IN THE NATIONAL COMPANY LAW TRIBUNAL

PRINCIPAL BENCH, NEW DELHI

IA(IBC)(LIQ.)/4876(ND)2025

In

CP (IB) – 106(PB)/2024

Order under Section 33(2) of the Insolvency and Bankruptcy Code, 2016.

IN THE MATTER OF:

M/S INDO SPIRITS

... OPERATIONAL CREDITOR

VERSUS

MULTICITY HOSPITALS LLP

...CORPORATE DEBTOR

AND

IN THE MATTER OF: IA(IBC)(LIQ.)/4876(ND)2025

MR. SHAILESH CHANDRA OJHA

RESOLUTION PROFESSIONAL

FOR MULTICITY HOSPITALS LLP

...... APPLICANT

Order Pronounced On: 16.10.2025

CORAM:
CHIEF JUSTICE (RETD.) RAMALINGAM SUDHAKAR
HON'BLE PRESIDENT

SHRI RAVINDRA CHATURVEDI
HON'BLE MEMBER (TECHNICAL)

Appearances:

For the RP : Adv. Shivam Gautam, Mr. Shailesh Chandra Ojha, RP

ORDER

PER: RAVINDRA CHATURVEDI, MEMBER (TECHNICAL)

1. This is an application filed by Mr. Shailesh Chandra Ojha, Resolution Professional ("**RP**") of M/S Multicity Hospitalities LLP, the Corporate Debtor (LLPIN: AAF-9689) before this Adjudicating Authority under Section 33 (2) of the Insolvency and Bankruptcy Code, 2016 ("**IBC/Code**"), seeking initiation of the liquidation proceedings against the Corporate Debtor based on the decision taken by the Committee of Creditors (**CoC**) in its 9th meeting held on 26.09.2025. The prayers made in the application read thus:

   "a. Allow the present application

   b. Pass an order and direct the Liquidation of Corporate Debtor i.e. Multicity Hospitalities LLP in terms of Section 33 of Insolvency and Bankruptcy Code, 2016

   c. Pass an order and appoint Mr. Shailesh Chandra Ojha having IBBI Registration No. IBBI/IPA-001/IP-P-02859/2023-2024/14382 to act as Liquidator of Corporate Debtor i.e. Multicity Hospitalities LLP.

   d. Pass such further orders as this Hon'ble Adjudicating Authority may deem fit in light of the facts and circumstances."

Brief facts of the case as stated in the application:

2. Before delving into the issue for filing this present application, it is pertinent to mention the relevant facts of the case. An application was filed by Indo Sprits (**Operational Creditor**) under Section 9 of the Code read with Rule 6 of Insolvency and Bankruptcy (Application to Adjudicating

Authority) Rules, 2016, for initiation of corporate insolvency resolution process (**CIRP**) against Multicity Hospitalities LLP (hereinafter referred to as "**Corporate Debtor**" or "**CD**").

3. Subsequently, this Adjudicating Authority vide order dated 18.12.2024 was pleased to admit the application bearing no CP (IB) – 106(PB)/2024 and initiate CIRP against the Corporate Debtor (**Admission Order**). Mr. Shailesh Chandra Ojha, the Applicant herein, was appointed as the Interim Resolution Professional (**IRP**) with the directions to take necessary actions in accordance with the relevant provisions of the Code.

4. The Applicant/IRP made a public announcement on 06.01.2025, wherein the last date for submission of claims was 19.01.2025. Pursuant to the publication of FORM A, the Applicant had received three claims till the last date for submission of claims and all of them were admitted by him.

5. Accordingly, the Applicant constituted the Committee of Creditors (**CoC**) comprising of three Operational creditors, as per Regulation 16 of IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 as no claim was received from the any Financial Creditor. The composition of the CoC with their respective voting shares is given below:-

SR. NO.	Name	Amount Claimed	Claim admitted (Rs)	Voting share (%)
1.	M/s Indo Spirits	8,96,81,976	8,96,81,976	99.31%
2.	M/s Delhi Liquors	5,25,370	3,37,080.	0.36%
3.	M/s Mahadev Liquors	Rs. 3,00,630/-	Rs. 3,00,630/-	0.33%
	Total			100%

This constitution of the CoC of the CD was taken on record by this Adjudicating Authority vide order dated 12.02.2025.

