NATIONAL COMPANY LAW TRIBUNAL
COURT-V, MUMBAI BENCH

1. IA(LIQ.)/40/2024 C.P. (IB)/1197(MB)2022

IN THE MATTER OF

Samata Nagari Sahakari Patsanstha Maryadit … Petitioner

Vs

Souvenir Developers (India) Pvt Ltd … Respondent

U/s 7 of the Insolvency and Bankruptcy Code, 2016

Order Delivered on 03.11.2026

CORAM:

SH. NILESH SHARMA
MEMBER (J)

SH. CHARANJEET SINGH GULATI
MEMBER (T)

Appearance through VC/Physical/Hybrid Mode:

For the Petitioner:

For the Respondent:

ORDER

IA(LIQ.)/40/2024- The above IA(LIQ.)/40/2024 is listed for pronouncement of order.

The same is pronounced in open Court, vide a separate order.

Sd/-
NILESH SHARMA
Member (Judicial)

Sd/-
CHARANJEET SINGH GULATI
Member (Technical)

//*Avdhesh*//

NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH, V

IA (LIQ) No. 40 OF 2024
Order under Section 33(1) of the Insolvency and Bankruptcy Code, 2016

IN THE MATTER OF:

Mr. Vinit Gangwal

Resolution Professional of Souvenir Developers (India) Private Limited
Having its registered address at:

Office No. 503, Varun Capital, JM Road, Opp. Jungli Maharaj Temple, Bharat Petrol Pump Lane, Near Citiotel, Shivajinagar, Pune – 411005

… Applicant/Resolution Professional

IN THE ORIGINAL MATTER OF:

CP (IB) No. 1197 OF 2022

Samata Nagari Sahakari Patsantha Maryadit

… Financial Creditor/Petitioner

Versus

M/s Souvenir Developers (India) Private Limited

…Corporate Debtor/Respondent

Order Delivered on: 03.11.2026

Coram:

Sh. Nilesh Sharma
Member (Judicial)

Sh. Charanjeet Singh Gulati
Member (Technical)

Appearance through VC/Physical/Hybrid Mode:

For the Applicant/RP: - CA Raghunath Sarangapani

For the Respondent:

IA (LIQ) NO. 40 OF 2024

1. The present Interlocutory Application has been filed by Mr, Vinit Gangwal, **("Applicant")** Resolution Professional of M/s Souvenir Developers Private Limited **("Corporate Debtor"),** under Section 33(1) of the Insolvency and Bankruptcy Code, 2016 **("the Code"),** seeking liquidation of the Corporate Debtor and appointment of Liquidator, with following prayers:
    a. *That this Application may be allowed by this Tribunal;*
    b. *That this Hon'ble Tribunal Order the liquidation of the Corporate Debtor;*
    c. *That this Hon'ble Tribunal may order the appointment of the Applicant as the Liquidator of the Corporate Debtor or any other Insolvency Professional it may deem fit; and*
    d. *That this Hon'ble Tribunal may be pleased to grant any ancillary or consequential directions, or such other further reliefs as may be deemed fit and proper in the facts and circumstances of the case.*

2. The Corporate Insolvency Resolution Process **("CIRP")** of M/s Souvenir Developers Private Limited was initiated by this Tribunal vide order dated 01.08.2023 in C.P (IB) No. 1197 of 2022 under Section 7 of the Code, filed by Samata Nagari Patsantha Maryadit **("Financial Creditor")**. Pursuant to the said order, Ms. Mona Vora was appointed as the Interim Resolution Professional **("IRP")** of the Corporate Debtor.

3. The IRP made a Public Announcement in Form A on 05.08.2023, published in the *Indian Express – Maharashtra and Dhule Region (English)* and *Loksatta – Mahrashtra and Dhule region (Marathi)* inviting

claims from the creditors of the Corporate Debtor on or before 16.08.2023. Upon receipt of claims, the IRP constituted the Committee of Creditors **("CoC")** of the Corporate Debtor, comprising the sole Financial Creditor, Samata Nagari Sahakari Patsantha Maryadit, holding 100% voting share, with admitted claims amounting to **Rs. 1,22,48,573/-.** The constitution of the CoC was approved by this Tribunal vide order dated 01.09.2023.

