



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

**IA(IBC)(LIQ)/5(CH)2025
in
CP(IB) No.46/Chd/Pb/2018
(Admitted)**

*[An Application under Section
33(3) of the Insolvency
and Bankruptcy Code, 2016]*

IN THE MATTER OF IA(IBC)(LIQ)/5(CH)2025:

MR. MOHIT CHAWLA
MONITORING AGENT/ PROFESSIONAL FOR
J.R. AGROTECH PRIVATE LIMITED
HAVING RESIDENCE AT:
#270, MS ENCLAVE, DHAKAULI, ZIRAKPUR-140603

... APPLICANT

VERSUS

M/S COMPACT CAPITAL LIMITED
HAVING REGISTERED OFFICE AT:
103, GATEWAY PLAZA, HIRANANDANI
GARDEN, POWAIL, MUMBAL, MAHARASHTRA- 400076
EMAIL: COMPLIANCE.COMPACTCAPITAL@GMAIL.COM

... RESPONDENT

IN THE MAIN MATTER OF CP (IB) No. 46/Chd/Pb/2018 (Admitted) :

ORIENTAL BANK OF COMMERCE

... FINANCIAL CREDITOR

VERSUS

J.R.AGROTECH PRIVATE LIMITED

... CORPORATE DEBTOR


Order delivered on: 05.06.2026



(1) CP(IB) No.46/Chd/Pb/2018 was initially filed by Oriental Bank of Commerce under Section 7 of the Code by seeking to initiate Corporate Insolvency Resolution Process (CIRP) against the Corporate Debtor (CD). Accordingly, this Adjudicating Authority vide its Order dated 27.07.2018 accepted the CP(IB) No.46/Chd/Pb/2018 by initiating CIRP against the CD, appointing Mr. Dinesh Seth as the Interim Resolution Professional (IRP). Thereafter, this Adjudicating Authority, vide its Order dated 12.10.2018, appointed the Applicant as the Resolution Professional for the Corporate Debtor, replacing the Interim Resolution Professional.

(2) Subsequently, the Applicant duly constituted the Committee of Creditors (hereinafter referred to as "CoC"), the composition whereof, as finally updated, comprised the following Secured Financial Creditors holding 97.59% of the total admitted claims, and 35 Unsecured Operational Creditors holding 2.41% of the total admitted claims:


S.No	Name of Creditor	Claim Received (Rs.)	Claim Admitted (Rs.)	% Share
1.	State Bank of India	1,49,76,30,568	1,49,76,30,568	47.91
2.	Union Bank of India	4,34,18,190	4,34,18,190	14.03
3.	Canara Bank	39,93,26,694	39,93,26,694	12.77
4.	IDBI Bank	30,62,46,693	30,62,46,693	9.80
5.	UCO Bank	25,15,53,112	25,15,53,112	8.05



6.	Punjab National Bank	23,27,13,832	23,27,13,832	7.44
	TOTAL	3,12,58,89,089	3,12,58,89,089	97.59

(3) The Applicant published Form G (Invitation for Expression of Interest) on 25.10.2018. Thereafter, in pursuance of the evaluation of Expressions of Interest received and the Request for Resolution Plan issued, two Prospective Resolution Applicants submitted Resolution Plans, namely (a)M/s Compact Capital Limited and M/s Vardhman Ispat Udyog. In the 12th CoC Meeting held on 05.11.2019, after prolonged deliberations spanning several CoC meetings, the Resolution Plan submitted by the Respondent, dated 20.04.2019 along with its addendum dated 05.11.2019, was approved by the CoC with 91.95% votes in favour.


