the validity of the CIRP beyond the statutory time limit *vide* order dated 17.11.2025 in the IA no. *284/JPR/2025.* The relevant paragraph of the order dated 17.11.2025 is reproduced as follows: -

> *"In terms of the directions of the Hon'ble Court, the RP has filed the status report. From the perusal of the status report, it is evident that CD was admitted to CIRP on 30.05.2022. The first meeting of the CoC was held on 12.07.2022. Vide order dated 10.08.2022, the Hon'ble NCLAT was pleased to direct the RP not to issue Form-H. The third CoC meeting was held on 14.11.2022. In view of the expiry of 180 days on 26.11.2022, the RP filed IA 594 of 2022 seeking extension of 90 days. The Hon'ble Court vide order dated 15.12.2022 was pleased to grant extension of CIRP by 90 days, beyond a period of 180 days i.e., up to 24.02.2023 and the Hon'ble NCLAT was pleased to dismiss the appeal vide order dated 18.01.2023. The Ld. RP who is present in person, accepts the fact*

Sd/-

that till date he has neither filed any application seeking extension nor exclusion. Let the RP explain the following issues: -

A. In which capacity the RP is proceeding with the CIRP and conducting the CoC proceedings, when there is no extension granted beyond 24.02.2023?

B. Why the CD has not been liquidated till date?

Let the RP respond to the above issues by way of an affidavit within a period of ten days from today. On the request of the RP, posted to 05.12.2025."

9. As a response to the abovementioned Order dated 17.11.2025, the Resolution Professional filed an affidavit dated 29.11.2025. The relevant paragraphs of the affidavit filed by the Resolution Professional dated 29.11.2025 are reproduced as follows:

"3. That after the initiation of CIRP proceedings on 30.05.22, the applicant was confirmed by NCLT as Resolution Professional vide its order dated 21.07.2022 and 180 days of CIRP expired on 26.11.2022 and thereafter he continued to functions as Resolution Professional even after 90 days extension expired on 24.02.2023 because an appeal filed by CD partner Mr. Kamal Kishore Mukut was pending before Hon'ble NCLAT at that time wherein RP was directed not to issue Form H till further orders.

4. That the appeal filed by CD partner Mr. Kamal Kishore Mukut was dismissed by Hon'ble NCLAT on 11.08.2023.

5. That at this point the Resolution Professional was in a quandary because of the following issues faced by him:

a. Section 12 of the IBC 2016 categorically stated that:

i. The extension of the period of CIRP process shall not be granted more than once.

ii. The maximum period for CIRP process shall be mandatorily completed NOTARY within 330 days from the insolvency commencement date.

b. Section 18 enjoined upon RP to fulfil two crucial duties:

i. Vide Clause (a) collect all informations about CD including financial Books of accounts for past two years.

Sdr

ii. Vide clause (f) take control and custody of the assets of the CD.

6. That in view of above provisions of section 12, RP was not eligible to seek any further extension of CIRP process because already 438 days had passed since CIRP initiation on the date of dismissal of NCLAT Appeal on 11.08.23 and RP had already availed one time extension."

The Affidavit clearly shows that the Resolution Professional was conscious of the fact that no further extension could be sought beyond the prescribed limit of the 330 days to complete the CIRP and 438 days had already lapsed since CIRP initiation as on 11.08.2023.

10. Furthermore, the Resolution Professional filed the instant Application on 28.11.2025 seeking the following reliefs: -

a. exclusion of the period from 25.02.2023 to 17.11.2025 from the total CIRP period, and

b. extension of 60 days from 18.11.2025 for conclusion of pending *IA 399/2025* for PUFE transaction and for contempt petition 6/2025 under section 19(2) of IBC.

11. The grounds put forward by the Resolution Professional in the instant Application for seeking extension and exclusion are as follows: -

"13. Grounds for seeking above exclusion and extension:
a) There has been utter non-cooperation by the partners of the CD as they neither provided the custody of books of accounts nor the assets of the company which are crucial for performing the essential duties of Resolution Professional as per provisions of Section 18 of IBC 2016.

