

**IN THE NATIONAL COMPANY LAW TRIBUNAL**

**KOCHI BENCH**

**IA (IBC) Liq/6/KOB/2025**

**IN**

**CP ((IBC) / 55) / K OB / 2024**

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

**In the matter of:**

**M/s Malayalam Vehicles India Private  
Limited**

**Memo of Parties**

**P. Balasubramanian,**

Resolution Professional of

Malayalam Vehicles India Private Limited

**...Applicant**

**Date of Institution: 10.10.2025.**

**Order delivered on: 31.10.2025.**

**Coram:**

**HON'BLE MEMBER (JUDICIAL) :**

**SHRI. VINAY GOEL**

**HON'BLE MEMBER (TECHNICAL)**

**SMT. MADHU SINHA**

**Appearances:**

For the Applicant

: Mr. Vinod P V, Advocate

Resolution Professional

: P Balasubramanian



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**ORDER**

**Per: Coram**

1. The present application has been filed by the Resolution Professional of the Corporate Debtor, Malayalam Vehicles India Private Limited, seeking the following reliefs;
  - a) *Pass an order for Liquidation of the Corporate Debtor under Section 33(2) of the Insolvency and Bankruptcy Code, 2016; and*
  - b) *Pass an order to appoint the Applicant, Resolution Professional as Liquidator under Section 34 of the Code; and*
  - c) *Pass such other order(s) that this Hon'ble Tribunal may deem fit in the fact and circumstances of the case.*

**Brief facts as stated in the application:**

2. Applicant/RP stated that this Tribunal, vide order dated 04.04.2025 in CP(IBC)/55/KOB/2024, admitted the Corporate Debtor, Malayalam Vehicles India Private Limited, for initiating the Corporate Insolvency Resolution Process under Section 10 of the Insolvency and Bankruptcy Code, 2016 ("IBC"), in an application filed by the Corporate Debtor, and appointed Mr. Jayaprakash M.D. as the Interim Resolution Professional.
3. Applicant further stated that the IRP made a public announcement inviting claims on 07.04.2025, and based on the claims received, the IRP has constituted the Committee of Creditors under Section 22 of the IBC on 26.04.2025.
4. Applicant stated that the IRP has convened the first meeting of COC on 2nd May 2025, and in the said meeting, the RP was not appointed; IRP



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continued performing the function of the RP under Regulation 17(3) of the IBBI (CIRP) Regulations, 2016.

5. The dates and events subsequent to initiation of Corporate Insolvency Resolution Process of the Corporate Debtor as mentioned in the application are as follows: -

**List of Dates and Events**

Date	Event
04.04.2025	Hon'ble NCLT Kochi admits CP(IBC)/55/KOB/2024 under Section 10 of IBC and appointed Mr. Jayaprakash M.D. as IRP.
07.04.2025	IRP made the Public announcement and invited claims.
26.04.2025	CoC was constituted.
30.04.2025	IRP filed the Report certifying the Constitution of the CoC and List of Creditors to the Hon'ble NCLT.
02.05.2025	1st CoC meeting convened.
04.06.2025	IRP issued, the Invitation for Expression of Interest for submission of Resolution Plan ("EOI")
21.05.2025	2nd CoC meeting; proposal for RP appointment not approved.
03.06.2025	3rd CoC meeting; RP appointment not discussed.
25.06.2025	4th CoC meeting; CoC resolved with 78.28% votes to appoint Mr. P. Balasubramanian, the applicant herein as RP.
08.07.2025	The IRP re-issued, the Invitation for Expression of Interest for submission of Resolution Plan in Form G ("EOI")
22.07.2025	Last date for receipt of the expression of interest (EOI). No EOI received.
23.07.2025	NCLT Kochi passed order in IA(IBC)/279/KOB/2025 confirming appointment of Balasubramanian as RP.
08.08.2025	5th CoC meeting; status of CIRP discussed; CoC noted failure of EOIs.
22.08.2025	6th CoC meeting; CoC resolved with 89.07% votes to liquidate the Corporate Debtor and to appoint RP as Liquidator.
30.09.2025	Present application is filed before this Hon'ble Tribunal under Section 33(2) of IBC for initiating Liquidation of the Corporate Debtor



