

NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH COURT III

Item No. 01

IA(IBC)(LIQ.)62(MB)/2025

In

C.P.(IB)989(MB)/2023

CORAM:

SH. HARIHARAN NEELAKANTA IYER

Member (Technical)

Ms. LAKSHMI GURUNG

Member (Judicial)

ORDER SHEET OF THE HEARING ON **24.06.2026**
(HEARING THROUGH: HYBRID MODE)

NAME OF THE PARTIES: Axis Bank Limited

Vs

Midas Petrochem Private Limited

Appearance

For Applicant/RP : Adv. Bhupendra Dave (PH)

SECTION 7 OF THE IBC, 2016

ORDER

IA(IBC)(LIQ.)62(MB)/2025

This application is listed for pronouncement of order. The same is pronounced in open court, vide a separate order.

Sd/-

HARIHARAN NEELAKANTA IYER

Member (Technical)

---Anuj---

Sd/-

LAKSHMI GURUNG

Member (Judicial)

**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH, COURT – III**

I.A.(IBC) (LIQ.) No. 62 of 2025

IN

C.P. (IB) 989/MB/2023

*Under Section 33(2) of the Insolvency
and Bankruptcy Code, 2016.*

Mr. Shreyansh Jain.

Resolution Professional of Midas
Petrochem Private Limited.

A-7 First Floor, Jodhpur Tower,
Dharmnarayan Ji ka Hatta, Paota,
Opposite Hotel Mapple Abhay,
Jodhpur, Rajasthan, 342008.

.... Applicant/ Resolution Professional

In the matter of:

*[Under Section 7 of Insolvency and
Bankruptcy Code, 2016]*

Axis Bank Limited

Trishul, 3rd Floor, Opp Samartheshwar
Temple, Near Law Garden, Ellisbridge,
Ahemdabad, Gujarat-380006.

.... Financial Creditor

Versus

Midas Petrochem Private Limited

Office No. 109, Block B, Avon Arcade,
Dashratlal Joshi Marg, Vile Parle
(West) Mumbai- 400057.

[CIN: U51103MH2012PTC237557]

.... Corporate Debtor

Order Pronounced on: 24.06.2026

Coram:

Smt. Lakshmi Gurung,
Member (Judicial)

Shri. Hariharan Neelakanta Iyer
Member (Technical)

Appearances:

For the Applicant Adv. Bhupendra Dave i/b Naavick Legal

Per: Coram

1. The present **I.A. No. 62 of 2025** has been filed under Section 33(2) of the Insolvency and Bankruptcy Code, 2016 (**'Code'**) by Mr. Shreyansh Jain, the Resolution Professional (**'Applicant'**) of Midas Petrochem Private Limited (**'Corporate Debtor'**) seeking following reliefs:
 1. *Consider the present IA of 2025 under provision of Section 33 (2) of the Insolvency and Bankruptcy Code 2016 for Liquidation of the Corporate Debtor;*
 2. *Direct the CoC to approve and contribute towards the Insolvency Resolution Process Costs incurred till date in terms of Section 5 (13) and Section 53 (1) (a) of the Code;*
 3. *Direct the appointment of the Applicant, being eligible as the Liquidator as per the terms proposed and approved by the Committee of Creditor/ appoint any other Insolvency Professional as the Liquidator of the Corporate Debtor;*
 4. *Direct the Registry to communicate this order to Registrar of Companies, Mumbai and to the Insolvency and Bankruptcy of India (IBBI), New Delhi;*
 5. *Consider declaring under Section 31 (3) (a) of the Code that Order of Moratorium passed under Section 14 of the I&B Code, 2016 shall cease to have effects and a fresh moratorium under Section 33 (5) shall commence;*
 6. *Consider that this order is deemed to be a notice of discharge to the officers, employees and the workman of*

the Corporate Debtor as per Section 33 (7) of the Code, 2016;

