IN THE NATIONAL COMPANY LAW TRIBUNAL

KOLKATA BENCH (COURT NO- II)

KOLKATA

I.A (IB) (LIQ.) No. 14/KB/2026

In

C.P (IB) No. 182/KB/2022

An Application under Section 33 of the Insolvency and Bankruptcy Code, 2016.

IN THE MATTER OF:

INDIAN OVERSEAS BANK

……Financial Creditor

-VERUS-

APEX STEEL PRIVATE LIMITED

……Corporate Debtor

IN THE MATTER OF:

SANJAI KUMAR GUPTA, Resolution Professional of Apex Steel Private Limited.

CORAM:

Shri. Labh Singh, Member (Judicial)

Ms. Rekha Kantilal Shah, Member (Technical)

Appearances (via Physical/Video Conference):

For the Resolution Professional:

Mr. Rahul Auddy, Adv.

Mr. Aditya Gooptu, Adv.

Date of Pronouncement: 19.08.2026

O R D E R

Per: Rekha Kantilal Shah, Member (Technical)

1. The court convened through physical/virtual mode.
2. The present Interlocutory Application has been filed by Mr. Sanjai Kumar Gupta, Resolution Professional (herein referred to as **'RP'**) of Apex Steel Private Limited (herein referred to as **'Corporate Debtor'**) under section 33 of the Insolvency and Bankruptcy Code 2016 (herein referred to as **'IBC'**) *inter alia* seeking following reliefs:
   a) *Praying for liquidation of the Corporate Debtor under section 33 of the code;*
   b) *Appointment of any suitable Insolvency Professional as the Liquidator of the CD;*
   c) *Such further and/or other order or orders as this Hon'ble Court may deem fit and proper.*
3. **PLEADINGS AND SUBMISSION OF THE APPLICANT/RP**

I. The Corporate Debtor was admitted into Corporate Insolvency Resolution Process ("CIRP") pursuant to an application filed by **Indian Overseas Bank** under Section 7 of the Code, which was admitted by this Adjudicating Authority on **10.10.2023**, whereby moratorium under Section 14 of the Code was declared and an Interim Resolution Professional was appointed.

II. The Committee of Creditors ("CoC") was constituted with **Indian Overseas Bank as the sole member having 100% voting share**. Subsequently, upon an application filed under Section 22(3)(b) of the Code, the Applicant herein was appointed as the Resolution Professional of the Corporate Debtor by order dated **18.12.2023.** The RP has stated that despite requests made to the suspended Board of Directors for providing information and documents necessary for conducting the CIRP, only limited documents and clarifications were furnished. Consequently, an application under Section 19(2) of the Code was filed before this Adjudicating Authority, which, according to the Applicant, remains pending.

III. The RP initially published Form G inviting Expressions of Interest ("EOIs") on **09.12.2023**, which was subsequently extended till **27.12.2023**; however, no successful bid was received. The RP has stated that the assets of the Corporate Debtor comprise, inter alia, inventory, old equipment, old furniture, a motorcycle, advances and receivables. It was further stated that certain assets of the Corporate Debtor were intermingled with those of its sister concern, **Krish Ispat Private Limited**, which was also undergoing CIRP under the same RP, with Indian Overseas Bank being the sole member of its CoC.

IV. In view of the absence of bidders, the CoC considered publication of a **joint Form G** for the Corporate Debtor and Krish Ispat Private Limited with a view to maximising the value of the assets of both entities. Accordingly, a joint Form G was published on **20.03.2024**, pursuant to which four EOIs were received from prospective resolution applicants. The provisional and final lists of Prospective Resolution Applicants ("PRAs") were thereafter published.

V. During the CIRP, a significant issue arose concerning the leasehold land of Krish Ispat Private Limited, which had been mortgaged to Indian Overseas Bank for securing the credit facilities extended to the Corporate Debtor. The RP came to know that the said land had been put up for auction by the **Bihar Industrial Area Development Authority ("BIADA")** and that the lease had been cancelled prior to commencement of the CIRP, while the land was also stated to be subject to an attachment order passed by the DRT, Patna. The RP accordingly approached BIADA and thereafter filed proceedings before this Adjudicating Authority seeking, inter alia, protection of the said land from auction and consequential reliefs. An interim order was passed restraining BIADA from dealing with the concerned plot during the pendency of the proceedings.

