



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

**IA No.2701/2023**  
**In**  
**CP (IB) No.27/Chd/Hry/2019**  
**(Admitted Matter)**

*(An application under sub-section (2) of section 33 of the Insolvency and Bankruptcy Code, 2016)*

**In the matter of:**

**IA No.2701/2023**

**Mr. Somnath Gupta, Resolution Professional**

For JM Feed Mills Pvt. Ltd.

Office at: 1019, Lane No. 1, Ramsharnam Colony,

Pathankot, Punjab- 145001

...Applicant/Resolution Professional

**In the main matter of:**

**CP (IB) No. 27/Chd/Hry/2019**

*(An application under section 7 of the Insolvency and Bankruptcy Code, 2016)*

Bank of Baroda

..... Financial Creditor

Vs.

JM Feed Mills Private Limited

..... Corporate Debtor

**Order delivered on: 08.08.2025**

**CORAM: SHRI KHETRABASI BISWAL, MEMBER (JUDICIAL)**

**SHRI KAUSHALENDRA KUMAR SINGH, MEMBER (TECHNICAL)**

**Present: -**

**For the Applicant-RP**

**: Mr. Viren Sharma, Advocate**



## **ORDER**

### **IA No. 2701/2023**

1. The present Application is being filed by Mr. Somnath Gupta, Resolution Professional (hereinafter referred to as “RP”/ “Applicant”) for JM Feed Mills Pvt. Ltd. (hereinafter referred to as “Corporate Debtor”) under sub-section (2) of Section 33 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as “Code”). It is prayed by the Applicant that an order for liquidation of the Corporate Debtor in terms of sub-section (2) of Section 33 of the Code be passed and Mr. Ashok Kumar Gupta, Insolvency Professional having registration number IBBI/IPA-003/IP-N00010/2016-17/10072 be appointed as the liquidator.

2. The submissions made by the Applicant in its Application are summarized hereunder:

2.1. An insolvency Petition was filed under Section 7 of the Code by the Financial Creditor for initiating the Corporate Insolvency Resolution Process (hereinafter referred to as “CIRP”) against the Corporate Debtor. The Petition was duly admitted vide order dated 10.01.2023, and the Applicant was appointed as Interim Resolution Professional (hereinafter referred to as “IRP”). A copy of the order dated 10.01.2023 has been annexed as Annexure A-1 to the Application.

2.2. Pursuant to the aforementioned order, the Applicant collated all the claims submitted by the creditors and constituted a Committee of



Creditors (hereinafter referred as to CoC), comprising of sole financial creditors of the Corporate Debtor I.e. Bank of Baroda. The details of financial creditor of the Corporate Debtor being sole member of the Committee of Creditors is provided hereinunder:

<b>S. No.</b>	<b>Name of Financial Creditor</b>	<b>Amount Claimed (Rs.)</b>	<b>Amount Admitted (Rs.)</b>	<b>Voting Share</b>
1.	Bank of Baroda	30,00,00,088	30,00,00,088	<b>100%</b>
	<b>TOTAL</b>	<b>30,00,00,088</b>	<b>30,00,00,088</b>	<b>100%</b>

2.3. The IRP in the first meeting of the CoC on 06.02.2023, placed the agenda for appointment of IRP as the Resolution Professional. The same was approved by the CoC with 100% voting shares. The same was confirmed by the Adjudicating Authority vide Order dated 27.03.2023.

2.4. Pursuant to the 2nd CoC meeting, Form G was published in newspapers, namely Financial Times (English) NCR Edition, Jansatta (Hindi), NCR Edition, Times of India (English), Rozana Spokesman (Punjabi) in Punjab Edition and Dainik Bhaskar (Hindi) in Jind Edition on 15.02.2023 specifying the last date to submit the Expression of Interest ('EOI') as 11.03.2023.

2.5. The 3<sup>rd</sup> meeting of the CoC was convened on 24.03.2023 wherein the Applicant apprised the sole member of the CoC that more than 24 parties had shown interest, however finally, only one Prospective Resolution Applicant has submitted EOI along with the Earnest Money Deposit. The



Applicant further informed that some parties have shown interest after last date as stipulated in Form G and advised to issue fresh Form G for maximisation of value of Corporate Debtor. Upon discussions and deliberations, the sole member of CoC decided to issue fresh Form G in the matter of the Corporate Debtor.

2.6. Pursuant to the above, in terms of the decision of the CoC and Regulation 36A (1) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (hereinafter referred to as “CIRP Regulations”), the Applicant had published Invitation for Expression of Interest in Form G dated 25.03.2023 in two newspapers namely, Times of India (English) and Dainik Bhaskar (Hindi). The last date for receipt of expression of interest was stipulated as 11.04.2023. Form G was also published on the website of Insolvency and Bankruptcy Board of India.