- 7. Consider that no suit, prosecution or other legal proceeding shall lie against the Applicant being the Insolvency Professional for anything done or intended to be done in good faith under Section 233 of the Code;*
- 8. Condone the delay of 25 days in filing the present application under Section 33 (2) of the Insolvency and Bankruptcy Code, 2016, the delay being neither deliberate nor wilful but due to circumstances beyond the control of the Applicant.*
- 9. Issue such other orders as may be necessary in the matter.*

Condonation of delay

2. Before we proceed to consider the matter on merits, it is noted that the Applicant has prayed for a condonation of delay of 25 days in filing the present IA. It is submitted that the delay occurred due to the delayed conduct of the transaction, which in turn was caused by the non-cooperation of the Suspended Board of Directors. It is further submitted that the said delay is neither deliberate nor wilful but due to circumstances beyond the control of the Applicant. Considering the submissions of the Applicant we are inclined to condone the delay and accordingly, the delay of 25 days in filing the present in IA is condoned.

Facts of the Case:

3. The Applicant submits that upon an application filed by the Axis Bank Limited (**'Financial Creditor'**) under Section 7 of the Code the Corporate Insolvency Resolution Process (**'CIRP'**) was commenced vide order dated 13.01.2025 and Mr. Shreyansh Jain, was appointed as the Interim Resolution Professional (**'IRP'**). The Copy of the said order dated 13.01.2025 is annexed as *Annexure 1* to the application.

4. The Applicant submits that the Applicant issued a Public Announcement on 15.01.2025 inviting claims from the creditors of the Corporate Debtor. The public announcement was published in two newspapers namely Financial Express (English language) and Navakal (Marathi language) wherein the last date for submission of claim was 27.05.2025. The Copy of the said public announcement dated 15.01.2025 is annexed as *Annexure 2* to the application.
5. The Applicant submits that pursuant to the public announcement, the Applicant verified the claims received from the creditors and filed an application bringing on record Report Certifying the constitution of the Committee of Creditors (**'CoC'**). The CoC consisted of a sole member, namely- "Axis Bank Limited", having 100% (hundred percent) voting share.
6. The Applicant submits that the CoC in its First CoC Meeting held on 12.02.2025 resolved to continue the Applicant as the Resolution Professional (**'RP'**). The Copy of Minutes of First CoC Meeting held on 12.02.2025 is annexed as *Annexure-3* to the application.
7. It is further submitted that the Applicant apprised the CoC about the non-cooperation by the Suspended Board of Directors ("**the SBoD**"). The CoC suggested to file an Interlocutory application under Section 19 (2) of the Code seeking express orders from this Tribunal to direct the SBoD to furnish the requested data/documents/information and co-operate in the CIRP of the Corporate Debtor. Accordingly, an application numbered IA (I.B.C)/1526/MB/2025 was filed by the Applicant on 20.02.2026 which is currently pending adjudication before this Tribunal.
8. It is submitted that the members also appointed M/s Pipara Chartered Accountants as Transaction Auditors of the Corporate Debtor to analyse and examine all the transactions under Section 43, 45, 50 or 66 of the Code. Accordingly, the Transaction Auditor

submitted its Report dated 22.07.2025 based on the information available for the period commencing from 01.04.2019 to 13.01.2025 and filed an application under Section 66 (1) of the Code for seeking appropriate orders against the SBoD.

9. The Applicant submits that the Applicant appointed the following registered valuers for determining the value of the assets of the Corporate Debtor, namely- Plant and Machinery (**P&M**) and Securities and Financial Assets (**S&FA**).

