



**NATIONAL COMPANY LAW TRIBUNAL
CHANDIGARH BENCH (COURT-II), CHANDIGARH**

**IA(IBC)(Liq.)/9(CH)2025
In
CP(IB) No.20/Chd/Hry/2020
(Admitted Matter)**

(An application under sub section (1) of section 33 of the Insolvency and Bankruptcy Code, 2016)

In the matter of:

IA No. 9/2025

Mr. Naveen Kumar Jain (Resolution Professional)

Mcraygor Mechanicals Private Limited

Registration Number:

IBBI/IPA-001/IP-P00650/2017-2018/11097

...Applicant/Resolution Professional

In the main matter of:

CP (IB) No. 20/Chd/Hry/2020

(An application under section 9 of the Insolvency and Bankruptcy Code, 2016)

OVERSEAS INFRASTRUCTURE ALLIANCE (INDIA) PRIVATE LIMITED

.....Petitioner/Operational Creditor

Vs.

MCRAYGOR MECHANICALS PRIVATE LIMITED

.....Respondent/Corporate Debtor

Order delivered on: 07.07.2026

**Coram: MR. KAUSHALENDRA KUMAR SINGH, MEMBER (TECHNICAL)
MR. KHETRABASI BISWAL, MEMBER (JUDICIAL)**



Present:-

For the Applicant-RP

: Mr. Balwinder Singh Kalsi, Advocate
with Mr. Naveen Kumar Jain RP in
person via video conferencing mode

ORDER

IA No. 9/2025

The present Application is being filed by Mr. Naveen Kumar Jain, Resolution Professional (hereinafter referred to as “RP”/ “Applicant”) of Mcraygor Mechanicals Private Limited (hereinafter referred to as “Corporate Debtor”) under Section 33(1)(a) of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as “Code”), for initiation of liquidation of the Corporate Debtor. It is prayed by the Applicant that an order for liquidation of the Corporate Debtor in terms of Section 33(1) of the Code be passed and the RP herein be appointed as the liquidator.

2. The averments made by the Applicant in its Application and presented/argued by the learned Counsel for the Applicant are summarized hereunder:

(i) An insolvency petition was filed under Section 9 of the Code by the Operational Creditor for initiating the Corporate Insolvency Resolution Process (for short “CIRP”) in the case of the Corporate Debtor. Petition was duly admitted vide order dated 08.02.2023, and Mr. Naveen Kumar Jain was appointed as Interim Resolution Professional (hereinafter referred to as “IRP”) of the Corporate Debtor under CIRP.

(ii) Pursuant to the aforementioned order dated 08.02.2023, the IRP collated all the claims submitted by the creditors and constituted a



Committee of Creditors ("hereinafter referred as to CoC"), comprising of following financial creditors of the Corporate Debtor:

Sr. No.	Name of Financial Creditor	Amount of claim admitted	Voting Share %
1.	Small Industries Development Bank of India	4,82,81,930	84.20
2.	Bank of Baroda	90,61,570	15.80
Total		5,73,43,500	100%

(iii) In the first CoC meeting held on 13.03.2023, the CoC resolved to appoint IRP to act as the RP. The Adjudicating Authority appointed the Applicant as the Resolution Professional in the matter on 09.06.2023 in I.A No. 974/2023.

(iv) In the 4th CoC meeting dated 13.06.2023, CoC approved with 100% voting share for inviting Expression of Interest (hereinafter referred as to "EoI") in Form – G in accordance with the Regulation 36A (1) of Regulations. The RP has published the said Form-G on 17.06.2023, wherein the last date of submission of EoI was 02.07.2023.

(v) In response thereto, an EOI was received from Mr. Vijay Kumar, the erstwhile Promoter/Director of the Corporate Debtor. Subsequently, Mr. Vijay Kumar submitted a Resolution Plan claiming eligibility under Section 29A read with Section 240A of the Code. The Resolution Plan was placed before the CoC for consideration. However, based on the disclosure made by the Financial Creditor, SIDBI, vide communication dated 06.09.2023 and the legal opinion obtained on 12.09.2023, the



Resolution Applicant was found ineligible to submit a Resolution Plan under Section 29A of the Code. Consequently, the said Resolution Plan was not taken forward for consideration.