Sd-

b) *The IA 393/2022 for PUFE transactions was pending before the Hon'ble NCLT and currently 399/2025 for PUFE transactions is pending before NCLT.*

c) *The IA 421/2022 was pending before the Hon'ble NCLT and currently contempt for order under IA 421/2022 is pending as IA 06/2025.*

d) *In the case of Committee of Creditors of Essar Steel vs Satish Kumar Gupta (2019) ibclaw. in 07 SC, while pronouncing decree in Essar Steel, the Apex Court did acknowledge that the intent of the legislature is speedy resolution but concurrently also observed that the word 'mandatorily' is not in conformity with Article 14 and Article 19(1) (g) of the Constitution of India. The Supreme Court said that ordinarily resolution procedure has to be finalised within the aforesaid time limit but in exceptional cases, more time may be granted.*

e) *Granting extension/exclusion is in the interest of justice to facilitate the maximisation of value of its assets of the CD; as otherwise putting CD under liquidation will adversely affect the interests of all the stakeholders.*

f) *There are catena of judgments of Supreme Court and NCLAT where extension/exclusion has been granted beyond 330 days:*

   i. *Committee of Creditors of Essar Steel vs Satish Kumar Gupta (2019) ibclaw.in 07 SC*
   ii. *J K paper Fibre Resources vs Sunit Jagdishchandra Shah NCLAT New Delhi 76 of 2025*
   iii. *GP Singh vs Sanjay Mehra & Ors. Comp. App. 1555 of 2023 NCLAT*
   iv. *Ritu Rastogi RP of Benlon India Ltd. vs Riyal Packers (2020) ibclaw.in 175*
   v. *Committee of Creditors of Trading Engineers International Ltd. vs Trading Engineers International Ltd. Through resolution Professional (2021) inclaw.in NCLAT."*

12. Before discussing the merits of the instant Application, it is essential to look at the timeline prescribed for the completion of the CIRP under Section 12 of the Code. As a general rule, under sub-section (1) of the Section 12, the

Satr

CIRP shall be completed within 180 days from the date of admission of the application to initiate CIRP. In case the CIRP is not completed within 180 days, the Resolution Professional, after obtaining assent of the CoC by a vote of sixty-six percent, may file an application under sub-section (2) & (3) of Section 12 for seeking extension beyond 180 days, but not exceeding 90 days. The second Proviso to sub-section (3) of Section 12 states that CIRP shall be completed within a period of 330 days from the insolvency commencement date. For ease of reference, the Section 12 of the Code is reproduced as follows: -

> *"**12. Time-limit for completion of insolvency resolution process**.*
> *(1) Subject to sub-section (2), the corporate insolvency resolution process shall be completed within a period of one hundred and eighty days from the date of admission of the application to initiate such process.*
> *(2) The resolution professional shall file an application to the Adjudicating Authority to extend the period of the corporate insolvency resolution process beyond one hundred and eighty days, if instructed to do so by a resolution passed at a meeting of the committee of creditors by a vote of sixty-six per cent. of the voting shares.*
> *(3) On receipt of an application under sub-section (2), if the Adjudicating Authority is satisfied that the subject matter of the case is such that corporate insolvency resolution process cannot be completed within one hundred and eighty days, it may by order extend the duration of such process beyond one hundred and eighty days by such further period as it thinks fit, but not exceeding ninety days:*
> *Provided that any extension of the period of corporate insolvency resolution process under this section shall not be granted more than once.*

Sd/-

Provided further that the corporate insolvency resolution process shall mandatorily be completed within a period of three hundred and thirty days from the insolvency commencement date, including any extension of the period of corporate insolvency resolution process granted under this section and the time taken in legal proceedings in relation to such resolution process of the corporate debtor:

Provided also that where the insolvency resolution process of a corporate debtor is pending and has not been completed within the period referred to in the second proviso, such resolution process shall be completed within a period of ninety days from the date of commencement of the Insolvency and Bankruptcy Code (Amendment) Act, 2019."