6. The IRP convened the 1st Meeting of the CoC on 03.02.2025, wherein, in accordance with section 22(2) of the IBC, the IRP, Mr Shailesh Chandra Ojha, was confirmed as Resolution Professional (**RP**). This decision of the CoC was communicated to this Adjudicating Authority vide IA (I.B.C)/815PB)2025, and the same was taken on record vide order dated 18.02.2025.

7. During the CIRP, the RP has conducted several meetings with the CoC as mentioned below for the smooth conduction of the insolvency process :

1st Meeting of creditors	03.02.2025
2nd Meeting of creditors	14.02.2025
3rd Meeting of creditors	19.03.2025
4th Meeting of creditors	21.04.2025
5th Meeting of creditors	30.05.2025
6th Meeting of creditors	13.06.2025
7th Meeting of creditors	08.08.2025
8th Meeting of creditors	18.08.2025
9th Meeting of creditors	26.09.2025

8. The RP published Form G dated 04.03.2025 for inviting Expression of Interests (**EOI**s). Since no EOIs were received, the RP made another publication for inviting EOI on 25.06.2025, wherein the last date for submission of EOI was 10.07.2025.

9. In the meanwhile, since the CIRP period was expiring on 03.07.2025, the RP filed another application bearing no IA (I.B.C)/3088(ND)2025 seeking an extension of 90 days in the CIRP period with effect from 03.07.2025 to 30.09.2025. The same was allowed by this Adjudicating Authority vide order dated 30.06.2025, granting an extension of 90 days in the CIRP period.

10. Pursuant to this, the RP received EOI from one Prospective Resolution Applicant (**PRA**), namely Sunrise Enterprises, along with an Earnest Money Deposit (**EMD**) of Rs. 2,00,000 (Indian Rupees Two Lakhs only). However, the said PRA did not submit any Resolution Plan, and hence, the RP refunded the EMD amount to the PRA.

11. The 9th meeting of the CoC was convened on 26.09.2025, wherein the CoC deliberated upon various agendas along with the non-receipt of any resolution plan. The CoC, with a 99.31% majority, resolved to liquidate the Corporate Debtor. The relevant excerpt of the same is extracted below:

TO APPROVE THE LIQUATION OF THE CORPORATE DEBTOR UNDER THE PROVISIONS OF SECTION 33 OF INSOLVENCY AND BANKRUPTCY CODE, 2016 AND APPOINTMENT OF LIQUIDATOR OF THE CORPORATE DEBTOR.

"RESOLVED THAT in pursuant to Section 33 (2) of IBC 2016 and the rules made thereunder, the consent of members of the COC be and is hereby accorded to approve the filing of application with Hon'ble Adjudicating Authority, regarding the initiation of liquidation of Corporate Debtor

RESOLVED FURTHER THAT Mr. Shailesh Chandra Ojha **IBBI Reg No IBBI / IPA-001 / IP-P-02859 / 2023-2024 / 14382 and AFA valid up to 30.06.2026** ***is be and hereby appointed as Liquidator of the Corporate Debtor.***

RESOLVED FURTHER THAT the Resolution Professional be and is hereby authorized to submit an application before the Hon'ble Adjudicating Authority and to do all such acts, deeds and things as may be required or considered necessary or incidental thereto."

The aforesaid resolution was put to vote and the results are as follows:

Votes in favour : 99.31%

Votes against : 0%

Not voted : 0.69%

Accordingly, the CoC has passed the resolution with a majority of 99.31%.

12. Hence, the present Application was by the RP for approval of Liquidation of the CD.

13. The Hon'ble Supreme Court in the matter of **K. Sashidhar versus Indian Overseas Bank & Ors**. in Civil Appeal No. 10673 of 2018 has held that the commercial decision of CoC is non-justiciable. In this case, it is seen that CoC with 99.31% majority has passed the resolution seeking liquidation of the Corporate Debtor.

14. Further, Section 33(2) of the Insolvency and Bankruptcy Code 2016 permits the CoC to resolve to liquidate CD at any point of time during the CIRP. Section 33(2) reads as follows:

> *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 1 [approved by not less than sixty-six per cent. 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).*
>
> *2 [Explanation. – For the purpose 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.]*

15. In view of the above, we do not find any reason not to accept the commercial decision of the CoC to liquidate the CD, as the same will only delay the closure of the process prescribed under the IBC and erode the value of the CD further, which would not be in conformity with the overall object and intent of the IBC.

