NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH
COURT II

Item No.112

Restoration Application/67/2026 IA (IBC)(Liq.)/45/2026 IA 5423/2025 IA 708/2024 IA 685/2026 IA 378/2026 IA 4007/2025 IA 2071/2026 C.P.(IB)/959(MB)2022

CORAM:

SHRI SANJIV DUTT
HON'BLE MEMBER (TECHNICAL)

SHRI ASHISH KALIA
HON'BLE MEMBER (JUDICIAL)

ORDER SHEET OF HEARING (HYBRID) DATED **09.07.2026**

NAME OF THE PARTIES : **Bank of India Vs Future Lifestyle Fashions Limited**

For RP/Applicant : Adv. Rohan Agrawa, Adv. Nandita Bajpai, Adv. Rahat Kalptri i/b Bubu Sivaprakasam & Ravi Sethia

For Coc/Respondent
in IA 45/2026 : Adv. Shriraj Khambete i/b Saraf & Partners.

For Sudha Apparel Ltd : Adv. Visheshwar Shrivastav

Sec 33(1) (b) (i) to (iii) r/w Sec 33(3) U/s 7 of (IBC)

ORDER

RA 67/2026
List this application on 23.07.2026

IA 45/2026

This is an application filed by the applicant seeking following reliefs :-

(a) Pass an order under Section 33(2) of the Code, directing liquidation of the Corporate Debtor, Future Lifestyle Fashions Limited, in view of the decision of the Committee of Creditors approved with the requisite voting majority;

(b) Appoint an independent Insolvency Professional as the Liquidator of the Corporate Debtor under Section 34 of the Code, in place of the Applicant, in view of the circumstances already placed before this

Hon'ble Tribunal regarding the Applicant's inability to continue in the matter, and in such manner as this Hon'ble Tribunal may deem fit and proper;

(c) Direct that the CIRP costs incurred during the CIRP, including the fees and expenses of the Applicant and the professionals engaged for conduct of the CIRP, be dealt with in accordance with the provisions of the Code and applicable regulations, without prejudice to the rights and contentions of the Applicant in the pending proceedings concerning CIRP costs.

(d) Direct that upon commencement of liquidation, all powers of the Board of Directors, key managerial personnel and partners, as the case may be, shall cease and vest in the Liquidator in accordance with the provisions of the Code;

(e) Direct the officers, employees, promoters, erstwhile management, personnel, agents, representatives and all persons associated with the Corporate Debtor to extend full cooperation and assistance to the Liquidator in terms of Sections 19, 34 and other applicable provisions of the Code;

(f) Direct that a copy of the Order be sent to the Registrar of Companies

(g) Pass such further and consequential directions as may be necessary for effective conduct of the liquidation process in accordance with the Code and the applicable regulations framed thereunder;

(h) Pass such other and further orders as this Hon'ble Tribunal may deem fit and proper in the facts and circumstances of the present case.

1) This is an Interlocutory Application filed by the Resolution Professional Mr. Ravi Sethia under Section 33(2) of the Insolvency and Bankruptcy Code, 2016 (the Code) for initiating Liquidation Process against Future Lifestyle Fashions Limited (Corporate Debtor).

2) The facts leading to the case in hand are as follows:

a. Corporate Insolvency Resolution Process (CIRP) of the Corporate Debtor was initiated by this Tribunal vide order dated 04.05.2023 upon admission of a Company Petition under Section 7 of the

Insolvency and Bankruptcy Code, 2016 (the Code) and the Applicant herein was appointed as the Interim Resolution Professional (IRP) of the Corporate Debtor qua the Corporate Insolvency Resolution Process of the Corporate Debtor.

b. Earlier the Committee of Creditors was constituted, but upon revision and admission of certain claims, the constitution and voting share of the COC underwent certain revisions. Later, the COC was finally reconstituted on 07.02.2024 vide IA 794 of 2024.

c. The Applicant, after due consent of the Committee of Creditors, had published 3 Form G i.e. invitation for Expression of Interest; however, several enquiries, several resolution applicants successfully submitted a Resolution Plan for the Corporate Debtor.

d. Subsequently, the COC approved the Plan submitted by Space Mantra Private Limited (Successful Resolution Professional) (hereinafter referred as "SRA") with 100% voting share in the 21st COC meeting held on 27.09.2024.

e. Subsequently, the SRA itself sought for withdrawal of its Resolution Plan and refund of EMD. Hence it filed IA4704 of 2024 before this Tribunal seeking directions over its withdrawal from implementation of resolution plan and refund of EMD.

f. Consequently, in the 34th COC Meeting held on 15.04.2026, the applicant placed two alternatives before the COC i.e. re-run CIRP or initiate liquidation process which were placed for voting. Later, the voting was concluded on 19.05.2026. and the COC approved the resolution for liquidation of the Corporate Debtor with 72.27% voting in its favour. Subsequently, in the 36th COC Meeting held on 29.05.2026, the applicant informed the COC about the voting result.