13. At this juncture, it is important to take note of the law laid down by the Hon'ble Supreme Court in *Committee of Creditors of Essar Steel India Limited Through Authorised Signatory vs. Satish Kumar Gupta & Ors* (2020) 8 SCC 53. The relevant paragraph is reproduced as follows: -

"79. ...The effect of this declaration is that ordinarily the time taken in relation to the corporate resolution process of the corporate debtor must be completed within the outer limit of 330 days from the insolvency commencement date, including extensions and the time taken in legal proceedings. However, on the facts of a given case, if it can be shown to the Adjudicating Authority and/or Appellate Tribunal under the Code that only a short period is left for completion of the insolvency resolution process beyond 330 days, and that it would be in the interest of all stakeholders that the corporate debtor be put back on its feet instead of being sent into liquidation and that the time taken in legal proceedings is largely due to factors owing to which the fault cannot be ascribed to the litigants before the Adjudicating Authority and/or Appellate Tribunal, the delay or a large part thereof being attributable to the tardy process of the Adjudicating Authority and/or the Appellate Tribunal itself, it may be open in such cases for the Adjudicating Authority and/or Appellate

Sd/-

Tribunal to extend time beyond 330 days. Likewise, even under the newly added proviso to Section 12, if by reason of all the aforesaid factors the grace period of 90 days from the date of commencement of the Amending Act of 2019 is exceeded, there again a discretion can be exercised by the Adjudicating Authority and/or Appellate Tribunal to further extend time keeping the aforesaid parameters in mind. It is only in such exceptional cases that time can be extended, the general rule being that 330 days is the outer limit within which resolution of the stressed assets of the corporate debtor must take place beyond which the corporate debtor is to be driven into liquidation."

Upon perusal of the abovementioned Judgment of the Hon'ble Supreme Court, it is clear that the statutory period of 330 days under Section 12 of the Code is the rule and general outer limit, including extensions and time spent in legal proceedings.

14. It is the discretionary power of the Adjudicating Authority to look into the exceptional circumstances of the case, with due regard to the stage of the CIRP, to grant extension, if any. While any extension beyond this period cannot be granted as a matter of course, extensions can only be allowed in exceptional circumstances. Such discretion may be exercised by the Adjudicating Authority only in the following circumstances: -

i. When a short accommodation is required for completion of the resolution process, and

ii. When such extension would serve the interest of all the stakeholders.

15. In the instant Application, no case has been made out for seeking extension beyond the statutory limit of 330 days which may demonstrates the existence of any circumstances, least of all exceptional.

16. It is to be noted that the Resolution Professional became active only after the Adjudicating Authority specifically sought explanation from him regarding the timeline of the CIRP, *vide* order dated 17.11.2025 in the IA no. *284/JPR/2025*. The Resolution Professional, very conveniently, held the 8th meeting of the CoC on **25.11.2025** consequent to which the instant Application was filed on **28.11.2025** seeking extension and exclusion.

17. It is pertinent to note that the Resolution Professional never sought any extension beyond 24.02.2023, the date on which the extension of 90 days expired. Even the statutory outer limit of 330 days from the insolvency commencement date (i.e., 30.05.2022) expired on 24.04.2023.

18. In order to proceed with the CIRP beyond 24.02.2023, it was the duty of the Resolution Professional to file an application seeking extension of 60 days period under the second Proviso to the sub-section (3) of Section 12 of the Code. However, no further extension was ever sought by the Resolution Professional. This negligent conduct clearly showcases the dereliction of duty on the part of the Resolution Professional.

19. Even after the Hon'ble NCLAT dismissed the Appeal preferred by *Mr. Kamal Kishore Mukut vide* order dated 11.08.2023, the Resolution

Professional did not consider it appropriate to present any application seeking extension before the Adjudicating Authority.

20. Furthermore, in the instant Application, the particular prayer seeking a further extension of 60 days from 18.11.2025 for "*conclusion of pending IA 399/2025 for PUFE transactions and for Contempt Petition 6/2025 under Section 19(2) of the Code*" is legally untenable. Such an indeterminate relief cannot be entertained, especially when the Code clearly states that the pendency of Interlocutory Applications does not constitute a valid ground for extension of the CIRP period. The relevant Proviso to the Section 12 of the Code is reproduced hereunder:-

> "***12. Time-limit for completion of insolvency resolution process.*** *... Provided further that the corporate insolvency resolution process shall mandatorily be completed within a period of three hundred and thirty days from the insolvency commencement date, including any extension of the period of corporate insolvency resolution process granted under this section and the time taken in legal proceedings in relation to such resolution process of the corporate debtor: ...*"