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6. Applicant further stated that the Corporate Debtor was incorporated on 12.04.2017 and was a dealer of Tata Motors Limited for passenger vehicles. The dealership was cancelled prior to the initiation of CIRP. It has two retail showrooms at Aluva and Vyttila, and a service center at Vazhakala in a rented premise, along with a yard at Panangad. The service center was acquired for metro development. The major assets of the Corporate Debtor are vehicles and a residential flat, which is charged to one of the financial creditors. Since rent had not been paid for the last one and a half years, the RP moved the vehicles to a yard at Panangad from the Vyttila and Aluva showrooms.
7. Applicant stated that the erstwhile IRP has appointed Registered valuers to conduct the valuation of the assets of the CD, and the valuation process is underway and will be completed. The RP, upon his appointment, with the permission of the Corporate Debtor requested the Registered Valuers to complete the Valuation of all the assets of the Corporate Debtor. The Registered Valuers are currently in the process of Valuation of assets of the Corporate Debtor.
8. Applicant further stated that on 04.06.2025, the IRP invited the first expression of interest to submit the Resolution Plan in Form G. However, no response was received to the said EOI. On 08.07.2025 the IRP further issued another EOI in Form -G for submission of the Resolution Plan, and the Last date for receipt of the expression of interest was on 22.07.2025. However, no response was received to the second EOI.
9. Applicant stated that on 25th June 2025, the COC convened its 4th meeting and in the said meeting, it was resolved to appoint Mr. P.



Balasubramaniam, this applicant, as the Resolution Professional (RP) for conducting the CIRP. Further, this Tribunal vide order dated 23.07.2025 in IA(IBC)/279/KOB/2025 in CP(IBC)/55/KOB/2024 confirmed the appointment of the RP.

10. The Applicant further stated that the fifth meeting of the COC was held on 08.09.2025, wherein the representative from Karur Vysya Bank reiterated their stance on recommending liquidation due to the lack of any viable resolution plan or expressions of interest received, a position they had maintained since the first COC meeting. Other COC members, including Tata Capital and State Bank of India, noted the need for internal consultations before taking a final decision. Tata Capital requested more clarity and discussion before proceeding, and State Bank of India emphasised that formal voting would be necessary, with at least 15 days' time required to secure necessary approval from their management.
11. Applicant stated that the 6th COC held on 22.08.2025 with 89.07 % votes, resolved to liquidate the CD and authorised the RP to file an application for Liquidation under Section 33(2) of the Insolvency and Bankruptcy Code, 2016. It was further resolved to appoint the Resolution Professional as the Liquidator of the Corporate Debtor. The said resolution, as agenda Item No. 6 is as follows: -

**AGENDA ITEM NO. 6**

**TO APPROVE FOR LIQUIDATION OF THE CORPORATE DEBTOR**

*Accordingly, the RP proposed the following resolution for the Committee to deliberate on the same and accord its approval for*



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initiation of the liquidation process under Section 33(2) of the Code, the appointment of RP as Liquidator:

**"RESOLVED THAT** pursuant to Section 33(2) of the Insolvency and Bankruptcy Code, 2016, the Committee of Creditors of Malayalam Vehicles India Private Limited ("Corporate Debtor") hereby resolves to initiate the liquidation process of the Corporate Debtor.

**RESOLVED FURTHER THAT** Mr. Balasubramanian P, the Resolution Professional ("RP") appointed for the Corporate Debtor, be and is hereby appointed as the Liquidator of the Corporate Debtor to carry out the liquidation process in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016, and other applicable laws and regulations.

**RESOLVED FURTHER THAT** the Resolution Professional be and is hereby authorized to file an application before the Adjudicating Authority (National Company Law Tribunal, Kochi Bench under Section 33(2) of the Insolvency and Bankruptcy Code, 2016, to obtain necessary orders for the liquidation of the Corporate Debtor.

**RESOLVED FURTHER THAT** the Resolution Professional be and is hereby authorised to do such other acts, deeds, and things as may be necessary or incidental to give effect to this resolution."

