IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI

COURT – IV

I.A.(IBC)(Liq.) No./40(MB)/2025

IN

C.P.(IB)/4238(MB)/2018

[Under Section 33(3) of the Insolvency and Bankruptcy Code, 2016]

In the matter of:

Shri. Rajesh S Shah, Chairperson of the Monitoring Committee for Implementation of Resolution Plan of M/s. AG Conveying Systems Private Limited

…Applicant

Pronounced: 10.07.2026

CORAM:

ANIL RAJ CHELLAN	**K.R. SAJI KUMAR**
HON'BLE MEMBER (TECHNICAL)	**HON'BLE MEMBER (JUDICIAL)**

Appearances: Hybrid

For the Applicant RP : Adv. Mily Ghoshal a/w Adv. Sophia Hussain

ORDER

1. This Application is filed by the Resolution Professional (Applicant/Chairperson of the Monitoring Committee) under Section 33(3) of the Insolvency and Bankruptcy Code, 2016 (Code) for initiating the liquidation process of AG Conveying Systems Private Limited (Corporate Debtor).

2. The facts leading to the filing of this application are as follows:

a) The Corporate Insolvency Resolution Process (CIRP) of the Corporate Debtor commenced *vide* order dated 03.12.2019. The Applicant was initially appointed as the Interim Resolution Professional (IRP) and later on confirmed as the Resolution Professional (RP) of the Corporate Debtor.

b) During the CIRP, the Applicant caused Public Announcement inviting claims from the creditors of the Corporate Debtor. Thereafter, the Committee of Creditors (CoC) was constituted. The CoC consists solely of the Bank of Maharashtra, with 100% voting share.

c) The RP published Form G for the invitation of Expression of Interest (EoI) on 12.02.2020 with the approval of the CoC. Pursuant thereto, Shri Shripad Gopal Apte submitted a Resolution Plan for the Corporate Debtor (Original Resolution Plan). The Original Resolution Plan was approved by the CoC with 100% voting share. The Applicant also filed IA No. 1763/2020 for approval of the Original Resolution Plan.

d) During the pendency of the application for approval of the Original Resolution Plan, an Application was filed by Employees' State Insurance Corporation (ESIC) seeking consideration of its claim, which came to be allowed by this Adjudicating Authority. Consequently, the Resolution Applicant revised the Resolution Plan by providing necessary treatment to the ESIC claim. Thereafter, the modified Resolution Plan was considered and approved by the CoC in its 11th Meeting held on 20.03.2023, and I.A. No. 5387 of 2023 was filed seeking approval of the Modified Resolution Plan.

e) Thereafter, the Applicant withdrew the applications for approval of Resolution Plans for fresh consideration by CoC as per the order dated 15.12.2023. The final Resolution Plan was approved by the CoC with 100% voting share in its 16th Meeting held on 15.03.2024.

f) Pursuant thereto, I.A. (IBC) (Plan) No. 24 of 2024 was filed under Section 30(6) of the Code seeking approval of the final Resolution Plan. This Adjudicating Authority *vide* Order dated 16.05.2024 approved the Resolution Plan under Section 31 of the Code. Subsequent to the same, a Monitoring Committee was constituted to implement the approved Resolution Plan.

g) The first meeting of the Monitoring Committee was held on 03.06.2024. The certified copy of the approval order was received on 05.06.2024 and communicated to the Successful Resolution Applicant on 06.06.2024. As per the implementation schedule contained in the approved Resolution Plan, the first payment became due on or before 26.06.2024.

h) In the Second Meeting of the Monitoring Committee held on 27.06.2024, Bank of Maharashtra, being the sole Financial Creditor of the Corporate Debtor, informed the Monitoring Committee that the Successful Resolution Applicant had failed to make payment in accordance with the approved Resolution Plan. Though the Successful Resolution Applicant sought extension of time and proposed revised timelines, no payment was made in terms of the approved Resolution Plan.

i) In the Third Meeting of the Monitoring Committee held on 29.08.2024, it was recorded that the Successful Resolution Applicant has failed to implement the approved Resolution Plan. The sole Financial Creditor informed the Monitoring Committee that in such circumstances, proceedings under Section 33(3) of the Code would be required to be initiated.

j) The Applicant filed I.A. No. 477 of 2025, placing on record the status of implementation of the approved Resolution Plan. Subsequently, Bank of Maharashtra *vide* communication dated 05.04.2025 informed the Applicant about its decision to proceed with the liquidation of the Corporate Debtor and requested the Applicant to move an appropriate Application before this Adjudicating Authority seeking initiation of liquidation proceedings. Consequently, the present Application has been filed.

3. We have heard the Ld. Counsel for the Applicant and perused the material on record. The Respondent/Successful Resolution Applicant, though entered in appearance through an Advocate, has not filed any reply to this Application.

4. The records reveal that the Resolution Plan submitted by Shri Shripad Gopal Apte, the Respondent, came to be approved by this Adjudicating Authority *vide* Order dated 16.05.2024 passed under Section 31 of the Code. Pursuant thereto, a Monitoring Committee was constituted to oversee the implementation of the approved Resolution Plan.