21. It is nowhere contemplated under the Code or the Regulations framed thereunder that pendency of applications relating to PUFE transactions under Chapter III of Part II can either stall or delay the CIRP. On the contrary, the statutory scheme expressly clarifies that PUFE proceedings do not impede the timelines prescribed for completion of the CIRP. The Section 26 of the Code unequivocally provides that the filing of an application for PUFE transactions shall not affect the CIRP and cannot be invoked to justify

Sd-

non-adherence to the timelines under Section 12. The Provision under Section 26 is as follows: -

> ***"26. Application for avoidance of transactions not to affect proceedings: -*** *The filing of an avoidance application under clause (j) of sub-section (2) of section 25 by the resolution professional shall not affect the proceedings of the corporate insolvency resolution process."*

22. The same position is reinforced under Regulation 38(2)(d) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, which mandates that a resolution plan shall provide for the manner in which proceedings in respect of avoidance transactions, if any, shall be pursued after approval of the resolution plan and the manner in which the proceeds shall be distributed. Thus, even after the approval of the resolution plan, avoidance proceedings are foreseen to continue. The provision under Regulation 38(2)(d) is reproduced as follows:-

> *"**38. Mandatory contents of the resolution plan.***
> *.... (2) A resolution plan shall provide:*
> *(a) ...*
> *(b) ..*
> *(c) ...*
> *(d) provides for the manner in which proceedings in respect of avoidance transactions, if any, under Chapter III or fraudulent or wrongful trading under Chapter VI of Part II of the Code, will be pursued after the approval of the resolution plan and the manner in which the proceeds, if any, from such proceedings shall be distributed: ..."*

23. Further, the Regulation 44(1) of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 expressly stipulates that the liquidator shall liquidate the Corporate Debtor within one year from the

Sdr

liquidation commencement date, notwithstanding pendency of any application for avoidance of transactions before the Adjudicating Authority. Regulation 44A further provides for the manner in which the PUFE proceedings shall be pursued even after dissolution or closure of the liquidation process and for distribution of proceeds arising therefrom. The provisions under the Regulations 44 and 44A are reproduced as follows: -

> *"44.* ***Completion of liquidation.***
> *(1) The liquidator shall liquidate the corporate debtor within a period of one year from the liquidation commencement date, notwithstanding pendency of any application for avoidance of transactions under Part II of the Code, before the Adjudicating Authority or any action thereof:...*
>
> *44A.* ***Treatment of avoidance of transaction.***
> *The liquidator shall, on the advice of the consultation committee, provide in the application along with the final report filed under regulation 45 for the manner in which proceedings in respect of avoidance transactions, if any, under Chapter III or fraudulent or wrongful trading under Chapter VI of Part II of the Code, will be pursued after the dissolution or closure of liquidation process and the manner in which the proceeds, if any, from such proceedings shall be distributed."*

24. The conjoint reading of the above provisions leaves no ambiguity that the IBC framework provides for a comprehensive mechanism to ensure that proceedings under PUFE Applications may continue even beyond approval of resolution plan and, if necessary, beyond dissolution.

25. In view of this settled statutory position, the pendency of PUFE Applications before the Adjudicating Authority cannot constitute a legally sustainable ground for seeking exclusion or extension of the CIRP period. Therefore,

Sd-

the plea taken in the present Application is misconceived and reflects a patent error on the part of the Resolution Professional.

26. In the instant case, **1278 days have lapsed** since 30.05.2022 (i.e., the CIRP commencement date) till the filing of the instant Application on 28.11.2025. Moreover, even now, the Resolution Professional is unable to present any tentative schedule reflecting the time required for carrying out the CIRP in the event this Application seeking extension/exclusion stands allowed. Hence, there is no likelihood of resolution in the instant CIRP in the near future. This clearly shows that the CIRP is not at an advanced phase, and providing any sort of relief at this stage would be misconceived under the Code.

27. Further, the assertion by the Resolution Professional that no application seeking extension was filed beyond 24.02.2023 was pursuant to advice of the Adjudicating Authority is a frivolous attempt to justify his own negligence. The instant case has clearly demonstrated the dereliction of duties on the part of Resolution Professional and therefore the prayer sought by the Resolution Professional cannot be entertained. The actions of the Resolution Professional are *dehors* the provisions of law. The framework under the Code needs to be adhered to.