VI. According to the RP, the aforesaid dispute concerning the land materially affected the resolution process, as the PRAs were no longer willing to proceed with submission of resolution plans owing to the uncertainty surrounding the land. In view thereof, the CoC repeatedly considered the requirement of additional time for resolution of the land issue and authorised the RP to seek exclusion/extension of the CIRP period. This Adjudicating Authority granted various periods of exclusion and extension from time to time. The application records, inter alia, the extension of 90 days vide IA No. 625/2024, exclusions of 60 days vide IA No. 1342/2024 and IA No. 1835/2024, exclusion of 120 days vide IA No. 2238/2024, and subsequent extensions vide IA Nos. 1205/2025, 1438/2025 and 1827/2025.

VII. The RP further states that, during the aforesaid period, the BIADA proceedings progressed and the matter was ultimately argued before the Hon'ble Bench on **04.07.2025**, with the order being pronounced on **21.08.2025**. In the meantime, the RP issued a fresh Form G on **29.07.2025**, pursuant to which three EOIs were received. The provisional and final lists of PRAs were thereafter published, and the Information Memorandum, RFRP and other relevant data were shared with the PRAs. The last date for submission of Resolution Plans was initially fixed as **23.09.2025** and was subsequently extended till **03.10.2025**.

VIII. Pursuant to the aforesaid process, two Resolution Plans were received on **03.10.2025**, namely, from **City Alloys Private Limited** and **Willson Medical System Private Limited**. Both the Resolution Plans were opened in the CoC meeting held on **09.10.2025**. Thereafter, the RP carried out the requisite compliance verification and placed his observations before the CoC. The CoC subsequently deliberated upon and negotiated the financial aspects of the Resolution Plans with the respective PRAs.

IX. The RP has stated that despite several rounds of discussions and negotiations, both PRAs were not willing to improve the financial terms of their respective Resolution Plans beyond a certain level. The CoC was not satisfied with the financial offers, as the value offered under both Resolution Plans was stated to be **below the liquidation value of the Corporate Debtor**. Consequently, in its **37th meeting held on 06.01.2026 and thereafter on 13.01.2026**, the CoC deliberated upon the commercial terms of the Resolution Plans and resolved to liquidate the

Corporate Debtor. The resolution for liquidation was stated to have been approved with **100% voting share**. The estimated liquidation cost was assessed at **₹6.40 lakh**, which the CoC/SCC agreed to bear.

X. The RP has further stated that he expressed his inability to undertake the assignment as Liquidator and requested the CoC to nominate another Insolvency Professional for the purpose. However, no name of the proposed Liquidator was finalised by the CoC. In the aforesaid circumstances, and relying upon the decision of the CoC to liquidate the Corporate Debtor, the present application has been filed seeking an order of liquidation of the Corporate Debtor under Section 33 of the Code and appointment of a suitable Insolvency Professional as Liquidator.

4. **<u>ANALYSIS AND FINDINGS</u>**

I. We have heard the Ld. Counsel for the Applicant/RP and perused the documents available on record.

II. It is observed that, in the 37th Meeting of CoC held on 06.01.2026 and 13.01.2026, the CoC approved the resolution for Liquidation of the Corporate Debtor. At the said meeting, the RP requested the CoC to suggest a suitable name for appointment as Liquidator and expressed his inability to undertake the assignment, citing his existing assignments and pending matters. Upon deliberation, the CoC noted that the appointment of the Liquidator would be undertaken through its internal process and, accordingly, decided to finalise the name of the Liquidator separately.

III. The Learned Counsel for the Applicant submits that, on **03.10.2025**, two Resolution Plans were received by the Resolution Professional from **City Alloys Private Limited** and **Willson Medical System Private Limited**. Thereafter, in the **31st Meeting of the CoC held on 24.11.2025**, the CoC deliberated upon and negotiated the financial aspects of the Resolution Plans with the respective Prospective Resolution Applicants ("PRAs"). It is further submitted that despite several rounds of discussions and negotiations, both the PRAs were unwilling to improve the financial terms of their respective Resolution Plans beyond a certain level. Accordingly, in the **37th Meeting of the CoC held on 06.01.2026 and 13.01.2026**, the CoC deliberated upon the commercial aspects of the Resolution Plans. Based on the financial terms of the Resolution Plans and having regard to the time already consumed in the CIRP, the CoC, upon due deliberation, decided not to proceed with the Resolution Plans submitted by the respective Resolution Applicants and accordingly, resolved to liquidate the Corporate Debtor in accordance with the provisions of the IBC. A copy of the 37th CoC meeting is attached in the application at pages 53-58.

