NATIONAL COMPANY LAW TRIBUNAL
CHANDIGARH BENCH (COURT–I)
(SPECIAL BENCH)

Item No. 212

IA(IBC)(LIQ)/6(CH)2026, IA(IBC)/1898(CH)2025
IA(IBC)/102(CH)2026, IA(IBC)/1007(CH)2026
In
CP (IB) No. 239/Chd/Hry/2024
(Admitted)
(Other IAs on 25.08.2024

IN THE MATTER OF:
Ogata Motors India Pvt Ltd .... Petitioner
Vs
Falcon Auto Engineering Pvt Ltd. ..... Respondent

Under Section: **9, 33(1) r/w 33(3), 19(2), 25(2)(J) r/w 66 IBC 2016, R 11 of NCLT, 2016**

Order delivered on 25.08.2026

CORAM:

SHRI. K.K. SINGH
HON'BLE MEMBER (T)

SHRI. ASHOK KUMAR BHARDWAJ
HON'BLE MEMBER (J)

PRESENT:-

For the IRP : Mr. Shashi Bhushan Prashad, Advocate

ORDER

IA(IBC)/102(CH)2026

The present application has been filed on behalf of the Interim Resolution Professional of M/S Falcon Auto Engineering Private Limited (undergoing CIRP) under Rule 11 of NCLT Rules. 2016 to place on record status report in compliance with order dated 09.10.2025, passed by this Tribunal. The same is taken on record, subject to just exceptions.

Accordingly, IA(IBC)/102(CH)2026 is ***disposed of.***

IA(IBC)/1007(CH)2026

The present application has been filed under Section 25(2)(J) read with Section 66 of IBC, 2016 seeking appropriate and consequential directions for fraudulent/ wrongful trading of certain transactions entered by the Suspended & Ex – Directors of the Corporate Debtor as determined by the Transaction Auditor & Interim Resolution Professional.

2. **Issue notice of this application to the Respondent(s)**.
3. The Applicant shall collect the notices from the Registry and send the same by speed post as well as by e-mail, if available, immediately to the Respondent(s) at their registered address attaching therewith copy of the application and the entire paper book and the copy of this order.
4. In case, the service of speed post on the aforesaid Respondent(s) is not effected, the Applicant shall adopt the mode of substituted service and the notice of hearing be advertised in two daily newspapers (one English and one Hindi) having wide circulation in the area.
5. The Applicant shall file affidavit of service supported by postal receipt, tracking report, paper clippings and copy of e-mail within one week.
6. Reply be filed within two weeks after receipt of notice with a copy in advance to the counsel opposite. Rejoinder thereto, if any, be filed within one week thereafter with a copy in advance to the counsel opposite.

List on **12.10.2026.**

IA(IBC)/1898(CH)2025

The prayer made in the captioned application. Ld. Counsel for the RP submitted that the RP has not been receiving any operation either from Financial Creditor or from Suspended Board of Director, thus he is compelled to move application under Section 19(2) and (3) of IBC, 2016 read with Regulation 3A of the IBBI

(Insolvency Resolution Process for Corporate Persons) Regulations, 2016 read with Rule 11 of NCLT Rules, 2016. The prayer made in the captioned application reads thus:

a) *To direct the suspended Directors to co-operate with the undersigned and provide all the information, supporting documents as required by the Applicant as well as hand over the possession of all the assets/properties being held on the name of the Corporate Debtor.*
b) *To direct the suspended directors of the Corporate Debtor to fulfil their all responsibilities and liabilities under the provisions of IBC, 2016.*

As can be seen from the provisions under Section 19(1) of IBC, 2016, any person who is or has been a personnel of the Corporate Debtor or his promoter or associated with the management of the Corporate Debtor or engaged in the contract for service with the Corporate Debtor shall extend all assistance and cooperation to the IRP as may be required by him for the purpose of managing the affairs of the Corporate Debtor or performing the duties conferred on him under Chapter II of the Code. In the event of failure of Section 19(1) of the IBC, 2016, the IRP can prefer an application before this Adjudicating Authority. In terms of provisions of Section 19(3) of IBC, 2016, this Adjudicating Authority may direct any such person referred in Section 19(1) of IBC, 2016 to comply with the instruction of the IRP and to cooperate with him collection of the information and management of the Corporate Debtor. Section 19 of IBC, 2016 reads thus.