Sr. No.	Name of Valuer	Registration No.	Asset Class
1.	C. Prabhkaran	IBBI/RV/08/2019/11192	P&M
2.	Avinash Pandey	IBBI/RV/04/2019/11445	P&M
3.	Mr. Nitish Chaturvedi	IBBI/RV/03/2020/12916	S&FA
4.	Shyamsunder Das	IBBI/RV/06/2019/10560	S&FA

10. It is further submitted that the above-named registered valuers have not been able to carry out the valuation of the assets of the Corporate Debtor due to lack of sufficient information.
11. The Applicant submits that a total of four CoC meetings were conducted.
12. The Applicant submits that the Applicant issued Form G 12.03.2025 inviting expression of Interest (**'EoI'**) from Prospective Resolution Applicants (**'PRA's'**). The Copy of the Form G published on 12.03.2025 is annexed as *Annexure-5* to the application.
13. The Applicant submits that three applicants, namely, Big V Telecom Private Limited, Anand Vihar Reality Private Limited and Dipesh Hasmukh Janani qualified as eligible PRAs. The Copy of Final List of

Prospective Resolution Applicants dated 22.04.2025 is annexed as *Annexure-6* to the application.

14. It is submitted that the Applicant did not receive any Resolution Plan from any of PRAs till the last date of submission of Resolution Plans, that is 27.5.2025. Further Mr. Dipesh Janani, one of the PRAs sought an extension of 15 days for submission of the Resolution Plan. Accordingly, an extension of 15 days, i.e., up to 11.06.2025 was granted by CoC. Subsequently, another request for a further extension was made by Mr. Dipesh Janani, the CoC approved a second extension up to 26.06.2025. However, on 26.06.2025 no Resolution Plans were received by the Applicant, nor were any further requests made from eligible PRA's for seeking additional time.
15. It is submitted that in terms of Section 30 (6) of the Code, the Resolution Professional is required to submit a resolution plan approved by the CoC to the Adjudicating Authority. However, in the present case no Resolution Plan was received within the prescribed timeframe.
16. Further, the Applicant submits that an Interlocutory Application numbered IA (I.B.C)/2795/MB/2025 is filed by the Resolution Professional against the Financial Creditor under Section 60(5) of the Code, seeking appropriate directions from this Tribunal to direct Axis Bank Limited to transfer the closing balance of Rs. 10,84,586.04 (Rupees Ten Lakhs Eighty-Four Thousand Five Hundred Eighty-Six and Four Paise Only) maintained in the bank account of the Corporate Debtor into the CIRP Account. The IA is pending adjudication.
17. The Applicant further submits that in the Fourth CoC meeting held on 04.07.2025, it was discussed to file an Application for Liquidation under Section 33 (2) of the Code. Section 33 (2) of the Code reads as follows:

“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 approved by not less than sixty-six per cent of the voting share 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).”

18. The Applicant submits that e-voting was conducted by CoC on 11.07.2025, and accordingly a resolution to proceed with the liquidation process of the Corporate Debtor was passed with 100% voting share. The Relevant extract of the said resolution is reproduced as under:

ITEM No. 1

TO APPROVE FOR LIQUIDATION OF THE CORPORATE DEBTOR AND AUTHORIZE THE RESOLUTION PROFESSIONAL TO FILE AN APPLICATION U/S 33 OF THE INSOLVENCY AND BANKRUPTCY CODE.

Resolution No. 1

“RESOLVED THAT, the Committee of Creditors of Midas Petrochem Private Limited, hereby approves and authorize the Resolution Professional for the filing of Application for Liquidation u/s 33 of the Code.

RESOLVED FURTHER THAT the Committee of Creditors authorises the Resolution Professional to seek legal assistance and further approves the cost that shall be incurred for filing of the said application.

RESOLVED FURTHER THAT the Committee of Creditors authorises the Resolution Professional to do all acts, deeds and matter as may deem fit.”

19. The Applicant further presented the agenda to ratify and approve the cost of Rs. 1,53,360/- incurred by the Resolution Professional from 13.04.2025 till date. However, the CoC consisting of sole member i.e., Axis Bank Limited having 100% voting share voted against the proposed resolution.