(vi) Thereafter, on 21.10.2023, Mr. Vijay Kumar submitted a proposal under Section 12A of the Code seeking settlement with all creditors and withdrawal of the CIRP. The proposal was placed before the CoC for deliberation. However, neither the CoC nor the applicant Operational Creditor agreed to the terms of the proposed settlement, and the CoC did not approve the same.

(vii) Subsequently, on 20.12.2023, the Operational Creditor, informed the RP that it had received a revised settlement proposal from Mr. Vijay Kumar and was agreeable to settlement under Section 12A of the Code. However, the Operational Creditor did not submit Form FA or comply with the requirements prescribed under Regulation 30A of the Regulations. The matter was accordingly placed before the CoC in its 14th meeting for appropriate directions.

(viii) In its 14th and 15th meetings, the CoC directed the applicant Operational Creditor and the proposer of the settlement to furnish the requisite documentation and finalize the settlement proposal under Section 12A of the Code. A final opportunity was granted to comply with the statutory requirements before the next CoC meeting. However, no approved settlement proposal materialized.

(ix) Thereafter, in the 18th CoC meeting held on 24.06.2024, the CoC deliberated upon the future course of action in light of the order dated 03.06.2024 passed by this Adjudicating Authority directing the CoC to consider liquidation of the Corporate Debtor.

(x) During the said meeting, the lead Financial Creditor, SIDBI, observed that the realizable value of the assets of the Corporate Debtor



was nil, the affairs of the Corporate Debtor had already been examined through a forensic audit, and an application under Section 66 of the Code had been filed and was pending adjudication. It was further noted that there were no recoverable assets available with the Corporate Debtor and, therefore, initiation of a liquidation process would not serve any meaningful purpose. SIDBI suggested that the Corporate Debtor be directly dissolved under Section 54 of the Code instead of undergoing a liquidation process.

(xi) After due deliberations, the CoC unanimously noted that the realizable value of the Corporate Debtor's assets was nil and that there were insufficient funds even to meet the CIRP costs and prospective liquidation costs. The CoC accordingly concluded that proceeding with liquidation would be an empty formality and expressed its view that dissolution without liquidation would be a more appropriate course.

(xii) The CoC further resolved that the proceedings pertaining to avoidance transactions under Section 66 of the Code, which were pending adjudication before this Adjudicating Authority, would continue to be pursued by a joint committee comprising all Financial Creditors and one Operational Creditor. It was further resolved that any amounts recovered pursuant to such proceedings would be distributed amongst the creditors in accordance with the waterfall mechanism prescribed under Section 53 of the Code.

(xiii) The CoC, in its 18th meeting held on 24.06.2024, considered the issue of liquidation and dissolution of the Corporate Debtor in light of the nil realizable value of its assets. Upon deliberations, the CoC passed the resolution for dissolution of the Corporate Debtor with 84.20% voting share in favour.



(xiv) The CoC further resolved that the Resolution Professional shall continue to manage the affairs and proceedings of the Corporate Debtor on the existing terms until an order of dissolution is passed by this Adjudicating Authority. It was also resolved that a Joint Committee comprising all Financial Creditors and the largest Operational Creditor shall pursue the proceedings arising out of the application filed under Section 66 of the Code after dissolution of the Corporate Debtor and that any recoveries made pursuant thereto shall be distributed amongst the creditors in accordance with Section 53 of the Code.

(xv) As per the Fair Value and Liquidation Value Reports annexed as Annexure A of the application dated 21.10.2023 prepared by the registered valuers, Mr. Vinayak Aggarwal (IBBI/RV/06/2023/15322) and Mr. Suresh Agarwal (IBBI/RV/03/2019/12440), both the fair value and liquidation value of the Corporate Debtor were assessed as 'Nil'.