In due reference to the provisions of Section 19(3) of IBC, 2016 we allow the captioned application and direct the promoters/directors to extend all requisite cooperation to the IRP and provide all documents/information/material as is needed by him to manage the affairs of the Corporate Debtor in ought to carry out the CIRP.

In view of the above, IA(I.B.C)/1898(CH)2025 stands ***disposed of.***

IA(IBC)(LIQ)/6(CH)2026

The attention is drawn towards Resolution passed by the CoC in its 7th CoC meeting held on 06.04.2026 with 100% vote shares deciding for liquidation of the Corporate Debtor. The relevant excerpt of the Resolution reads as thus:

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SHASHI BHUSHAN PRASAD
CS, Advocate, Insolvency Professional
Reg. No. IBBI/IPA-002/IP-N00676/2018-2019/12114
AFA valid up to 31.12.2026
Email id:cirp.falconautoengineering@gmail.com
Cor. Add.: E-43, LGF, Panchsheel Park, New Delhi - 110017

To consider, discuss and approve the liquidation of the Corporate Debtor as per Section 33(2) of IBC, 2016 and to authorise the IRP/Deemed RP to file an application with Hon'ble NCLT, Bench 1, Chandigarh

The chairman apprised that as the CIRP period of the Corporate Debtor i.e., M/s Falcon Auto Engineering Private Limited is going to complete today dt. 06th April, 2026 and as discussed earlier in the 5th CoC meeting, liquidation of the corporate debtor has been proposed following the conclusion of the Corporate Insolvency Resolution Process (CIRP). In the 5th CoC meeting it was opined by the CoC that since the assets of the CD are in scrap condition and invitation of Resolution Plan may not attract a viable resolution plan, accordingly, it would be better to go for liquidation of the CD. Accordingly, a resolution recommending liquidation of a corporate debtor seems to be better option, when revival is not feasible during the Corporate Insolvency Resolution Process (CIRP). Therefore, the **Committee of Creditors (CoC)** decides to liquidate the company under **Section 33(2)** of IBC, 2016.

Following resolution is therefore required to be passed after due discussion and deliberations:

Resolution No: 2

To consider and if found fit, to pass with or without modification the following Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 33(2) of the Insolvency and Bankruptcy Code, 2016 and other applicable provisions, if any and subject to the approval of Hon'ble NCLT, Bench 1, Chandigarh, the Committee of Creditors hereby resolves to liquidate *the M/s Falcon Auto Engineering Private Limited* , as no viable resolution plan is expected to be received/approved during the CIR process.

RESOLVED FURTHER THAT the IRP/Deemed RP be and is hereby authorized to take all necessary steps to give effect to this resolution and to file the application before the Hon'ble Adjudicating Authority recommending liquidation of the Corporate Debtor."

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SHASHI BHUSHAN PRASAD
CS, Advocate, Insolvency Professional
Reg. No. IBBI/IPA-002/IP-N00676/2018-2019/12114
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After discussion, this ageda item was kept open for E-Voting upto 15th April, 2026;

Summary of the decisions taken on relevant agenda item

Agree	Disagree	Abstain	Not Participated in Voting
100%	0%	0%	0%

Item No. 09

To consider, approve and authorise the IRP/Deemed RP to file an application u/s 43, 45, 50 and 66 after the receipt of Transaction/Forensic Audit Report from the Forensic Auditors if any as per the provisions of IBC, 2016.

As per the CIRP Regulation 35A, the RP has to form an opinion on or before the 75th day of the insolvency commencement dated i.e. 24th December, 2025 (being 75th day of ICD) that whether the Corporate Debtor has been subjected to any preferential and other transactions covered under Sections 43, 45, 50 or 66 of the Code ("**Avoidance Transactions**") and further has to make determination on or before the 135th day of the insolvency commencement date and to intimate the Board regarding these Avoidance Transactions. For ascertaining these Avoidance Transactions, the RP would need assistance of a transaction auditor in identifying these Avoidance Transactions undertaken by the Corporate Debtor.