28. The abovementioned sequence of events and conduct of the Resolution Professional unequivocally demonstrates that the Resolution Professional has failed to conclude the CIRP Process in the stipulated time period and has

Sd-

further failed to seek extension or exclusion of the CIRP period within the statutory framework. The instant Application was filed after the intervention by the Adjudicating Authority *vide* Order dated 17.11.2025.

29. At this point, it is pertinent to take note of relevant clauses of Code of Conduct for the Insolvency Professional as provided under IBBI (Insolvency Professionals) Regulations, 2016 and the same are as follows: -

> *"IBBI (Insolvency Professionals) Regulations, 2016*
> *First Schedule*
> [Under Regulation 7(2)(h)]
>
> *Code of Conduct for Insolvency Professionals*
>
> **Timeliness.**
>
> *13. An insolvency professional must adhere to the time limits prescribed in the Code and the rules, regulations and guidelines thereunder for insolvency resolution, liquidation or bankruptcy process, as the case may be, and must carefully plan [its] actions, and promptly communicate with all stakeholders involved for the timely discharge of [its] duties.*
>
> *14. An insolvency professional must not act with* mala fide *or be negligent while performing [its] functions and duties under the Code."*

On perusal of the Code of Conduct, it becomes clear that the Resolution Professional is duty bound to adhere to the timelines prescribed under the Code and the Regulations made thereunder. Thus, the Resolution Professional is duty-bound to ensure compliance with the provisions of the Code and Regulations made thereunder, and any continuation of the CIRP beyond the prescribed period without following due process amounts to a serious lapse in the professional conduct.

30. After taking into account the facts & circumstances of the case complied with the conduct of the Resolution Professional during the CIRP into consideration, the Adjudicating Authority finds that the CIRP in this case has remained ineffective from the beginning. There is no cogent reason given by the Resolution Professional for not taking requisite actions for carrying out the CIRP Process as per the provisions of the Code. The reasons as cited in the present Application are not found justifiable and only show negligent conduct on part of the Resolution Professional coupled with complete dereliction of duties. The Adjudicating Authority cannot be a mute spectator of the lackadaisical conduct of the Resolution Professional.

31. Accordingly, the Adjudicating Authority is of the considered opinion that the Resolution Professional has failed to carry out the professional duties in terms of the provisions of the Code and the conduct of the Resolution Professional warrants appropriate actions.

32. In the light of the foregoing reasons, the instant Application seeking exclusion of the period from 25.02.2023 to 17.11.2025 from the total CIRP period and extension of 60 days from 18.11.2025 for conclusion of pending IAs relating to PUFE transactions and Contempt Petition is meritless. Hence, the present IA bearing no. *IA 564/2025* is rejected.

33. Since the instant Application stands rejected, the Adjudicating Authority is left with no other option but to order the Corporate Debtor to go under

Sd-

liquidation in terms of the provision of Section 33(1) of the Code, which is reproduced as follows:-

> ***"33. Initiation of liquidation.***—
> *(1) Where the Adjudicating Authority,—*
> *(a) before the expiry of the insolvency resolution process period or the maximum period permitted for completion of the corporate insolvency resolution process under section 12 or the fast track corporate insolvency resolution process under section 56, as the case may be, does not receive a resolution plan under sub-section (6) of section 30; or*
> *(b) rejects the resolution plan under section 31 for the non-compliance of the requirements specified therein, it shall—*
> *(i) pass an order requiring the corporate debtor to be liquidated in the manner as laid down in this Chapter;*
> *(ii) issue a public announcement stating that the corporate debtor is in liquidation; and*
> *(iii) require such order to be sent to the authority with which the corporate debtor is registered."*

34. The Adjudicating Authority is conscious of the fact that a resolution was passed in the 8th CoC meeting dated 25.11.2025 with a majority of 91.78% votes, authorising the Resolution Professional to file an affidavit before the Adjudicating Authority to the effect that the liquidation of the Corporate Debtor would adversely affect the interest of the stakeholders.

35. It is a settled principle of law that the CoC cannot travel beyond the provisions of the Code and pass any resolution which is *dehors* the provisions the Code, especially pertaining to the timelines.