12. The above resolution was passed by the COC with 89.07 % votes, which is more than the requisite majority of 66% and hence, approved.
13. It is submitted that the fee of the Liquidator has been discussed in Agenda No.7 as follows:

**TO FIX THE FEE PAYABLE TO THE LIQUIDATOR**

**"RESOLVED THAT** the consent of the Committee be and is hereby accorded to fix the following fee to the Liquidator in the event an order



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for Liquidation is passed under Section 33 of the Insolvency and Bankruptcy Code,2016("Code"):

<b>Period</b>	<b>Fee</b>
a) the period, if any, used for compromise or arrangement under section 230 of the Companies Act, 2013;	INR 1, 00, 000 (Rupees One Lakh only) plus applicable GST and out of pocket expenses at actuals
b) the period, if any, used for sale under clauses (e) and (f) of regulation 32 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016; and	INR 1, 00, 000 (Rupees One Lakh only) plus applicable GST and out of pocket expenses at actuals
c) the balance period of liquidation	INR 1, 00, 000 (Rupees One Lakh only) plus applicable GST and out of pocket expenses at actuals

14. The above resolution was passed by the CoC with 89.07 % votes, which is more than the requisite majority of 66% and hence, approved.
15. In accordance with Regulation 39B (3) of the CIRP Regulations, where the estimated value of the liquidation assets is less than the estimated liquidation costs, the Committee shall approve a plan providing for contribution to meet the difference between the two. The RP apprised the CoC that the valuation of the assets of the Corporate Debtor is currently underway and will be completed at the earliest. Upon completion, the same shall be shared with the Committee. Accordingly, a resolution regarding the same was discussed as Item No. 9; however, only 50.88% voting was recorded, and the CoC rejected the resolution.



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16. It is stated that under Regulation 39BA of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, while recommending liquidation under Section 33 of the Insolvency and Bankruptcy Code, 2016, the CoC is required to examine whether a compromise or arrangement under Regulation 2B(1) of the IBBI (Liquidation Process) Regulations, 2016 may be explored, and where such a recommendation is made, the RP and the CoC shall continue to evaluate the feasibility of such compromise or arrangement during the period when the application for liquidation is pending before the Adjudicating Authority. However, 88.61% votes were received for the resolution, and the CoC approved the resolution for compromise as Item No. 14 in the seventh meeting minutes of the CoC.
17. It is submitted that as per Regulation 39C(1) of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016, the Committee of Creditors (CoC), while deciding to liquidate the Corporate Debtor, may recommend that the Liquidator may first explore the sale of the Corporate Debtor as a going concern under clause (e) of Regulation 32 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016, or sale of the business of the Corporate Debtor as a going concern under clause (f) thereof, if an order for liquidation is passed under Section 33. It is submitted that the Resolution Professional shall submit the recommendation of the Committee under sub-regulations (1) and (2) to the Adjudicating Authority while filing the approval or decision of the Committee under Section 30 or 33.



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18. Accordingly, a resolution was proposed for voting as "AGENDA ITEM NO.11, TO APPROVE THE SALE OF CORPORATE DEBTOR AS A GOING CONCERN " But the said resolution discussed as Item No.1 1 was rejected by the COC, as the voting received for the said resolution was only 37.94 % votes, which is less than the requisite majority of 66 % hence the resolution was rejected.
19. It is submitted that under Section 34 of the Insolvency and Bankruptcy Code, 2016, where the Adjudicating Authority passes an order for liquidation of the Corporate Debtor under Section 33, the Resolution Professional appointed for the Corporate Insolvency Resolution Process shall, subject to submission of a written consent by the Resolution Professional to the Adjudicating Authority, act as the Liquidator for the purpose of liquidation. It is submitted that the CoC has approved the resolution to appoint the Resolution Professional as the Liquidator with 89.07% votes. It is further submitted that the Applicant has filed his written consent to act as the Liquidator and prays that this Tribunal may appoint the Applicant as Liquidator under Section 34 of the Insolvency and Bankruptcy Code, 2016.
20. It is further stated that the Hon'ble National Company Law Tribunal Principal Bench in Manish Jaju vs. COC of Rajesh Landmark Projects Rrt Ltd and Anr (2025) ibclaw.in 765 NCLAT held that:-

*18. Insolvency professional functions under regulatory control of the IBBI hence Section 34(4) the board has been given right to recommend for replacement of the RP. The right given for board to recommend the replacement of the RP under Section 34(4)(b) is right to recommend the replacement of a resolution professional ie., resolution professional of the corporate debtor*



