



IN THE NATIONAL COMPANY LAW TRIBUNAL: NEW DELHI
COURT-VI
(SPECIAL BENCH)

Item No. 612
IB-2340(ND)/2019

IA(Liq.)/22/2025, IA/3131/2025, Contempt Petition/26/2025

IN THE MATTER OF:

M/s. Pooja Finelease Ltd.

...PETITIONER

Vs.

M/s. Auto Needs (India) Pvt. Ltd.

...RESPONDENT

Section

U/s 7 of IBC, 2016

Order delivered on 27.10.2025
HYBRID HEARING (PHYSICAL & VC)

Coram:

JUSTICE JYOTSNA SHARMA
HON'BLE MEMBER (JUDICIAL)

SHRI RAVINDRA CHATURVEDI
HON'BLE MEMBER (TECHNICAL)

PRESENT:

For the Applicant

:Adv Riya Thomas in
IA(Liq.)/22/2025

ORDER

IA(Liq.)/22/2025

1. The instant application i.e., I.A./22/ND/2025 is filed by Mrs. Rashmi Mintri ('Applicant') Resolution Professional of M/s Auto Needs (India) Private Limited seeking liquidation of M/ Auto Needs (India) Private Limited ('Corporate Debtor') under Section 33 of the Insolvency and Bankruptcy Code, 2016 ('Code') praying for the following relief(s): -
 - a. *"Allow the present Application and initiate the Liquidation proceedings of the Corporate Debtor in accordance provisions of Section 33(2) of the Insolvency and Bankruptcy Code, 2016 and;*
 - b. *Pass such orders or directions as this Hon'ble Adjudicating Authority may deem just, fit, and proper in the facts and circumstances of the present case, in the interest of justice.*

SUBMISSIONS OF THE APPLICANT

2. The brief facts of the case leading to filing of this application as averred by the applicant are as follows:



- i. That the present application has been filed by Ms. Rashmi Mintri, the *Resolution Professional* of *M/s Auto Needs (India) Private Limited* (hereinafter referred to as the “Corporate Debtor”), under Section 33(2) of the *Insolvency and Bankruptcy Code, 2016* (hereinafter referred to as “the Code”), seeking initiation of liquidation proceedings against the Corporate Debtor in pursuance of the decision of the Committee of Creditors (CoC) taken in its 8th meeting held on 13.06.2025, approving liquidation with 100% voting share.
- ii. That the Corporate Insolvency Resolution Process (CIRP) was originally initiated on 20.12.2019, pursuant to an application filed by *Akasa Finance Limited* (formerly *Pooja Finelease Limited*), under Section 7 of the Code. The proceedings were withdrawn on 05.02.2020 after settlement between the parties. However, upon failure of the Corporate Debtor to honour the settlement terms, the CIRP was revived by the Hon’ble NCLAT, and this Tribunal, vide order dated 14.05.2024, appointed the present Applicant, *Ms. Rashmi Mintri*, as the *Interim Resolution Professional (IRP)* in place of *Mr. Vinay Kumar Jaidrath*, as he had attained an age of 70 years and does not hold a valid AFA, was found ineligible to continue.
- iii. That in compliance with Section 15 of the Code, the Applicant made a public announcement on 21.05.2024 inviting claims from creditors. However, the suspended directors failed to cooperate, did not provide requisite books of accounts or records, and did not attend CoC meetings. The registered office of the Corporate Debtor was also found to be non-existent at its address as per MCA records.



- iv. In the 1st CoC meeting held on 19.06.2024, the CoC resolved to appoint Ms. Rashmi Mintri as the Resolution Professional, which was subsequently confirmed by this Tribunal by order dated 15.07.2024.
- v. That on account of continued non-cooperation by the suspended management and the statutory auditor, the Resolution Professional filed IA No. 4140/2024 under Section 19(2) of the Code seeking directions from this Tribunal for cooperation. Despite the Tribunal's order dated 18.03.2025, the suspended directors did not comply. Consequently, the RP filed a contempt application before this Tribunal and a complaint under Section 70 before the Insolvency and Bankruptcy Board of India (IBBI) against the non-cooperating directors.
- vi. A forensic audit was conducted by Transaction Review Auditor (TRA) identifying fraudulent transactions aggregating to ₹9.09 Crores. An application under Section 66 of the Code was filed for recovery of misappropriated funds.
- vii. That in compliance with Regulation 36A(4)(a) of the CIRP Regulations, the RP published Form G on 08.04.2025 inviting Expressions of Interest (EOIs) from prospective resolution applicants. However, no EOI was received within the stipulated time frame.
- viii. The CoC, in its 7th meeting held on 21.05.2025, deliberated on the future course of the CIRP. Considering that there were no EOIs, no assets available for resolution, and the process was unlikely to yield



a viable resolution plan, the CoC decided to consider liquidation of the Corporate Debtor.