16. In the light of the above facts and circumstances, it is hereby ordered as follows:

   i. **IA(IBC)4876(ND)2025** filed by Mr. Shailesh Chandra Ojha, the Resolution Professional of M/S Multicity Hospitalities LLP, the Corporate Debtor is **allowed** and the Corporate Debtor is ordered to be liquidated in terms of Section 33(2) of the IBC;

   ii. The Insolvency and Bankruptcy Board of India vide its circular number Liq-12011/214/2023-IBBI/840 dated 18/07/2023 in the exercise of its powers conferred under Section 34(4)(b) of the Code has recommended that an IP other than the RP/IRP may be appointed as Liquidator in all the cases where Liquidation order is passed henceforth, and the Liquidator can be appointed from the panel list of the IBBI.

   iii. Therefore, this Adjudicating Authority appoints **Mr Mohd Nazim Khan** as the Liquidator of the Corporate Debtor from the available panel of Resolution Professionals/Liquidators as maintained by the IBBI. The details of the named Liquidator are as follows:

IBBI Registration No.	:	IBBI/IPA-002/IP-N00076/2017 2018/10207
Email address	:	nazim@mnkassociates.com
Address	:	MNK House, 9A/9-10, Basement, East Patel Nagar, New Delhi,110008

The Liquidator is directed to file his Written Consent in the prescribed format within 7 days from the receipt of this order.

iv. Mr. Shailesh Chandra Ojha, the Resolution Professional of the Corporate Debtor is relieved from the present assignment as the Resolution Professional. The present Resolution Professional is directed to hand over the relevant documents and control of the Corporate Debtor to the newly appointed Liquidator forthwith.

v. The Liquidator shall initiate the Liquidation process as envisaged under Chapter III of the Code and the Insolvency & Bankruptcy Board of India (Liquidation Process) Regulations, 2016.

vi. Public Notice shall be issued in the same newspapers in which advertisements were issued earlier, stating that the Corporate Debtor is in Liquidation. The Liquidator will also serve a copy of this order on the various Government Departments such as Income Tax, GST, VAT, etc., who are likely to have any claim upon the Corporate Debtor so that the authorities concerned are informed timely of the Liquidation order.

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

viii. The personnel of the Corporate Debtor are directed to extend all assistance and cooperation to the Liquidator as required by him in managing the Liquidation process of the Corporate Debtor.

ix. The Order of Moratorium passed under Section 14 of the Code shall cease to have its effect and a fresh Moratorium under Section 33(5) of the Code shall commence. On initiation of the Liquidation process but subject to Section 52 of the Code, no suit or other legal proceeding shall be instituted by or against the Corporate Debtor save and except the liberty to the liquidator to institute the suit or other legal proceeding on behalf of the Corporate Debtor with prior approval of this Adjudicating Authority, as provided in section 33(5) of the Code read with its proviso.

x. 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.

xi. The Liquidator shall manage and govern the affairs of the Corporate Debtor and shall have resort to powers and duties in terms of Section 35(1) of the Code.

xii. The Liquidator shall follow up and continue to investigate the financial affairs of the Corporate Debtor in accordance with provisions of Section 35(1) of the Code.

xiii. The Liquidator shall also follow up the pending applications for disposal during the process of Liquidation including initiation of steps for recovery of dues of the Corporate Debtor as per law.

xiv. The Liquidator shall submit 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;

xv. The fees of the Liquidator would be payable in terms of provisions of Section 34(2) of the IBC r/w Regulation 4 of IBBI (Liquidation Process) Regulations 2016.

xvi. The Liquidator and the Registry are hereby directed to send a copy of this order within 3 days from the date of this order to the Registrar of Companies, NCT of Delhi & Haryana. The Registrar of

Companies shall take further necessary action upon receipt of a copy of this order.

xvii. 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.

xviii. The Registry is further directed to send a copy of this order to the IBBI for their record.

xix. A certified copy of this order may be issued, if applied for, upon compliance with all requisite formalities.

17. The Application bearing **IA (IBC)(LIQ.)/4876(ND)2025** filed in CP (IB) – 106(PB)/2024 is **allowed** and stands **disposed of** in accordance with the above directions.

Sd/-
(RAMALINGAM SUDHAKAR)
PRESIDENT

Sd/-
(RAVINDRA CHATURVEDI)
MEMBER (TECHNICAL)