20. Further, in accordance to the discussions held at Fourth CoC Meeting, held on 04.07.2025 the sole CoC Member having 100% voting share vide an email dated 25.07.2025, proposed the appointment of Applicant to act as Liquidator during liquidation process at a monthly professional fee of Rs. 75,000/- (Rupees Seventy-Five Thousand only) for a period of nine months apart from out-of-pocket expenses at actual and taxes incurred by Liquidator plus fee as per Regulation 4 of Liquidation Regulations. The Copy of email dated 25.07.2025 is annexed as *Annexure 8* to the application.
21. The applicant submits that in terms of Section 34 (1) of the Code, the Resolution Professional is eligible and is willing to be appointed as the Liquidator of the Corporate Debtor and has provided the written AFA dated 25.07.2025 in Form AA which is valid until 30.06.2026. The Copy of Written Consent dated 25.07.2025 is annexed as *Annexure 9* to the application.
22. We have heard the counsel for the Applicant and also perused the material available on record.
23. It is noted that as no resolution plans were received despite granting two extensions and that the 180 days period of the CIRP was going to conclude on 12.07.2025 the CoC in its fourth meeting held on 04.07.2025 discussed and resolved to liquidation the Corporate Debtor. Accordingly, e-voting was conducted which concluded on 11.07.2025 wherein CoC approved the resolution to file an application for Liquidation of the Corporate Debtor under section 33 of the Code. Thus, it is noted that CoC has exercised its commercial wisdom and decided for liquidation of the Corporate Debtor. It is noted that the resolution to approve liquidation requires voting majority of 66% as per Section 33 of the Code and in the present case the resolution has been approved with a voting of 100%. Therefore, the order of Liquidation shall be passed by this

Adjudicating Authority under section 33 (2) of the Code. The said Section is quoted below for the convenience and the ready reference:

“(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).”

24. It is noted in the Fourth CoC Meeting held on 04.07.2025 the Resolution Professional placed a resolution to pay Rs.1,00,000/- per month plus differential amount as Liquidator fees. The said resolution was rejected by the CoC. Subsequently, the Financial Creditor on 25.07.2025 sent an email to the Resolution Professional which is reproduced as under:

“Dear Sir,

This is with reference to the discussion held in 4th CoC and subsequent discussion we had with you regarding appointment of liquidator in this regard. As discussed in the 4th CoC we proposed to appoint you as the Liquidator for a fee of Rs. 75,000/- per month for a period of 9 months plus out of pocket expenses of actual+ Fee as per regulation 4 of liquidation process.

You are accordingly requested to kindly provide your consent to act as a liquidator in the matter of the captioned corporate debtor.

Thanks & Regards,

Santosh Nangore

Assistant Vice President.”

25. We note that the Resolution Professional assented to the same and submitted its written consent dated 25.07.2025 having AFA validity until 30.06.2026.
26. It is further noted that a resolution to ratify CIRP Cost of Rs. 1,53,360/- incurred by the Resolution Professional from 13.04.2025 to till date was rejected in the Fourth CoC Meeting held on 04.07.2025. Therefore, the Resolution Professional has requested this Tribunal to direct the CoC to approve and contribute towards the Insolvency Resolution Process Costs incurred till date in terms of Section 5 (13) and Section 53 (1) (a) of the Code.
27. We note that Regulation 31 of IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 states that cost related to CIRP should be approved by the CoC. Relevant portion of the said regulation is reproduced below:

“31. Insolvency Resolution Process Cost

*(e) other cost directly relating to the corporate insolvency resolution process and **approved by the committee.***

(Emphasis Provided)

28. The Hon'ble NCLAT in the case of ***Bharat Hotel Ltd vs Tapan Chakraborty (Company Appeal (AT) (Ins) No. 1074/2022)*** observed as follows:

“5.Question of cost and its approval lays in the domain of CoC. The CoC may ratify, modify or set aside the cost claimed. These issues may be decided in the meeting of CoC and are not to be examined by the Adjudicating Authority even before the CoC takes a decision. It shall be open for the appellant to raise issue regarding the cost in the meeting of the Committee of Creditors.”