4. In the 1st meeting of CoC held on 01.09.2023, the IRP, Ms. Mona Vora was appointed as the Resolution professional by the CoC. Subsequently, vide order dated 22.11.2023 passed by this Tribunal in I.A. No. 5338 of 2023, the Applicant, Mr. Vinit Gangwal, was appointed as the Resolution Professional of the Corporate Debtor, replacing Ms. Mona Vora.

5. Following his appointment, the Applicant sought the cooperation of the Suspended Directors vide email dated 01.12.2023. While collating the data on the assets of the Corporate Debtor, the Applicant discovered that Plots 1, 2, and 9 of GAT No. 154 at Village Hemantkhede, Taluka Parola, District Jalgaon, were alienated by the Suspended Directors on 20.09.2023, 20.09.2023 and 30.10.2023 respectively, after the commencement of CIRP on 01.08.2023. The sale proceeds were allegedly utilized towards the partial repayment of the debt owed by the Corporate Debtor to the Financial Creditor.

6. Upon discovering this, the Applicant called upon the Financial Creditor via email dated 08.01.2024 to remit the amounts received from the Corporate Debtor or from the sale of its assets after commencement of CIRP. The Financial Creditor transferred a sum of Rs. 7,15,000/- to the Corporate Debtor's account on 12.01.2024. On 15.01.2024, the Suspended Directors, via email, admitted to alienating the assets of the Corporate Debtor and

claimed that the total value of the property sold was Rs. 34,00,000/-. However, the consideration mentioned in the three Sale Deeds amounts to only Rs. 7,15,000/- indicating that the assets may have been sold at an undervalued price.

7. The Applicant convened the 3rd meeting of CoC on 15.01.2024 to decide the further course of action i.e. whether to seek an extension of the CIRP Period or proceed for liquidation. The CoC deferred the matter. Upon being prompted by the Applicant via email dated 23.01.2024, the CoC replied via email dated 24.01.2024 stating its intention is to proceed with the liquidation of the Corporate Debtor. The Applicant shared draft resolution with the CoC on 25.01.2024.

8. The Applicant submits that the 180th day of the CIRP was 29.01.2024. No resolution plan has been received during the CIRP of the Corporate Debtor. Consequently, the present Application has been filed under Section 33(1) of the Code.

Analysis and Findings

9. We have heard the Ld. Counsel for the Applicant and perused the material on record.

10. It is noted that although the CoC communicated its intention to proceed with the liquidation of the Corporate Debtor, no formal resolution in this regard was passed. The Applicant has, therefore, approached this Tribunal seeking an order of liquidation under Section 33(1) of the Code. In this regard it is pertinent to refer to the provisions of Section 33 of the Code which are reproduced below for ready reference:

Section 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."

(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 or dissolve the corporate debtor, the Adjudicating Authority shall pass a liquidation order as referred to in- sub-clauses (i)(ii)(iii)(iv) and (v) 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."

11. Section 33(1) provides that where the Adjudicating Authority does not receive a resolution plan before the expiry of the CIRP period or the maximum period permitted for completion of the CIRP, it shall pass an

order for liquidation of the Corporate Debtor. Whereas Section 33(2) of the Code provides that, at any stage during the CIRP, but before the approval of a resolution plan by the Adjudicating Authority, the CoC may, in exercise of its commercial wisdom, pass a resolution to liquidate the Corporate Debtor by a vote of not less than 66% of the voting share. Upon such decision being communicated by the RP to the Adjudicating Authority, the Adjudicating Authority is required to pass a liquidation order. Thus, the existence of a CoC resolution with requisite majority, and the filing of the application "at any time during the CIRP", are statutory preconditions for initiating liquidation under Section 33(2) of the Code. There is no such requirement of Section 33(1) of the Code.

12. In the present case, the Corporate Debtor was admitted into CIRP vide order dated 01.08.2023 and the initial period of 180 days of CIRP period expired on 29.01.2024. No extension of the period of CIRP was sought, nor any resolution plan has been received by the Adjudicating Authority under Section 30(6) of the Code. Though the CoC expressed its intention to proceed with liquidation, no formal resolution authorizing the same or appointing a liquidator was passed. In the aforesaid facts and circumstances, the provisions of Section 33(1) of the Code are clearly attracted.