3) The Applicant submits that this Bench is vested with the powers to pass an order of Liquidation of the Corporate Debtor; the Resolution Plan was approved by the COC, later was withdrawn by the SRA itself. Hence, the Section 31 approval never occurred and implementation of the Plan became impossible, the order of liquidation shall be passed by this Adjudicating Authority under section 33(2) of the Code, which reads as under:

"(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 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)".

4) The present Application is maintainable under Sections 33(2) and 34 of the Insolvency and Bankruptcy Code, 2016, as the COC, exercising its commercial wisdom and with the requisite voting majority of 72.27%, resolved to liquidate the Corporate Debtor. It is submitted that despite efforts to achieve resolution, including approval of a Resolution Plan, the same could not be implemented due to disputes and the continued deterioration of the Corporate Debtor's financial and operational position.

5) Hence, the requirements of Section 33(2) of the Code, 2016 stand duly satisfied. It is submitted that the Corporate Debtor continues to remain under the Corporate Insolvency Resolution Process, no Resolution Plan has been approved under Section 31 of the Code, and the Resolution Plan earlier approved by the Committee of Creditors could not be implemented. In these circumstances, the Committee of Creditors, in exercise of its commercial wisdom and with the requisite voting majority, resolved to liquidate the Corporate Debtor.

6) Further, the matter was listed on Board on 12.09.2023, on which date Ld. Counsel for the Applicant submits that the Bench may consider to appoint any Insolvency Professional as the Liquidator of the Corporate Debtor because as per the new circular of Insolvency and Bankruptcy

Board of India, incumbent Resolution Professional cannot be continued as the Liquidator of the Corporate Debtor.

7) It is clear from the above-mentioned facts that the members of COC does not want to proceed in the matter of Corporate Insolvency Resolution Process of Future Lifestyle Fashions Limited in accordance with provisions of the IBC, 2016.

ORDER

a) The Application be and the same is allowed. The Corporate Debtor, Future Lifestyle Fashions Limited, shall be liquidated in the manner as laid down in Chapter-III of the Code.

b) Mr. **Sanjay Gupta** having Registration No. IBBI/IPA-002/IP-N00982-C01/2017-18/10354 is appointed as Liquidator of Future Lifestyle Fashions Limited.

c) That the Liquidator for conduct of the Liquidation proceedings would be entitled to the fees as provided in Regulation 4(2)(b) of the IBBI (Liquidation Process Regulations), 2016.

d) The Moratorium declared under Section 14 of the IBC 2016 shall cease to operate here from.

e) Liquidator shall issue public announcement stating that Corporate Debtor is in liquidation.

f) The Liquidator shall endeavour to sale the Company as a going concern during the liquidation in terms of Regulation 32A of the Liquidation Process Regulations. In case he is not able to do so within a period of 90 days from this date, he shall proceed in accordance with clauses (a) to (d) of Regulation 32 of the Liquidation Process Regulations.

g) Subject to Section 52 of the Code no suit or other legal proceedings shall be instituted by or against the Corporate Debtor. This 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.

h) All powers of the Board of Directors, Key Managerial Personnel and partners of the Corporate Debtor shall cease to have effect and shall be vested in the Liquidator.

i) The Liquidator shall exercise the powers and perform duties as envisaged under Sections 35 to 50 and 52 to 54 of the Code read with the Liquidation Process Regulations.

j) Personnel connected with the Corporate Debtor shall extend all assistance and cooperation to the Liquidator as will be required for managing its affairs.

k) This Order shall be deemed to be a notice of discharge to the officers, employees and workmen of the Corporate Debtor, except when the business of the Corporate Debtor is continued during the liquidation process by the Liquidator.

l) The Liquidator shall submit progress reports as per Regulation 15 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.

m) The Liquidator is hereby Authorized to represent the Corporate Debtor before the Government Authorities, if need be.

n) Registry shall furnish a copy of this Order to the Insolvency and Bankruptcy Board of India, New Delhi; Regional Director (Western Region), Ministry of Corporate Affairs; Registrar of Companies & Official Liquidator, Maharashtra; the Registered Office of the

Corporate Debtor; and the Liquidator, Mr. **Sanjay Gupta**, having E-mail ID sanjay@sgaindia.in.

8) With the aforesaid observations and directions, the Interlocutory Application bearing **IA No. 45 of 2026, stands disposed of as Allowed**.

9) There would however be no order as to costs. **Ordered Accordingly**.

<u>IA 2071/2026</u>

Counsel for the RP wants to withdraw this application. In view of the order passed in IA 45/2026. Hence, IA 2071/2026 is **disposed of as become infructuous.**

<u>IA 5423/2025</u>

The Committee of Creditors (CoC) is directed to consider the revised claim filed by the Resolution Professional (RP) and the CIRP costs incurred up to date. No further adjudication is required in the present application. Accordingly, **I.A. No. 5423/2025 stands disposed of.**

<u>IA 708/2024, IA 685/2026, IA 378/2026, IA 4007/2025</u>

List these applications on 23.07.2026.

Sd/-
SANJIV DUTT
MEMBER (TECHNICAL)

Sd/-
ASHISH KALIA
MEMBER (JUDICIAL)

JNK