29. Accordingly, we are not inclined to interfere with the commercial decision of the CoC. The Applicant has sought a direction to the CoC to approve and contribute towards CIRP Cost incurred till date. However, it is pertinent to note that the CoC has not been impleaded as a party to the present Interlocutory Application. In absence of the CoC as a party, no direction can be issued. Consequently, prayer **(2)** cannot be considered and is hereby rejected.
30. Given the facts and circumstances of the case and discussions hereinabove, this Bench is satisfied and is of the considered opinion that the present application is in consonance with Section 33(2) of the Code. Accordingly, the **I.A. 62 of 2025** in CP.989 of 2023 is ordered as follows:

ORDER

- a) The Application is partially allowed. The Corporate Debtor, Midas Petrochem Private Limited shall be liquidated in manner laid down in Chapter-III of the Code.
- b) The CoC in its Fourth CoC Meeting dated 04.07.2025 proposed to appoint Shreyansh Jain having IBBI No. IBBI/IPA-001/IP-

P01683/2019-2020/12727. Accordingly, we appoint Shreyansh Jain having AFA valid upto 30.06.2026, email: *shreyansh.jain@mail.ca.in* as the Liquidator of Midas Petrochem Private Limited to conduct Liquidation process.

- c) The Liquidator for conducting the Liquidation proceedings would be entitled to fees as per email dated 25.07.2025 and Regulation 4 of Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations 2016.
- d) The Moratorium declared under Section 14 of the Insolvency and Bankruptcy Code, 2016 shall cease to have its effect and a fresh Moratorium under Section 33(1)(b)(iv) of the Insolvency and Bankruptcy Code shall commence.
- e) Liquidator shall issue public announcement to Registrar of Companies, Maharashtra and Official Liquidator, Maharashtra stating that the Corporate Debtor is in Liquidation.
- f) This order shall be deemed to be notice of discharge to the officers, employees and the workmen of the corporate debtor as per Section 33(7) of the Insolvency and Bankruptcy Code, 2016.
- g) Subject to Section 52 of the Code no suit or other legal proceedings 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) All powers of the Board of Directors, Key Managerial Personal 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 Part-III of the Code read with the Liquidation Process Regulations.
- j) The Liquidator shall follow up and continue to investigate the financial affairs of the Corporate Debtor in accordance with provisions of Section 35(1) of the Code.
- k) 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 subject to 33(1)(b)(iv) of the Code.
- l) 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;
- m) All powers of the Board of Directors, Key Managerial Personal and partners of the Corporate Debtor shall cease to have effect and shall be vested in the Liquidator.
- n) All persons connected with the Corporate Debtor shall extend all assistance and cooperation to the Liquidator as will be required for managing its affairs.
- o) The Liquidator shall comply with the applicable Liquidation Regulations and accordingly submit Progress Reports as per Regulation 15 of the IBBI (Liquidation Process) Regulations, 2016; and shall further apprise the Bench about the Liquidation Process of the Corporate Debtor.
- p) Liquidator to send the Copy of this order to the CoC.

31. Registry shall furnish a copy of this Order to:
- i. Insolvency and Bankruptcy Board of India, New Delhi;
 - ii. Regional Director (Western Region), Ministry of Corporate Affairs;
 - iii. Registrar of Companies & Official Liquidator, Maharashtra;
 - iv. Erstwhile Resolution Professional, who is also appointed as the Liquidator, Mr. Shreyansh Jain
32. Accordingly, **IA. 62 of 2025**, stands disposed of as **Allowed**, in above terms.
33. Ordered Accordingly.

SD/-

Hariharan Neelakanta Iyer
Member (Technical)
/Apurva/

SD/-

Lakshmi Gurung
Member (Judicial)