IV. The total value of the Resolution Plans as submitted by the PRAs to RP are extracted below from the supplementary affidavit filed by the RP on 01.07.2026:

SL.NO	PROSPECTIVE RESOLUTION APPLICANT	AMOUNT (RS)
1.	City Alloys Private Limited	27,00,000
2.	Willson Medical System Private Limited	25,00,000

V. The valuation report was also filed through the supplementary affidavit dated 01.07.2026. The details of the same are extracted below:

TOTAL FAIR VALUE (RS)	TOTAL LIQUIDATION VALUE (RS)
35,62,593	7,99,307

VI. On the perusal of the 37th CoC meeting held on 06.01.2026 and 13.01.2026, the CoC have approved the resolution for liquidation of the corporate debtor with 100% voting share. The result of the voting is extracted below for convenience: (page 58 of the application)

Apex Steel Private Limited in CIRP		
Agenda for Voting in the 37th CoC Meeting held on 06-01-2026 & 13-01-2026		
Sl. No	**Resolutions**	**Consent (Yes/No/Abstain)**

1.	"RESOLVED that the consent of the CoC be and is hereby accorded to liquidate the Apex Steel Private Limited u/s 33(2) of the I B Code 2016 and the consent of the CoC be and is hereby also accorded that the RP shall file the relevant application for the for the liquidation of the Corporate Debtor with the Ld. Adjudicating Authority."	Yes

VII. In the above circumstances, it is relevant to take note of the Section 33 (2) of the Code, which is reproduced herein below:

*"**Section 33: Initiation of liquidation:***

(2) Where the resolution professional, at any time during the corporate insolvency resolution process but before confirmation of resolution plan, intimates the Adjudicating Authority of the decision of the committee of creditors [approved by not less than sixty-six percent of the voting share] to liquidate the corporate debtor, the Adjudicating Authority shall pass a liquidation order as referred to in sub-clauses (i), (ii) and (iii) of clause (b) of sub-section (1).

Explanation.- For the purposes of this sub-section, it is hereby declared that the committee of creditors may take the decision to liquidate the corporate debtor, any time after its constitution under sub-section (1) of section 21 and before the confirmation of the resolution plan, including at any time before the preparation of the information memorandum.”

VIII. On a perusal of Section 33(2), it is evident that at any stage during the CIRP, but before approval of a resolution plan by the Adjudicating Authority, the CoC may decide to liquidate the Corporate Debtor with not less than 66% voting share and the Adjudicating Authority shall accordingly shall pass an order for liquidation of the Corporate Debtor. In the present case, although two Resolution Plans were received from the PRAs, the same were not approved by the CoC within the extended CIRP period. Thereafter, the CoC, with 100% voting share, resolved to liquidate the Corporate Debtor.

IX. In terms of the amended provisions and Regulation 3A of the Liquidation Regulations, the CoC is required to recommend the name of the Liquidator from the panel of Insolvency Professional prepared by the IBBI. However, despite approving the resolution for liquidation, the CoC did not propose or recommend the name of any Insolvency Professional for appointment as the Liquidator.

5. In view of the aforesaid facts this Adjudicating Authority is left with no option except to pass an order for Liquidation of the Company in the manner laid down in Chapter III of the Code. Accordingly, the Corporate Debtor is ordered to be liquidated and following consequential order is passed:-

I. **I.A (IB) (LIQ.) NO. 14/KB/2026** filed by Mr. Sanjai Kumar Gupta, RP of Apex Steel Private Limited, is ordered to be liquidated in terms of section 33 of the Code read with sub-section (1) thereof.