(4) Thereafter, the Applicant filed C.A. No. 1106 of 2019 before this Adjudicating Authority, under Section 31 of the Code read with Regulation 39 of the CIRP Regulations, seeking judicial approval of the said Resolution Plan. During the pendency of C.A. No. 1106 of 2019, the Respondent/SRA filed successive Applications seeking modification of the approved Resolution Plan and for substitution of a third party, M/s R.L. Enterprises, as implementor, specifically C.A. No. 400 of 2020 and I.A. No. 332 of 2021, both of which were dismissed by this Adjudicating Authority. An order dated 18.04.2023 passed by this Adjudicating Authority was subsequently set aside by the Hon'ble National Company Law



Appellate Tribunal vide order dated 01.02.2024 in Company Appeal (AT) (Ins.) No. 702 of 2023, which revived C.A. No. 1106 of 2019 with directions to expeditious disposal in accordance with law.


- (5) Upon hearing both parties, this Adjudicating Authority, vide Order dated 23.04.2025 (hereinafter referred to as “Plan Approval Order”), approving the Resolution Plan in question, allowed C.A. No. 1106 of 2019. The total value of the approved Resolution Plan was Rs. 46 Crores. Of this, an upfront cash payment of Rs. 33,50,00,000/- (Rupees Thirty-Three Crores and Fifty Lakhs Only) was to be made to the stakeholders as per the following schedule, “T” being 23.04.2025, the date of pronouncement of the Plan Approval Order:

S.No.	Period	Amount
1.	Between T* to T+3 days (i.e., till 26.04.2025)	Rs. 15,20,00,000/-*
2.	Between T+60 days (i.e., till 22.06.2025)	Rs. 3,00,00,000/-
3.	From T+60 days to T+120 days (i.e., from 22.06.2025 to 21.08.2025)	Rs. 6,00,00,000/-
4.	From T+120 days to T+180 days (i.e., from 21.08.2025 to 21.10.2025)	Rs. 9,30,00,000/-
	TOTAL	Rs. 33,50,00,000/-



**The amount of Rs. 15,20,00,000/- includes the EMD and Performance Bank Guarantee deposited by the SRA, along with Cash and Cash Equivalent of the Corporate Debtor available as on T-Day.*

- (6) The Plan Approval Order dated 23.04.2025 also provided for the constitution of a Monitoring Committee comprising of (1) two representatives of the Financial Creditors, (2) two representatives of the Respondent/SRA and (3) the Monitoring Agent/Professional, to oversee effective implementation of the Resolution Plan.
- (7) The Applicant promptly intimated the Respondent/SRA regarding the approval of the Resolution Plan vide letter dated 24.04.2025, which was duly delivered to its registered address, and also via email dated 24.04.2025. The said intimation also set out the payment schedule under the approved Resolution Plan. However, no response was received from the Respondent/SRA.
- (8) In the above circumstances, the Applicant convened the 1st Meeting of the Monitoring Committee on 29.04.2025. Despite notice annexed at Annexure A-7, the Respondent/SRA neither attended the said meeting nor nominated its representatives to attend the said Monitoring Committee. Crucially, the SRA failed to make payment of the first instalment of Rs. 15,20,00,000/-, which had fallen due by 26.04.2025, a mere three days after the Plan Approval Order. The Applicant consequently issued a letter dated 29.04.2025 to the SRA for non-implementation of the Resolution Plan, non-representation in the 1st Monitoring Committee Meeting, and forfeiture of the EMD cum Performance Security of Rs.



1,00,00,000/- (Rupees One Crore Only) deposited by the Respondent/SRA.

- (9) The Applicant, thereafter, convened the 2nd Meeting of the Monitoring Committee on 15.05.2025, of which notice was duly sent to the Respondent/SRA on 06.05.2025, annexed at Annexure A-10 to the Application. The Respondent/SRA again failed to appear or respond. The Monitoring Committee, noting the SRA's complete non-compliance with the terms and conditions of the approved Resolution Plan, proposed a resolution for liquidation of the Corporate Debtor in terms of Section 33(4) of the Code, the voting on which was kept pending.
- (10) Thereafter, the Applicant convened the 3rd Meeting of the Monitoring Committee on 09.06.2025, wherein the members deliberated and decided to file two separate applications: the present Application under Section 33(3) of the Code seeking liquidation, and a separate application under Section 74(3) of the Code for punishment for contravention of the Resolution Plan. The Monitoring Committee accordingly directed the Applicant to file the present Application seeking to pass an order of liquidation of CD in terms of Section 33(3) and Section 33(4) of the Code in view of the non-implementation of the Resolution Plan by the SRA (M/s Compact Capital Limited) approved by this Hon'ble Adjudicating Authority on 23.04.2025;