13. As regards the appointment of the Liquidator, the Applicant has proposed his own appointment as the Liquidator of the Corporate Debtor or, alternatively, the appointment of any other Insolvency Professional as this Tribunal may deem fit. However, neither the consent of the proposed Liquidator nor any resolution approving his appointment is on record. It is further noted that, pursuant to the amendment to Section 34 of the Code by the Insolvency and Bankruptcy Code (Amendment) Act, 2026, with effect

from 26.05.2026, this Tribunal, while passing an order under Section 33, is required to refer the matter to the Board for making recommendations for the appointment of an Insolvency Professional as Liquidator. Accordingly, in view of the amended provisions of the Code and the IBBI (Liquidation Process) Regulations, 2016, as applicable with effect from 01.06.2026, the appointment of the Liquidator is required to be considered in accordance with the amended procedure.

14. In view of the facts and circumstances of the case, this Bench deems it just and proper to order liquidation of the Corporate Debtor in the manner laid down in Chapter III of Part II of the Code. Therefore, the following order is passed in **I.A. (Liq.) No. 40 of 2024 in C.P. (IB) No. 1197 of 2022**:

ORDER

a. The Corporate Debtor, **M/s Souvenir Developers (India) Private Limited** having **CIN: U45200MH2004PTC147269)** is directed to be liquidated in accordance with the provisions of Chapter III of Part II of the Code and applicable regulations. Consequently, the Applicant/RP stands relieved subject to procedural/necessary compliances under Section 34(5) of the Code.

b. We deem it appropriate to appoint an Insolvency Professional from the panel of Insolvency Professionals shared by the IBBI, as Liquidator in this case. Accordingly, **Mr. Udayraj Patwardhan** bearing Registration No. **IBBI/IPA-001/IP-P00024/2016-2017/10057,** having address at Kohinoor Square, West Tower, B Wing, Zeus, 4407, 44th Floor, N.C. Kelkar Road, Shivaji Park, Dadar (West), Mumbai City, Maharashtra, 400028, having Email id: **ca[dot]udayraj[at]viajure[dot]in** having

AFA valid upto 30.12.2026, to act as the Liquidator in terms of Section 34 of the Code.

c. The Liquidator shall initiate the liquidation process as envisaged under Chapter III of Part II of the Code and the Liquidation Process Regulations applicable on the date of passing of this order. He shall take control of all the assets of Corporate Debtor and also continue or institute proceedings in respect of avoidance transactions or fraudulent or wrongful trading, if any, as per section 35(1)(l) of the Code.

d. The Liquidator shall be entitled to a fee for conducting the liquidation proceedings, as approved by the CoC or in accordance with Regulation 4 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016, as applicable on the date of passing of this order, as the case may be.

e. The Committee of Creditors constituted under section 21 shall continue to function during the liquidation process as per Regulation 8 of the IBBI (Liquidation Process) Regulations, 2016.

f. A fresh moratorium shall commence in terms of provision of Section 33(1)(iv) of the Code.

g. The Liquidator shall issue public announcement stating that the Corporate Debtor is in liquidation.

h. This Order shall be deemed to be a notice of discharge to the officers, employees and workmen of the Corporate Debtor.

i. The Liquidator shall submit a Preliminary Report to the Adjudicating Authority within 30 days from the liquidation commencement date as per Regulation 13 of the Insolvency and Bankruptcy (Liquidation

Process) Regulations, 2016. The Liquidator shall also submit progress reports as per Regulation 15 of the Liquidation Process Regulations.

j. The Liquidator is hereby authorised to represent the Corporate Debtor before the Government Authorities, if required. Further, in terms of Section 35(1)(k) of the Code, the Liquidator is authorised to institute or defend any suit, prosecution or other legal proceedings, whether civil or criminal, in the name of or on behalf of the Corporate Debtor, including in respect of any pending proceedings, in accordance with the provisions of the Code and other applicable laws.

k. Registry shall furnish a copy of this Order within seven days from the passing of this Order to the following:

   i. Insolvency and Bankruptcy Board of India;
   ii. Regional Director (Western Region), Ministry of Corporate Affairs;
   iii. Registrar of Companies, Mumbai – II;
   iv. Official Liquidator attached to Bombay High Court;
   v. Erstwhile Resolution Professional, Mr. Vinit Gangwal
   vi. Liquidator, Mr. Udayraj Patwardhan.

15. Accordingly, the I.A. (LIQ.) No. 40 of 2024 is **allowed** in above terms and stands **disposed of**.

SD/-	**SD/-**
NILESH SHARMA	**CHARANJEET SINGH GULATI**
Member (Judicial)	Member (Technical)

Smeet - LRA