5. The records further reveal that the first payment contemplated under the approved Resolution Plan became due on 26.06.2024. However, the

Successful Resolution Applicant failed to make the payment in question. Though the Successful Resolution Applicant sought extension of time and proposed revised timelines, the obligations undertaken under the approved Resolution Plan remained unfulfilled.

6. The Monitoring Committee, in its subsequent meetings, considered the issue of implementation of the approved Resolution Plan. The records reveal that even the revised timelines proposed by the Successful Resolution Applicant were not adhered to, and the Monitoring Committee recorded that the Successful Resolution Applicant had failed to implement the approved Resolution Plan and was not in a position to comply with the revised payment schedule proposed by him. Further, despite proposing revised timelines, the Successful Resolution Applicant did not file any application before this Adjudicating Authority seeking modification or extension of the approved Resolution Plan

7. As per Section 33(3) of the Code, where a Resolution Plan approved by the Adjudicating Authority under Section 31 is contravened by the concerned corporate debtor, any person other than the corporate debtor, whose interests are prejudicially affected by such contravention, may make an application to the Adjudicating Authority for a liquidation order.

8. In the present case, the approved Resolution Plan has admittedly failed at the implementation stage. The Successful Resolution Applicant has failed to comply with the obligations set out in the approved Resolution Plan. Further, Bank of Maharashtra, being the sole Financial Creditor of the Corporate Debtor, has communicated its decision to proceed with the liquidation of the Corporate Debtor. In view of the aforesaid facts and circumstances and upon satisfaction of the requirements under Section 33(3) of the Code, we consider it appropriate to pass an order for liquidation of the Corporate Debtor.

9. Hence, this Bench orders as follows:

<u>ORDER</u>

a. The Present Application viz. IA(IBC)(Liq.)/40/2025 in Company Petition no. 4238(MB)/2018 stands allowed. The Corporate Debtor, AG Conveying Systems Private Limited, shall be liquidated in the manner laid down in Chapter III of Part II of the Insolvency and Bankruptcy Code, 2016.

b. We hereby appoint Mr. Siddhant Agarwal bearing Registration No. IBBI/IPA-001/IP-P-02832/2023-2024/14370, registered Address: 164, Shree, Tikekar Road, Dhantoli, Nagpur, Maharashtra, 440012, Email: ip.siddhantagrawal@gmail.com as Liquidator of the Corporate Debtor, viz., AG Conveying Systems Private Limited. The appointment shall be subject to his possessing a valid Authorisation for Assignment (AFA) issued by the Insolvency Professional Agency (IPA) of which he is a professional member, in terms of regulation 7A of the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016. The Liquidator is directed to submit his consent to act as Liquidator within 10 days of receipt of this order. The erstwhile RP/Applicant shall hand over all papers and documents in her possession concerning the Corporate Debtor to the Liquidator appointed in this matter within 10 days.

c. The Liquidator shall initiate the liquidation process as envisaged under Chapter III of the Code and the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 (Liquidation Process Regulations). He shall take into his control all the assets of the Corporate Debtor.

d. All the powers of the Board of Directors and key managerial persons shall cease to exist in accordance with section 34(2) of the Code. All these powers shall henceforth vest in the Liquidator. The Liquidator shall exercise the powers and perform duties as envisaged under Sections 35 to 50 and 52 to 54 of the Code, read with the Liquidation Process Regulations.

e. The Moratorium declared under Section 14 of the IBC shall cease to operate from the date of this Order.

f. The Liquidator shall issue public announcement stating that the Corporate Debtor is in Liquidation.

g. Subject to Section 52 of the Code, no suit or other legal proceedings shall be instituted by or against the Corporate Debtor.

h. Personnel connected with the Corporate Debtor shall extend all assistance and cooperation to the Liquidator as will be required for managing its affairs.

i. This Order shall be deemed to be a notice of discharge to the officers, employees, and workmen of the Corporate Debtor, except when the business of the Corporate Debtor is continued during the liquidation process by the Liquidator.

j. The Liquidator shall submit progress reports as per Regulation 15 of the Liquidation Process Regulations.

k. The Liquidator is hereby authorised to represent the Corporate Debtor before the Government Authorities, if need be.

10. Registry shall furnish a copy of this Order to the Insolvency and Bankruptcy Board of India; Regional Director (Western Region), Ministry of Corporate Affairs; Registrar of Companies; Official Liquidator, Maharashtra; the Registered Office of the Corporate Debtor; and the Liquidator.

11. Needless to say, the CoC shall ratify and clear the fees of the erstwhile Resolution Professional of the Corporate Debtor, if any, due and payable.

12. The Designated Registrar is directed to forward a copy of this Order to the Insolvency and Bankruptcy Board of India for their record and also for information that the Corporate Debtor is liquidated owing to the failure of the Successful Resolution Applicant to comply with the obligations set out in the approved Resolution Plan. The Liquidator shall also be informed of his appointment forthwith.

13. With the aforesaid observations and directions, **IA (Liq.) No. 40 of 2025 stands disposed of as allowed.**

14. Ordered Accordingly.

Sd/-

ANIL RAJ CHELLAN
MEMBER (TECHNICAL)

Sd/-

K. R. SAJI KUMAR
MEMBER (JUDICIAL)

/Sakshi G/