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*with regard to whom liquidation order has been passed. The decision to recommend for replacement has to be qua the particular RP which may be due to work and conduct of the RP, which is under constant monitoring and gaze of the IBBI. The power under Section 34(4)(b) cannot be exercised by the board to take a decision that in all cases of liquidation, IRP and RP be not appointed as liquidator. The power envisages under Section 34(4)(b) is a power to recommend replacement of the particular RP on the facts specific to that particular RP and that is not a general power which can be exercised by the board for passing the circular dated 18.07.2023, as has been brought on the record. In event, it is accepted that IBBI has power to issue general circular in exercise of power under Section 34(4)(b) that in all cases of liquidation, IRP and RP be not appointed, this power clearly militates against the legislative scheme as contained in Section 34(1). Legislature while giving power to board under Section 34(4)(b) contemplated recommendation by board for replacement particular RP not the said power has to be exercised qua a particular RP in the CIRP of the corporate debtor on account of work and conduct of that particular RP and the power under Section 34(4)(b) cannot be exercised to issue a general circular as issued by the IBBI on 18.07.2023, which is contrary to scheme under Section 34(1). IBBI has misinterpreted the power given to the IBBI under Section 34(4)(b).*

21. In the result, M/s. Malayalam Vehicles India Private Limited, the Corporate Debtor, the order for the appointment of the Liquidator is being passed.

22. From the above facts and circumstances, considering the decision taken by the CoC of the Corporate Debtor, this Adjudicating Authority deems it fit to order Liquidation of the Corporate. Accordingly, we order the liquidation of the Corporate Debtor by appointing **Mr. P. Balasubramanian, Resolution Professional of Malayalam Vehicles India Private Limited. Door No.3 &4,157 E Ground Floor, Mahathma**



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**Gandhi Road, Bharathi Nagar, Karur- 639 002** as the Liquidators to carry out the liquidation process and He also provided written consent for his appointment as liquidator, as required under Section 34(1) of the Code, which is annexed as Annexure A/9 Subject to the following terms/directions: -

23. The Liquidator is directed to forthwith take into his custody all the assets, properties, and actionable claims of the corporate debtor and take necessary steps to ensure the preservation, protection security, and maintenance of those properties as provided under section 35(1)(b) & (d) of IBC 2016.
24. The Liquidator is directed to adhere to Section 33(1) (ii) & ; (iii) and discharge his powers and duties as specified under Section 35 to 41 of IBC, 2016 and meticulously adhere to the Rules and Regulations issued by IBBI in this regard from time to time.
25. Public Notice as contemplated under section 33(1) of the Code shall be issued in one morning, English daily, and in one-morning regional language newspapers.
26. All the powers of the Board of Directors of the Corporate Debtor and its key managerial personnel, shall cease to exist in accordance with Section 34 (2) of the Code. These powers shall henceforth vest in the Liquidator. The personnel of the Corporate Debtor shall extend all assistance and cooperation to the Liquidator as may be required by him in the Liquidation process of the Corporate Debtor.



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27. On initiation of the Liquidation process but 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 a suit or other legal proceeding on behalf of the Corporate Debtor with prior approval of this Adjudicating Authority, as provided in section 33(5) of the Code read with its proviso.
28. In accordance with section 33(7) of the Code, 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 continued during the liquidation process by the liquidator.
29. In terms of Section 33(1) (b) (iii), the Liquidator shall file a copy of this Order with the Registrar of Companies, Kerala, within whose jurisdiction the Corporate Debtor is registered.
30. The fee of the Liquidator is fixed by the 6<sup>th</sup> COC with 89.07 % votes
31. As per Regulation 13 of Insolvency and Bankruptcy Board of India (Liquidation Process) Regulation, 2016, the liquidator shall submit a preliminary report to the Adjudicating Authority within 75 days from the liquidation commencement date providing various details/information as mentioned in the said regulation.
32. In view of the above direction, this application bearing IA(IBC)(Liq.)/6/KOB/2025 is **allowed and disposed of** accordingly.



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- 33.The Registry is hereby directed to send e-mail copies of this order forthwith to all the parties and their counsel for information and for taking necessary steps.
- 34.Let the certified copy of the order be issued upon compliance with the requisite formalities.
35. File be consigned to records.

Sd/-

**MADHU SINHA**  
**(MEMBER TECHNICAL)**

Sd/-

**VINAY GOEL**  
**(MEMBER JUDICIAL)**

Signed on this the 31<sup>st</sup> day of October,2025

Reshma/Steno

*Certified to be True Copy-*  
  
**Deputy Registrar**  
**National Company Law Tribunal**  
**Kochi Bench**