II. Since the CoC, while approving the resolution for liquidation of the Corporate Debtor, has not proposed or recommended the name of any Insolvency Professional for appointment as the Liquidator, we hereby appoint **Mrs Rachna Anchalia**, Reg. No. **IBBI/IPA-001/IP-P-01572/2019-2020/12602**, E-mail Id: ca.rachna1978@gmail.com and Mob No: **7980303803** as the liquidator from the panel of Insolvency Professionals provided by IBBI. Her appointment shall be subject to possessing a valid Authorisation for Assignment (AFA) issued by the Insolvency Professional Agency (IPA) of which she is a professional member, in terms of Regulation 7A of the Insolvency and Bankruptcy

Board of India (Insolvency Professionals) Regulations, 2016. The Liquidator is directed to submit her consent to act as Liquidator within **10 days** of receipt of this order. The erstwhile RP shall handover all papers and documents in his possession concerning the Corporate Debtor to the Liquidator appointed in this matter within **10 days**.

III. The Liquidator shall initiate liquidation process as envisaged under Chapter III of the Code and the Insolvency & Bankruptcy Board of India (Liquidation Process) Regulations, 2016 and conduct the process in scrupulous observation of the Code and connected Regulations as amended from time to time.

IV. Public Notice shall be issued in the newspapers stating that the Corporate Debtor is in liquidation.

V. All the powers of the Board of Directors, and of key managerial persons, shall cease to exist in accordance with Section 34(2) of the Code. All these powers shall henceforth vest in the Liquidator.

VI. The Liquidator shall submit a Preliminary Report to the Adjudicating Authority within seventy-five days from the liquidation commencement date as per Regulation 13 of the Insolvency and Bankruptcy (Liquidation Process) regulations, 2016.

VII. Every person who is or has been a personnel of the Corporate Debtor, or its promoter, or associated with the management of the Corporate Debtor, or engaged in a contract for service with the Corporate Debtor, shall extend all assistance and cooperation to the Liquidator.

VIII. After initiation of liquidation and subject to Section 52 of the Code, moratorium in terms of Section 33(1)(b)(iv) shall come into effect, prohibiting:

(a)Institution of suits or continuation of pending suits or proceedings against the corporate debtor including execution of any judgement, decree or order in any court of law, tribunal, arbitration panel or other authority; and

(b)Any action to foreclose, recover or enforce any security interest created by the corporate debtor in respect of its property including any action under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002.

IX. The provisions of Section 33(1)(b)(iv) shall however not apply to legal proceedings in relation to such transactions as may be notified by the Central Government in consultation with any financial sector regulator or any other authority.

X. No suit or other legal proceeding shall be initiated, or if already pending on the date of this order, be continued by the Liquidator on behalf of the Corporate Debtor, except with the prior approval of the Committee of Creditors and the leave of the Adjudicating Authority, and subject to such conditions as may be imposed by the Adjudicating Authority.

XI. In accordance with section 33(7) of the Code, this liquidation order shall be deemed to be a notice of discharge to the officers, employees and workmen of the Corporate Debtor except to the extent of the business of the Corporate Debtor continued during the liquidation process by the Liquidator.

XII. The fees payable to the Liquidator shall be fixed by the Committee of Creditors in its first meeting after the appointment of the liquidator. If the Committee of Creditors fail to do so, the fees shall be payable in accordance with Regulation 4(2) of the IBBI (Liquidation Process) Regulations, 2016.

XIII. In terms of section 33(1)(b)(iii), the **Liquidator** shall file a copy of this Order with the **Registrar of Companies, West Bengal**, within whose jurisdiction the Corporate Debtor is registered. Additionally, the **Registry** of this

Adjudicating Authority shall also forward a copy of this Order to the **Registrar of Companies, West Bengal.**

XIV. Lastly, in the event any CIRP-related dues payable to the Resolution Professional, Mr. Sanjai Kumar Gupta, remain outstanding or due, the CoC member shall ensure payment of the same within a period of 14 days from the date of this order.

6. The application bearing **I.A. (IBC) (LIQ) NO. 14/KB/2026** shall stand **disposed of** in accordance with the above directions.
7. **C.P. (IB) No. 182/KB/2022** is to come up for filing of Periodical Progress Report on **30.09.2026**.
8. The Registry is directed to send e-mail copies of the order forthwith to all the parties and their Ld. Counsel for information and for taking necessary steps.
9. Certified Copy of this order may be issued, if applied for, upon compliance of all requisite formalities.

(Rekha Kantilal Shah)
Member (Technical)

(Labh Singh)
Member (Judicial)

Order signed on the 19th day of August, 2026

S.T. (LRA)