- ix. That the Resolution Professional, Ms. Rashmi Mintri, convened the Eighth Meeting of the Committee of Creditors (CoC) of M/s. Auto Needs (India) Private Limited (“Corporate Debtor”) on 13th June, 2025, at 3:00 P.M. through electronic audio-visual means in pursuance of Sections 21, 23, and 24 of the Insolvency and Bankruptcy Code, 2016.
- x. During the meeting, under Agenda Item No. 3, the Resolution Professional apprised the CoC that, in view of the absence of any assets of the Corporate Debtor, the non-receipt of any Expression of Interest pursuant to the publication of Form G, and the unlikelihood of any viable resolution plan emerging, continuation of the Corporate Insolvency Resolution Process (CIRP) would serve no meaningful purpose. Upon detailed deliberations, the CoC unanimously decided to initiate liquidation proceedings against the Corporate Debtor under Section 33(2) of the Insolvency and Bankruptcy Code, 2016.

“RESOLVED THAT *in accordance with the provisions of Section 33(2) of the Insolvency and Bankruptcy Code, 2016 read with the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 and other applicable provisions of the Code, the Committee of Creditors of Autoneeds (India) Private Limited (“Corporate Debtor”), hereby approves the initiation of liquidation proceedings against the Corporate Debtor.”*



- xi. In the 8th meeting of the CoC held on 13.06.2025, the CoC, with 100% voting share, resolved to initiate liquidation of the Corporate Debtor under Section 33(2) of the Code and proposed the name of Mr. Hans Raj Bhogra (IBBI Registration No. IBBI/IPA-003/ICAI-N-00389/2021-2022/13940) as the Liquidator. The estimated liquidation cost was approved at ₹7,00,000/-, and it was further recommended that liquidation be carried out as a going concern, in terms of Regulations 39B, 39C, and 39D of the CIRP Regulations.

Analysis and Finding:-

3. We have perused the application, documents on record, and submissions made by the Resolution Professional.
4. We have perused the Application filed by the Resolution Professional under Section 33(2) of the *Insolvency and Bankruptcy Code, 2016* (“the Code”), the documents annexed thereto, and the proceedings of the Committee of Creditors (CoC). The Resolution Professional seeks initiation of liquidation of the Corporate Debtor, *M/s Auto Needs (India) Private Limited*, based on the decision of the CoC passed in its 8th meeting held on 13.06.2025, wherein liquidation was approved by 100% voting share.
5. It is observed from the records that the Corporate Insolvency Resolution Process (CIRP) of the Corporate Debtor was revived by this Tribunal vide order dated 14.05.2024. Thereafter, a public announcement was made, and a CoC was duly constituted in accordance with the provisions of the Code and the Insolvency and Bankruptcy Board of India (Insolvency



Resolution Process for Corporate Persons) Regulations, 2016 (“CIRP Regulations”).

6. Despite repeated directions and opportunities, the suspended directors failed to cooperate with the Resolution Professional and did not hand over the books of accounts or other records as mandated under Section 19 of the Code. The RP had to file an application under Section 19(2) before this Tribunal, and subsequently a complaint under Section 70 before the IBBI, demonstrating persistent non-compliance by the management of the Corporate Debtor.
7. The Transaction Review Auditor (TRA) appointed by the RP submitted a report dated 07.05.2025, identifying fraudulent and preferential transactions amounting to approximately ₹9.09 crore. The RP has already initiated proceedings under Section 66 of the Code seeking appropriate relief. The same establishes that the financial affairs of the Corporate Debtor have been conducted in a manner prejudicial to the interest of creditors.
8. The Resolution Professional has placed on record the fact that, in compliance with Regulation 36A(4)(a) of the CIRP Regulations, Form G inviting Expression of Interest (EOI) was published on 08.04.2025. However, no prospective resolution applicant came forward, and consequently, no resolution plan was received for consideration of the CoC.
9. The CoC, in its 7th meeting held on 21.05.2025, deliberated at length upon the feasibility of continuing with the resolution process or proceeding with liquidation. Considering the non-availability of assets,



absence of EOIs, and non-cooperation of promoters, the CoC rightly concluded that continuation of the resolution process would serve no useful purpose.