(xvi) Further, a Forensic Audit Report dated 29.12.2023 prepared by M/s Sahaj & Associates observed that no transactions attracting Sections 43, 45 or 50 of the Code were identified. However, certain transactions were reported under Section 66 of the Code, pursuant to which the Resolution Professional filed IA No. 579(CH)/2024 seeking appropriate reliefs. The said application is stated to be pending adjudication before this Adjudicating Authority.

(xvii) In compliance with the aforesaid resolution of the CoC, the Resolution Professional filed IA(IBC)(DIS.)/12(CH)2024 seeking dissolution of the Corporate Debtor without undergoing liquidation. However, this Adjudicating Authority, vide order dated 28.05.2025, dismissed the said application and directed the Resolution Professional to place before the CoC a proposal for liquidation of the Corporate Debtor and to file an appropriate application under Section 33 of the Code.



(xviii) Pursuant to the aforesaid directions, the Resolution Professional convened the 21st meeting of the CoC wherein the proposal for liquidation of the Corporate Debtor was placed for consideration. The voting process was concluded on 21.07.2025, whereupon the Resolution Professional declared that the resolution for liquidation of the Corporate Debtor had been approved with 84.20% voting share. SIDBI, holding 84.20% voting share in the CoC, voted in favour of liquidation, whereas Bank of Baroda abstained from voting.

(xix) The CoC also approved the appointment of the existing Resolution Professional, Mr. Naveen Kumar Jain (IBBI/IPA-001/IP-P00650/2017-2018/11097), as the Liquidator of the Corporate Debtor and took on record his written consent to act in such capacity.

(xx) Further, pursuant to the provisions of Section 33(1) of the Code read with Regulation 39C of the Regulation the CoC resolved that the Corporate Debtor would not be kept as going concern during the liquidation process. In the same meeting, the CoC resolved to explore compromise or arrangement under Section 230 of the Companies Act, 2013 and ratified the fees of the Liquidator under Regulation 39D. The COC further approved estimated liquidation cost under Regulation 39B. A copy of the minutes of the 21st CoC meeting is annexed as Annexure C.

(xxi) The relevant resolutions passed with 84.20% of the vote of CoC under Regulations by the CoC are as follows:

a. Regulation 39B: "RESOLVED FURTHER THAT the estimate of the liquidation cost of Rs. 15.25 lacs plus applicable GST other than liquidator fee, be and is hereby approved, in case the of liquidation order passed by Hon'ble National Company Law Tribunal and COC, the Committee of creditors will make contribution towards the estimated Liquidation Cost. FURTHER RESOLVED that the amount so contributed shall form the part of Liquidation Cost of the Corporate Debtor and shall be paid in



accordance with the provisions of section 53 of the Code to the contributor of the same.

b. Regulation 39BA: RESOLVED THAT the compromise or arrangement as referred to under sub regulation (1) of regulation 2B of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulation, 2016 to be explored. FURTHER RESOLVED THAT the resolution professional and the committee shall keep exploring the possibility of compromise or arrangement during the period the application to liquidate the corporate debtor is pending before the Adjudicating Authority. FURTHER RESOLVED THAT the Resolution Professional may take all necessary steps/actions in order to comply to this resolution.

c. Regulation 39C: RESOLVED THAT Corporate Debtor is not a going concern since 2019 hence the provision of sale as a going concern under Regulation 32 (e) or 32 (f) of liquidation Process Resolution is not applicable to M/s Mcraygor Mechanicals Pvt Ltd.

d. Regulation 39D: "RESOLVED FURTHER THAT the members of COC have fixed following fees which would be payable to the liquidator in case the liquidation order passed by Hon'ble A.A/NCLT:

a. The fees of Liquidator shall be same as the Fee paid to the Resolution Professional with maximum of Rs. 12,00,000 [Twelve Lacs] plus applicable taxes and out of pocket expenses if any.

b. The above stated fee is for that period which is used for any scheme for compromise or arrangement received by the liquidator under section 230 of the Companies Act, 2013 and for the balance period and fee shall be payable on monthly basis.

(xxii) The consent Form AA of Mr. Naveen Kumar Jain is annexed along with the application.