(11) It is contended that despite multiple notices, intimations, and even the forfeiture of the Performance Security, the Respondent/SRA has taken no steps whatsoever towards implementation of the approved Resolution Plan. The first instalment alone of Rs. 15,20,00,000/- remains entirely unpaid. The SRA has not participated in any Monitoring Committee Meeting, has not nominated representatives to attend the Monitoring Committee, and has not communicated with the Applicant in any manner since the Plan Approval Order dated 23.04.2025.

ANALYSIS AND FINDINGS

3. We have heard the learned counsel for the Applicant and have carefully perused the material on record, the extant provisions of the Code and the settled position of the law on the issue in question.

4. At the first instance, it is pertinent to note that on 05.05.2026, Mr Aditya Dewan, learned counsel for the Respondent/SRA, M/s Compact Capital Limited, appeared before this Tribunal and stated on record that the Respondent/SRA has no objection to the proposed liquidation of the Corporate Debtor. In view of the aforesaid statement made by the learned counsel for the Respondent/SRA, there is no contest to the grant of the reliefs sought herein.

5. As detailed supra, the Applicant has followed the due process of law before filing this Application and made all the efforts to see that the approved Resolution Plan in question be implemented. However, the



Respondent/SRA has miserably failed to obey the terms and conditions of the approved Plan and is no more interested in its implementation. The Respondent has admittedly contravened the provisions of the approved Resolution Plan in terms of section 33(3) of the Code. Therefore, there is no other alternative before this Tribunal except to put the CD under Liquidation process under the extant provisions of the Code and the rules and regulations made thereunder.

6. The Hon'ble Supreme Court in ***State Bank of India and Others v. Consortium of Murari Lal Jalan and Florian Fritsch and Another (Civil Appeal Nos. 5023-5024 of 2024)*** has categorically held that once a resolution plan is approved under the Insolvency and Bankruptcy Code, 2016, the Successful Resolution Applicant undertakes a profound responsibility to implement the plan in both letter and spirit, and that this obligation is not merely an empty formality but an enduring commitment to restore the corporate debtor to viability and ensure a meaningful turnaround. The Hon'ble Supreme Court further held that the SRA cannot treat its obligations as optional or conditional, nor can it abdicate its responsibility in the face of unforeseen obstacles. In ***Kalyani Transco v. M/s Bhushan Power and Steel Ltd. and Ors. (Civil Appeal No. 1808 of 2020)***, the Hon'ble Supreme Court reiterated that an illegality of any nature cannot be permitted to be perpetuated. In the present case, the Respondent/SRA has not only failed to implement the plan but has maintained complete silence, thereby frustrating the very object of the CIRP proceedings that commenced in 2018. The Hon'ble Supreme Court has also




held that timely liquidation is preferred over an endless resolution process where the SRA fails to fulfil its obligations.

CONCLUSION

7. In view of the above, we are satisfied that the approved Resolution Plan stands contravened on account of the Respondent/SRA's failure to implement its obligations thereunder, and that the present Application filed under Section 33(3) of the Code is maintainable.

8. For the aforesaid reasons and circumstances of the case and the law available on the issue, we are of the considered view that it is a fit case to place the Corporate Debtor under the Liquidation process by invoking the powers conferred under Section 33 of the Code. Hence, **IA(IBC)(LIQ)/5(CH)2025** in C.P. (IB) No. 46 of 2018 is hereby disposed of with the following directions:

- (i) The Corporate Debtor, J.R. Agrotech Private Limited in **CP(IB) No.46/Chd/Pb/2018**, shall be liquidated with immediate effect from the date of this Order, in the manner provided under Chapter III, Part II of the Code and in accordance with the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016, as amended up to date.
- (ii) The moratorium declared under Section 14 of the Code shall cease to have effect from the date of this Order and a fresh moratorium under Section 33(5) of the Code shall commence. Subject to Section 52 of the Code, no suit or other legal proceedings shall be initiated by or against the Corporate Debtor




except in relation to such transactions as may be notified by the Central Government; provided that a suit or other legal proceedings may be instituted by the Liquidator on behalf of the Corporate Debtor with the prior approval of this Adjudicating Authority.