10. Thereafter, in the 8th meeting held on 13.06.2025, the CoC, exercising its commercial wisdom, resolved with 100% voting share to liquidate the Corporate Debtor under Section 33(2) of the Code and recommended the name of Mr. Hans Raj Bhogra (IBBI Registration No. IBBI/IPA-003/ICAI-N-00389/2021-2022/13940) to act as the Liquidator. The CoC further recommended that the liquidation be carried out while keeping the Corporate Debtor as a going concern, as envisaged under Regulations 39B, 39C, and 39D of the CIRP Regulations, 2016.
11. We note that the decision of the CoC has been taken in exercise of its commercial wisdom, which, as settled by the ***Hon'ble Supreme Court in K. Sashidhar v. Indian Overseas Bank & Ors. [(2019) 12 SCC 150] and Committee of Creditors of Essar Steel India Ltd. v. Satish Kumar Gupta & Ors. [(2020) 8 SCC 531]***, is non-justiciable except on grounds of procedural infirmity or illegality. No such infirmity is found in the instant case.
12. We are also satisfied that the requirements under **Section 33(2)** of the Code are fully met, namely—
 - (a) The resolution professional has filed the present application;
 - (b) The CoC, after due deliberation, resolved by more than 66% voting share (here, 100%) to liquidate the Corporate Debtor; and



(c) No resolution plan was received or pending for consideration before this Tribunal.

13. Accordingly, this Bench is satisfied that the requirements of Section 33(2) have been duly met in the present case, and liquidation of the Corporate Debtor is allowed. M/s Auto Needs (India) Private Limited is hereby ordered to be liquidated in the manner laid down in Chapter III of Part II of the Code.
14. In the wake of the decision circulated by the Insolvency and Bankruptcy Board of India (IBBI) vide Circular No. Liq-12011/214/2023-IBBI/840 dated 18.07.2023, it has been categorically clarified that when the Corporate Debtor (CD) proceeds into the stage of liquidation, the Insolvency Resolution Professional (IRP/RP) who conducted the Corporate Insolvency Resolution Process (CIRP) shall not be appointed as the Liquidator of the same Corporate Debtor. The intent behind the said circular is to maintain transparency, avoid conflict of interest, and ensure independent and impartial conduct of the liquidation process.
15. In the present case, in compliance with the above circular, the same IRP/RP who acted during the CIRP cannot be appointed as the Liquidator of the Corporate Debtor. Accordingly, the Committee of Creditors (CoC), in its properly convened meeting, resolved with 100% voting share to liquidate the Corporate Debtor under Section 33(2) of the Insolvency and Bankruptcy Code, 2016, and has recommended a different insolvency professional to be appointed as the Liquidator. Therefore, the recommendation of the CoC is found to be in strict



conformity with the IBBI Circular dated 18.07.2023 as well as the provisions of Section 33(2) of the Code. The action of the CoC reflects due compliance with the regulatory directions and upholds the principle of independence in the conduct of liquidation proceedings.

16. The CoC has recommended the name of the Liquidator of the Corporate Debtor and for appointing an Insolvency Professional as the Liquidator as per the provisions of the Code. In terms of the above, we hereby order for liquidation of the M/s Auto Needs (India) Private Limited ('Corporate Debtor') with the following directions:

- a. Accordingly, the CoC, exercising its commercial wisdom, resolved with 100% voting share to liquidate the Corporate Debtor under Section 33(2) of the Code and recommended the name of Mr. Hans Raj Bhogra (IBBI Registration No. IBBI/IPA-003/ICAI-N-00389/2021-2022/13940), email id- hansrajbhogra@gmail.com to act as the Liquidator. Mr. Hans Raj Bhogra, is appointed as the Liquidator of the Corporate Debtor to carry out the liquidation process. The valid AFA till dated 31.12.2025 and the written consent of the proposed Liquidator (i.e. Mr. Hans Raj Bhogra) has been placed on record. A copy of the valid AFA and written consent of the proposed Liquidator has been annexed as A-19 with this application.
- b. The Liquidator appointed in this case to initiate liquidation process as envisaged under Chapter-III of the Code by following the liquidation process given in the Insolvency & Bankruptcy Board of India (Liquidation Process) Regulations, 2016.



- c. 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.
- d. All the powers of the Board of Directors, key managerial persons, the partners of the Corporate Debtor hereafter cease to exist. All these powers henceforth vest with the Liquidator appointed under Section 34(1) of the Code, 2016.
- e. That the personnel of the Corporate Debtor are directed to extend all co-operation to the Liquidator as required by him in managing the liquidation process of the Corporate Debtor.
- f. 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.
- g. On having liquidation process initiated, 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 suit or other legal proceeding on behalf of the Corporate Debtor with prior approval of this Adjudicating Authority
- h. The liquidator shall also follow up the pending applications for their disposal during the process of liquidation including initiation of steps for recovery of dues of the Corporate Debtor as per law.
- i. 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.

- j. Copy of this order be sent to the Corporate Debtor, CoC members, Liquidator, IBBI and RoC, NCT of Delhi & Haryana for taking necessary steps.

With the above directions, this application i.e., **I.A./22/ND/2025 in Company Petition No. (IB)-2340/ND/2019** is hereby **allowed and disposed of**.

IA/3131/2025 & Contempt Petition/26/2025

List before Regular Bench on **05.01.2026**.

Sd/-
(Ravindra Chaturvedi)
Member (T)

Sd/-
(Jyotsna Sharma)
Member (J)