During the last CoC meeting, a resolution was proposed to appoint **Mr. Paras Aggarwal, Partner S L Gupta & Associates against the professional fees of Rs. 22,000/- plus GST & Out of pocket Expenses** and the same was approved by CoC with 100% voting rights. Accordingly, the IRP/Deemed RP needs to be authorized to file an application u/s 43, 45, 50 and 66, if any as per the reports submitted by the Transactions/Forensic Auditor.

Following resolution is therefore required to be passed after due discussion and deliberations:

Resolution No. 03:

As can be seen from the provisions of Section 33(2) of IBC, 2016, where the decision is taken by the CoC to liquidate the Corporate Debtor, this Tribunal has no option but to pass the order in terms of Section 33(2) of the IBC, 2016. Sections 33(1) and 33(2) of the IBC, 2016 is reads as thus:

> *"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 per cent. of the voting share] to liquidate or dissolve] 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) or a*

dissolution order under sub-section (2A) of section 54, as the case may be.]"

a) Further, in the wake of the aforementioned provisions of the Code and the Resolution passed by the CoC, the application is ***allowed*** and the Corporate Debtor is liquidated.

b) **Mr. Mukesh Kumar** having Reg. No: IBBI/IPA-001/IP-P-01498/2018-2019/12268 and e-mail ID: ca.mukeshmittal@gmail.com whose name is at serial no. 10 of list of IPs provided by IBBI to this Tribunal for being appointed as IRP/RP/Liquidator/Bankruptcy Trustee is appointed as Liquidator qua the Corporate Debtor to carry out the liquidation process inter alia in terms of the following directions:-

a) The Liquidator shall strictly act in accordance with the provisions of IBC, 2016 (viz. Sections 35, 36, 38, 39 and 41 thereof) and other relevant rules and Regulations including Insolvency and Bankruptcy (Liquidation Process) Regulations, 2017 as amended up to date, enjoined upon him.

b) The Liquidator shall issue the public announcement that the Corporate Debtor is in liquidation. In relation to officers/ employees and workers of the Corporate Debtor, taking into consideration Section 33(7) of IBC, 2016, this order shall be deemed to be a notice of discharge.

c) The Liquidator shall investigate the financial affairs of the Corporate Debtor particularly, in relation to preferential transactions/ undervalued transactions and such other like transactions including fraudulent preferences and file a suitable application before this Adjudicating Authority.

d) In terms of section 178 of the Income Tax Act, 1961, the Liquidator shall give necessary intimation to the Income Tax Department. In relation to other fiscal and regulatory authorities which govern the Corporate Debtor, the Liquidator shall also duly intimate about the order of liquidation.

e) The order of Moratorium passed under Section 14 of the Insolvency and Bankruptcy Code, 2016 shall cease to have its effect and a fresh Moratorium under section 33(5) of the Insolvency and Bankruptcy Code shall commence.

f) The Liquidator is directed to investigate the financial affairs of the Corporate Debtor in terms of the provisions of Section - 35(1) of IBC, 2016 read with relevant rules and regulations and also file its response for disposal of any pending Company applications during the process of liquidation.

g) The Liquidator shall submit a Preliminary report to this Tribunal within 75 (seventy-five) days from the liquidation commencement date as per regulation. 13 of the Insolvency and Bankruptcy (Liquidation Process) Regulations, 2016. Further such other or further reports as are required to be filed under the relevant Regulations, in addition, shall also be duly filed by him with this Adjudicating Authority.

h) Copy of this order be sent to the financial creditors, Corporate Debtor and the Liquidator for taking necessary steps and for extending the necessary cooperation in relation to the Liquidation process of the Corporate Debtor, viz., company-in-liquidation.

i) The Registry is directed to communicate this order to the Registrar of Companies, having jurisdiction over the Corporate Debtor and the Insolvency and Bankruptcy Board of India;

It goes without saying that fee of the Liquidator would be payable in terms of the provisions of Section 34(7) of the IBC, 2016 read with Regulation 4 of IBBI (Liquidation Process) Regulation 2016.

Sd/-	**Sd/-**
(K.K. SINGH)	**(ASHOK KUMAR BHARDWAJ)**
MEMBER (TECHNICAL)	**MEMBER (JUDICIAL)**

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