- (iii) In accordance with Section 34(4)(b) of the Code and the IBBI letter dated 18.07.2023, Mr. Gurdev Bassi, having Registration Number **IBBI/IPA-001/IP-01633/2019-2020/12504**, Authorisation for Assignment valid up to **31.12.2026**, Mobile No: **9357052828**, Email: **ipgurdevbassi@gmail.com**, is hereby appointed as the Liquidator of the Corporate Debtor, i.e., J.R. Agrotech Private Limited. The Liquidator so appointed shall complete the liquidation process as per the provisions of the Code read with the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.
- (iv) The Liquidator shall strictly act in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016 and the Rules and Regulations made thereunder, including the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016, as amended up to date, and shall take into his custody or control all the assets, property, effects and actionable claims of the Corporate Debtor in terms of Section 35(1)(b) of the Code, and shall maintain a separate liquidation bank account in accordance with Regulation 41 of the IBBI (Liquidation Process) Regulations, 2016.



- (v) The Liquidator shall also follow up on the pending applications (if any) during the process of Liquidation, including initiation of steps for recovery of dues of the Corporate Debtor, as per law.
- (vi) The liquidator's fees shall be in accordance with Regulation 4 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016. The same shall be paid to the liquidator from the proceeds of the liquidation estate under section 53 of the Code.
- (vii) All powers of the Board of Directors, Key Managerial Persons, and members/partners of the Corporate Debtor shall, with effect from the date of this Order, cease to exist. All such powers shall henceforth vest with the Liquidator.
- (viii) The personnel of the Corporate Debtor are directed to extend full cooperation to the Liquidator as may be required by him/her in managing the affairs of the Corporate Debtor during the liquidation process.
- (ix) The Liquidator shall submit a Preliminary Report to this Adjudicating Authority within 75 (seventy-five) days from the liquidation commencement date as required under Regulation 13 of the IBBI (Liquidation Process) Regulations, 2016. Such other periodical reports as are mandated under the said Regulations shall also be duly filed by the Liquidator with this Adjudicating Authority.
- (x) 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 that the business of the Corporate Debtor is continued during the liquidation process by the Liquidator.

(xi) The Liquidator is directed to issue a public announcement forthwith stating that the Corporate Debtor, **J.R. Agrotech Private Limited**, is in liquidation.

(xii) The CIRP costs incurred up to the date of this Order, as ratified by the Committee of Creditors in its various meetings, shall stand approved and shall form part of the Liquidation Cost in priority of payment under Section 53(1)(a) of the Code.

(xiii) The Monitoring Agent/Professional, Mr. Mohit Chawla, is directed to hand over all relevant documents, records, books of account, and control of the Corporate Debtor to the newly appointed Liquidator forthwith.

(xiv) The Registry is directed to communicate this Order to the concerned Registrar of Companies, the registered office of the Corporate Debtor, the Monitoring Agent/Professional, the Liquidator, and Oriental Bank of Commerce (Financial Creditor/Petitioner in the main matter) by speed post as well as email within one (1) week from the date of this Order, after completion of all requisite formalities.

9. Accordingly, **IA(IBC)(LIQ)/5(CH)2025** in C.P. (IB) No. 46 of 2018 is **allowed** in the above terms **and disposed of**.



10. List the **C.P. (IB) No. 46 of 2018** on 17.07.2026 for filing of status report/progress report by the Liquidator.

Sd/-
(SHISHIR AGARWAL)
MEMBER (TECHNICAL)
Yuvraj

Sd/-
(KHETRABASI BISWAL)
MEMBER (JUDICIAL)