Once the CIRP period expires without an approved resolution plan, a separate CoC resolution approving liquidation by 66% voting share is not required for the Adjudicating Authority to order liquidation under Section 33(1)(a) of the IBC

The **New Delhi Bench of the National Company Law Tribunal (NCLT)** in the case of **Metro Tyres Ltd vs Hero Electric Vehicles Pvt Ltd [IB No. 397/ND/2024] dated March 03, 2026**, has clarified that where no resolution plan is approved by the requisite 66% voting share of the CoC within the prescribed CIRP period, including extensions, liquidation must follow under Section 33(1)(a) of the IBC. The NCLT held that once the CIRP period expires without an approved resolution plan, a separate CoC resolution approving liquidation by 66% voting share is not required for the Adjudicating Authority to order liquidation under Section 33(1)(a).

The NCLT observed that the statutory trigger under Section 33(1)(a) of the IBC is the non-approval of a resolution plan within the prescribed CIRP period. It noted that despite multiple rounds of Form-G, receipt of resolution plans, negotiations, and re-voting under Regulation 39(3B), no plan secured the requisite 66% voting share before expiry of the CIRP period, including all extensions, on February 13, 2026.

The Tribunal expressly observed that a separate resolution of the CoC approving liquidation by 66% voting share is not a pre-condition for ordering liquidation under Section 33(1)(a) once the CIRP period has expired without approval of a resolution plan. It held that continuation of CIRP in such circumstances would serve no useful purpose and would only perpetuate deadlock, thereby defeating the time-bound object of the IBC.

Accordingly, the Tribunal ordered liquidation of the Corporate Debtor under Section 33(1)(a) read with Section 60(5) of the IBC. It also held that pending interlocutory applications seeking admission of claims and condonation of delay had become infructuous, while leaving it open to claimants to submit claims before the Liquidator in terms of Regulations 16 to 20 of the Liquidation Process Regulations, 2016.