36. Keeping in mind the lackadaisical conduct of the Resolution Professional during the CIRP, the Adjudicating Authority deems it appropriate to appoint *Mrs. Neelam Modi* having Registration No. *IBBI/IPA-001/IP-P-01700/2019*

-2020/12632 (email: neelammodi1@gmail.com) for conducting the liquidation of the Corporate Debtor i.e., *Shree Gangour Foods (Jaipur) LLP.*

37. In view of the above, it is hereby ordered as follows: -

a) The Corporate Debtor *Shree Gangour Foods (Jaipur) LLP* is admitted into liquidation in terms of the Section 33(1)(a) of the Insolvency and Bankruptcy Code, 2016, to be conducted in accordance with Chapter III of the Code and the IBBI (Liquidation Process) Regulations, 2016 from the date of this Order.

b) In terms of the observation made under Para no. 36, it is deemed appropriate to appoint Insolvency Professional *Mrs. Neelam Modi* having Registration No. *IBBI/IPA-001/IP-P-01700/2019-2020/12632* (email: neelammodi1@gmail.com) as the Liquidator of the Corporate Debtor i.e., *Shree Gangour Foods (Jaipur) LLP.*

c) The Moratorium declared under Section 14 of the Code shall cease to have effect from the date of the order of liquidation.

d) A fresh moratorium under Section 33(5) of the Code is declared, prohibiting the institution of suits or proceedings against the Corporate Debtor, except as provided under the Code, effective from the date of this Order until the completion of the liquidation process.

e) The Liquidator shall make every endeavour to take charge of the Corporate Debtor's assets, books, and records forthwith and perform

Sd/-

all duties as prescribed under Section 35 to 50 of the Code and the IBBI (Liquidation Process) Regulations, 2016.

f) The Liquidator is directed to file a preliminary report within 75 days of this Order, as per Regulation 13 of the IBBI (Liquidation Process) Regulations, 2016 and submit periodical progress reports to this Tribunal in terms of the Liquidation Regulations, 2016.

g) The Liquidator so appointed shall form the Liquidation Estate as provided under Section 36 of the Code and shall complete the liquidation process as per the provisions of the Code read with the IBBI (Liquidation Process) Regulations, 2016.

h) All the powers of the Board of Directors, Key Managerial Persons, and the Partners of the Corporate Debtor, as the case may be, hereafter cease to exist. All these powers henceforth vest with the Liquidator.

i) The Creditor, as well as the Personnel of the Corporate Debtor, including the suspended management, are directed to extend full cooperation to the Liquidator as required by him in managing the liquidation process of the Corporate Debtor in terms of Section 19 of the Code.

j) The Liquidator will charge fees for conducting the liquidation proceedings in proportion to the value of the liquidation estate assets as specified by IBBI and same shall be paid to the Liquidator from proceeds of the liquidation estate in terms of Section 53 of the Code.

Sd-

k) This Liquidation order shall be deemed to be notice of discharge to the officers, employees, and workmen of the Corporate Debtor except to the extent of the business of the Corporate Debtor to be continued during the liquidation process by the Liquidator.

l) This Adjudicating Authority directs the Liquidator to issue a public announcement stating that the Corporate Debtor is in liquidation. The Liquidator will also serve a copy of this order to the various Government Departments, all financial and other creditors etc., who are likely to have any claim upon the Corporate Debtor so that the authorities concerned are informed of the liquidation order timely.

m) The applicant Resolution Professional is directed to hand over all the relevant documents record and control of the Corporate Debtor to the newly appointed liquidator within a period of 03 days from the date of passing of this Order.

n) The Registry is directed to communicate this order to the concerned parties in the Interlocutory Application, to the Registrar of the Companies, IBBI, the Resolution Professional and the Liquidator within 03 days of passing of the order.

o) Liberty is granted to the Liquidator to approach this Tribunal for any further directions or clarifications as may be required during the liquidation process.

Sd/-

38. **Hence, in view of the dereliction of duties as observed in Paragraphs 26, 27, 28, 29 and 30, we direct the Insolvency & Bankruptcy Board of India (IBBI) to initiate appropriate action qua the conduct of the Resolution Professional namely, *Mr. Suresh Agarwal*, having registration no. IBBI/IPA-002/IP-N00764/2018-2019/12417.**

39. The Registry is directed to forthwith send a copy of this order to the Chairperson, IBBI for necessary actions against the Resolution Professional namely, ***Mr. Suresh Agarwal*, having registration no. IBBI/IPA-002/IP-N00764/2018-2019/12417**, pertaining to his conduct as enumerated in **Paragraphs 26, 27, 28, 29 and 30** of the instant Order.