3. We have heard the learned counsel appearing on behalf of the Resolution Professional, and have perused the relevant material available on record carefully.

4. It is noted that the corporate debtor was admitted into CIRP vide order dated 08.02.2023. The CoC consists of, i.e., SIDBI and Bank of Baroda. It is observed that the present Application has been filed under section 33(1) of the Code for the initiation of the liquidation process of the Corporate Debtor. The Resolution Professional has published Form-G once. We further note that as per the Fair



Value and Liquidation Value Reports dated 21.10.2023 prepared by the registered valuers, both the fair value and liquidation value of the Corporate Debtor were assessed as nil. No Resolution plan was received by the Resolution Professional nor any settlement (OTS) has been reached out between the CoC members and Ex-management of the Corporate Debtor. Thereafter, the CoC in its 21st CoC meeting convened on 21.07.2025, passed a resolution approved with 84.20% voting share for liquidation of the corporate debtor.

5. The CoC resolved and approved the estimated liquidation cost. The CoC resolved that the Liquidator is to explore the possibilities of compromise or arrangement under section 230 of the Companies Act, 2013 upon approval of liquidation of Corporate Debtor. As such, the application deserves to be allowed.

6. It is noted that subsequent to the IBBI guidelines dated 18.07.2023, normally the liquidator needed to be an Insolvency Professional other than RP. However, keeping in view the facts of the case and more so the fair value & liquidation value being NIL, we consider it appropriate to allow the present RP to act as the liquidator also.

7. In view of the satisfaction of the conditions provided under section 33(1) of the Code, the Corporate Debtor, i.e., Mcraygor Mechanicals Private Limited, is directed to be liquidated in the manner as laid down in Chapter III of the Code.

8. Therefore, in view of the above discussion, in exercise of powers conferred under sub-section (2) of section 33 of the Code, this Adjudicating Authority passes the following Order:



- (i) The corporate debtor **Mcraygor Mechanicals Private Limited** shall be liquidated in the manner provided under Chapter III, Part II of the Code and other relevant rules and Regulations, including Insolvency and Bankruptcy (Liquidation Process) Regulations, 2017.
- (ii) The Moratorium declared under section 14 of the Code shall cease to have effect from the date of the order of liquidation.
- (iii) The present RP namely, **Mr. Naveen Kumar Jain** is appointed to act as a **liquidator** of the Corporate Debtor i.e. Mcraygor Mechanicals Private Limited. The liquidator so appointed shall complete the liquidation process as per the provisions of the Code r.w. The Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.
- (iv) All the powers of the Board of Directors, key managerial persons, and the partner of the corporate debtor, as the case may be, hereafter cease to exist. All these powers henceforth vest with the liquidator.
- (v) The personnel of the corporate debtor are directed to extend all cooperation to the liquidator as required by him in managing the liquidation process of the corporate debtor.
- (vi) Once the liquidation process is initiated, subject to section 52 of the Code, no suit or other legal proceeding shall be instituted by or against the corporate debtor. The liquidator has the liberty to institute a suit and other legal proceedings on behalf of the corporate debtor with the prior approval of this Adjudicating Authority, as provided in sub-section (5) of section 33 of the Code.
- (vii) This liquidation order shall be deemed to be 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.

(viii) This Adjudicating Authority directs the liquidator to issue a public announcement stating that the corporate debtor is in liquidation. The liquidator will also serve a copy of this order to the various Government Departments such as Income Tax, GST, VAT, RPFC etc., who are likely to have any claim upon the corporate debtor so that the authorities concerned are informed of the liquidation order timely. The liquidator will also provide a copy of this order to the trade unions/employee associations of the corporate debtor so that the workman/employees could also be informed of this liquidation order through their association.

9. Accordingly, IA(IBC)(Liq.) 9 of 2025 in CP(IB) 20 of 2020 is allowed and disposed of.

Sd/-

(Khetrabasi Biswal)
Member (Judicial)

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Sd/-

(Kaushalendra Kumar Singh)
Member (Technical)