



IN THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH (COURT – II)

I.A. No. 5113/ND/2023

IN

CP(IB)-755/ND/2022

IN THE MATTER OF:

(Under Section: 7 of IBC, 2016)

Kotak Mahindra Prime Limited

**... Petitioner/
Financial Creditor**

Versus

Blaze Promoters Private Limited

**... Respondent/
Corporate Debtor**

AND IN THE MATTER OF I.A. No. 5113/ND/2023:

Mr. Raj Kumar Dad

**(Resolution Professional of
M/s Blaze Promoters Private Limited)**

302, L Wing, Shree Sankeshwar Nagar Society,
SV Road, Ashok Van, Dahisar East,
Mumbai City, Maharashtra-400068

... Applicant/RP

Under Section: 33(2) of IBC, 2016

Order delivered on: 11.09.2025

CORAM:

SH. ASHOK KUMAR BHARDWAJ, HON'BLE MEMBER (J)

MS.REENA SINHA PURI, HON'BLE MEMBER (T)

PRESENT:

For the Applicant : Adv. Lakshay Agarwal



ORDER

PER SHRI ASHOK KUMAR BHARDWAJ

IA-5113/ND/2023: The captioned application could be preferred by the Applicant seeking liquidation of M/s Blaze Promoters Private Limited (CD) as has been resolved by the CoC in its 3rd meeting held on 28.06.2023.

2. It is noted that the Corporate Debtor was admitted into CIRP in terms of the order dated 25.04.2023 passed by this Tribunal and Mr. Raj Kumar Dad could be appointed as the IRP. Subsequently public announcement was made by the RP in Form A on 27.04.2023 inviting claims along with proof of claims. Thereafter, the Applicant/RP received two claims from financial creditors and constituted CoC on 16.05.2023. The claims received and composition of CoC reads thus:-

S No.	Name of the Creditor	Claim Submitted (Rs.)	Claim Admitted (Rs.)
1.	Kotak Mahindra Bank Limited	19,87,32,812	19,87,32,812.
2.	Kotak Mahindra Prime Limited	97,42,38,721	97,42,38,721

X X X

Member of COC	Category	Voting Sharing
Kotak Mahindra Prime Limited	Financial Creditor	83.06%
Kotak Mahindra Bank Limited	Financial Creditor	16.94%

3. It is submitted by the Applicant that in 1st meeting of CoC, it transpired that Kotak Mahindra Bank Limited (KMBL) had kept the asset of the CD as a



security, thus RP formed an opinion that being a security holder it is deemed to be a guarantor but subsequently, KMBL clarified that it does not have the corporate guarantee and only Corporate Debtor's land is mortgaged. Thereby it filed its claim in 'Form F' and the CoC was reconstituted on 01.06.2023 in terms of Regulations 16(2)(a) which reads thus:-

Member of COC	Category	Voting Sharing
Kotak Mahindra Prime Limited	Financial Creditor	100.00%

4. The Applicant could know about the land measuring 2.1625 acres, owned by the CD. As per the license No.58 dated 19.03.2009 & collaboration agreement 80% of the total super built-up area of Universal Business Park was under ownership of the M/s Universal Buildwell Pvt. Ltd. and 20% of the total built-up area of Universal Business Park was under the ownership of M/s Blaze Promoters Private Limited (CD). Pursuant to the finding, the applicant filed an application bearing I.A. 3104 of 2023 under Section 60(5) of the Code seeking exclusion of the assets of the applicant undergoing CIRP, from the RP of the Principal Borrower (M/s Universal Buildwell Private Limited (UBPL)) which was decided in terms of the order dated 13.09.2023 passed by this tribunal taking the view that the entire sale consideration along with the stamp duty of INR 35.17 crores qua the project land was paid by UBPL and not by the CD and since UBPL had paid the entire consideration to the CD, CD had no right to claim the 20% built-up area qua the project.

5. It is viewed that the Bench in its order dated 02.04.2025 sought clarification by RP as to how the amount of debt/financial facility extended by the Creditor could be utilized by the Corporate debtor. In compliance of the



order an affidavit 28.05.2025 has been filed. In the affidavit, Applicant/RP submitted that the CD does not have other asset or business operations and since no money/debt/financial facility was ever received/availed by it from the FC in capacity of principal borrower, no question as to utilization of same arises.