40. The Registry is also directed to send e-mail copies of the order forthwith to all the parties/their Learned Counsel and the Liquidator appointed by the instant order for information and for taking necessary steps.

Sd-

REETA KOHLI,
JUDICIAL MEMBER

Note of Concurrence

In IA No. 564/JPR/2025 in CP (IB) No. 247/9/JPR/2019

(*Sangeeta Ajmera Prop. M/s The Manpower Vs. Shree Gangour Food Jaipur LLP*) order passed by Member (J) on 24.03.2026.

Per: - Kavita Bhatnagar, Technical Member

1. With regard to the above order of my learned sister, I concur with the ultimate conclusion rejecting the application filed by the Resolution Professional seeking exclusion / extension of the CIRP period and the consequential direction for liquidation of the Corporate Debtor under Section 33 of the Code.

2. However, I am unable to agree with certain observations made in the order and consider it appropriate to record my concurrence subject to the following: -

These aspects were specifically pointed out when the draft order was sent to me for concurrence and now before the final order was to be pronounced today by Member (J), I was not shown the order; hence my note is based on draft of Member (J) and even after the pronouncement final order has not been shown to me.

a) **Interpretation of Section 12 of the Code**: The order proceeds on the basis that beyond the stipulated 330 days extension can neither be "sought or provided and that the CIRP shall mandatorily be completed

Sd/-

within a period of 330 days". This in my view is not an accurate statement of law. The Hon'ble Supreme Court has clarified in CoC of ***Essar Steel India Ltd. vs. Satish Kumar Gupta*** the period of 330 days is the general rule but continuation beyond that period is permissible in rare and exceptional cases for reasons recorded.

b) **Delay attributable to judicial proceedings:** The record reflects that the proceedings were pending before the Hon'ble NCLAT as well as before this Tribunal. While these circumstances do not justify the extension / exclusion now sought by the Resolution Professional the delay cannot be attributed solely to inaction on the part of the Resolution Professional without acknowledging the impact of such proceedings.

c) **Findings regarding the conduct of the Resolution Professional**: The order of Member (J) employs strong expressions such as "gross negligence dereliction of duties, frivolous attempt" and records that the Tribunal has "lost complete confidence" in the Resolution Professional. While the record indicates that the Resolution Professional did not seek extension / exclusion within the statutory time frame, in my view, such characterisations are not necessary for the disposal of the present application.

The issue of determination is whether the grounds advanced by the RP justify exclusion or extension under the Code, and the findings should

have confined only to that question. It should have been only stated in the order that the copy of the order is to be forwarded to IBBI for such action as it may deem fit in accordance with law, without recording conclusive findings regarding misconduct.

d) **Observations regarding Committee of Creditors:** The order observes that since the Committee of Creditors consist only of Operational Creditors, they lack commercial wisdom. This in my view is not in consonance with the scheme of the Code. Under the Code and the regulations, situations may arise where the CoC is constituted entirely of Operational Creditors. Such a composition is legally recognized. It would therefore be inappropriate to hold that the Committee lacks commercial wisdom merely on account of its composition. The important aspect is that irrespective of its constitution the statutory time as prescribed under Section 12 of the Code cannot be overridden by any resolution of the CoC.

e) **Analysis preceding the order of liquidation**: The order jumps from rejection of present application directly to direction for liquidation. Since liquidation can only be ordered Adjudicating Authority under Section 33(1) of the Code on account of the expiry of the CIRP period without receipt or approval of any Resolution Plan within the requirement of Section 12 of the Code. For the sake of completeness, it would be

Sd/-

appropriate to record that the liquidation is being ordered in terms of Section 33 of the Code on account of expiry of CIRP period and without receipt of any Resolution Plan (within the statutory framework of the Code).

Subject to the above observations, I concur with the operative directions contained in the order.

sd/-
24/3/26

(Kavita Bhatnagar)
Technical Member