6. The CoC in its 3rd meeting held on 28.06.2023 resolved with 100% vote share to proceed with liquidation of the CD herein and appoint Mr. Raj Kumar Dad as the liquidator. The relevant excerpt of the meeting reads thus:-

B. LIST OF MATTERS TO BE DISCUSSED AND VOTED UPON

Item No B-1: To discuss and approve Liquidation of the Corporate Debtor

The Chairman informed the Committee that in 2nd COC meeting it was discussed in length about the continuation of CIRP or to go for Liquidation and only COC member Kotak Mahindra prime Ltd was inclined to go directly for liquidation.

As per the discussions in the last COC meeting, following resolution was placed before the COC for its approval: -

RESOLUTION:

"RESOLVED THAT consent of the COC be and is hereby accorded for filing necessary application u/s 33(2) of Insolvency & Bankruptcy Code, 2016 to liquidate M/s. Blaze Promoters Private Limited."

"Further resolved that Hon'ble National Company Law Tribunal be and is hereby requested to appoint Mr. Raj Kumar Dad, resolution professional as liquidator of M/s. Blaze Promoters Private Limited."

In terms of section 33(2), the above resolution is required to be passed by a vote of not less than 66% of voting share of the committee of creditors.

Representative of Sole member of COC suggested the matter may be put in e-voting.

X X X



Resolution Item 1: To approve Liquidation of the Corporate Debtor.

“RESOLVED THAT, consent of the COC be and is hereby accorded for filing necessary application u/s 33(2) of Insolvency & Bankruptcy Code, 2016 to liquidate M/s. Blaze Promoters Private Limited.”

“Further Resolved that Hon’ble National Company Law Tribunal be and is hereby requested to appoint Mr. Raj Kumar Dad, resolution professional as liquidator of M/s. Blaze Promoters Private Limited.”

Approve



Abstain



Reject



0 voter(s) have not voted.

7. The suspended management has not filed any reply despite service of notice multiple times.

8. In **Sreedhar Tripathy vs. Gujarat State Financial Corporation and**

Ors. (MANU/NL/0788/2022) observed Hon’ble NCLAT observed thus:-

“The Explanation under Section 33(2) has been inserted by Act of 26 of 2019 contains the legislative declaration and intention. The CoC in the Legislative Scheme has been empowered to take decision to liquidate the Corporate Debtor, any time after its constitution and before confirmation of the resolution plan. The power given to the CoC to take decision for liquidation is very wide power which can be exercised immediately after constitution of the CoC. The reasons which has been given in Agenda Item 1, it is made clear by the CoC that the Corporate Debtor is not functioning for last 19 years and all machinery has become scrap, even the building is in dilapidated condition and the CIRP will involve huge costs. We are not convinced with the submission of learned counsel for the Appellant that the CoC’s decision is an arbitrary decision. CoC is empowered to take



decision under the statutory scheme and when in the present case the decision of the CoC for liquidation has been approved by the Adjudicating Authority, we see not good ground to interfere at the instance of the Appellant. However, we make it clear that the decision taken by the CoC was in the facts of the present case and it cannot be said that whenever decision is taken for liquidation the same is not open to judicial review by the Adjudicating Authority and this Appellate Tribunal. It depends on the facts of each case as to whether the decision to liquidate the Corporate Debtor is in accordance with the I & B Code or not. With these observations, the Appeal is dismissed.”

9. In light of the above judgment, the CoC is empowered to take decision to liquidate the Corporate Debtor, any time after its constitution and before confirmation of the resolution plan. The aforesaid resolution was approved by the COC unanimously with 100% voting shares, in its 3rd meeting held on 28.06.2023. It is well settled that decision taken by the CoC in its commercial wisdom should not be interfered by the Adjudicating Authority. Further, the resolution for liquidation of the Corporate Debtor has been passed by COC with 100% voting. Thus, the application is allowed and the CD is ordered to be liquidated. Further, in the wake of the decision taken by the IBBI, the RP cannot be appointed as Liquidator, thus the request for appointment of RP as Liquidator is nixed and **Mr. Rajiv Bajaj** having Reg. No: IBBI/IPA-002/IP-N00276/2017-2018/10834 and e-mail ID: rbajajip@gmail.com whose name is at serial no. 55 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;

10. 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/-
(REENA SINHA PURI)
MEMBER (T)

Sd/-
(ASHOK KUMAR BHARDWAJ)
MEMBER (J)