2.7. Subsequently, the Applicant had received Six expressions of Interest from the Prospective Resolution Applicants (hereinafter, referred to as PRAs), namely, Harish Taneja, Triveni Hatcheries Private Limited, Lakshya Health Food Private Limited, SSR Townships Private Limited, RM Argo Indus Private Limited and Amanthari Industries Private Limited. The Applicant shared provisional list of PRAs with the sole member of CoC vide Email dated 15.04.2023. After perusing the documents submitted by PRAs, the Applicant shared the Final list of PRAs in the matter of the Corporate Debtor vide email dated 25.04.2023.



2.8. The 5<sup>th</sup> meeting of the CoC was convened on 21.06.2023 wherein the Applicant apprised the sole member of CoC that the Applicant has received four Resolution Plans in the matter of the Corporate Debtor from four PRAS, namely, Harish Taneja, RM Agro Indus Pvt. Ltd. Lakshya Health Food Pvt. Ltd. And Triveni Hatcheries Pvt. Ltd. The Applicant observed some discrepancies in the Resolution Plans submitted in the matter of the Corporate Debtor and the same was conveyed to the PRAs for correction. Thereafter, the Applicant with permission of sole member of CoC invited the PRAs one by one for presenting their Resolution Plan. Upon discussions and deliberations, CoC informed PRAs that their plan value is very low and needs substantial improvement. The member of CoC also requested the PRAs to submit best financial proposal in the next meeting. The Applicant further placed the agenda for extension of CIRP, beyond 180 days expiring on 08.07.2023, by 90 days. The sole member of CoC approved the agenda for extension of CIRP. The extension of CIRP was allowed by this Tribunal vide Order dated 21.06.2023.

2.9. The 7<sup>th</sup> meeting of CoC was convened on 19.08.2023 wherein the Applicant informed the CoC that one proposal under Section 12A of the Code has been received from the Suspended Director of Corporate Debtor, however the same is not in compliance with Section 12A of the Code read with Regulation 30A of CIRP Regulations.

2.10. The 10<sup>th</sup> meeting of CoC was convened on 26.09.2023 wherein the Applicant placed the resolutions for voting on the Resolution Plans



received from PRAs. The Applicant also placed the agenda to consider filing of Application seeking Liquidation of the Corporate Debtor under Section 33(2) of the Code in the event the CoC members decide to vote against the Resolution Plan. The Applicant placed the Resolution in accordance with Regulation 39B, 39BA, 39C and 39D of the CIRP Regulations before CIRP for voting. The Resolutions were placed on e-voting which started on 29.09.2023 at 11:00 AM and concluded on 28.10.2023 at 06:10 PM. The CoC requested the Applicant to also place the resolutions for seeking extension of 30 days beyond the CIRP period for voting on the Resolution Plans. The Applicant in accordance with the decision taken by the CoC in its 10<sup>th</sup> meeting filed an application bearing I.A. No. 2392/2023 before this Tribunal seeking extension of CIRP period by 30 days expiring on 07.10.2023. The extension was allowed by this Tribunal vide Order dated 07.10.2023.

2.11. The CoC requested the Applicant to extend the voting period from 07.10.2023 to 13.10.2023, then 13.10.2023 to 20.10.2023 and thereafter from 20.10.2023 to 28.10.2023. The Applicant in terms of request of the CoC extended the voting period accordingly. The voting lines concluded on 28.10.2023 and it was ascertained that the CoC have rejected the Resolutions for approval of Resolution Plans and approved the Resolution for Liquidation of the Corporate Debtor under sub section (3) of Section 33 of the Code with 100% voting shares. The CIRP in the matter of the Corporate Debtor was expiring on 06.11.2023 and the Committee of



Creditors in its commercial wisdom have approved the resolution for liquidation of the Corporate Debtor in its 10<sup>th</sup> meeting convened on 26.09.2023 with 100% voting share. The relevant resolutions passed are as follows:

*Regulation 39BA: "RESOLVED THAT in case of liquidation order is passed by the Hon'ble NCLT, the liquidator/ Stakeholder Consultation Committee may explore the possibility of Compromise or Arrangement as per the regulations of the IBC, 2016 and the Companies Act, 2013 subject to the approval of extension of CIRP period by Hon'ble NCLT"*

*Regulation 39C: "RESOLVED THAT the approval of the CoC be and is hereby accorded for 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) upon passing of the liquidation order by the Hon'ble NCLT subject to the approval of extension of CIRP period by Hon'ble NCLT"*

*Regulation 39D: "RESOLVED THAT fee payable to the liquidator for the liquidation period shall be as per Regulation 4 of IBBI (Liquidation Process) Regulation, 2016"*

There is no explicit resolution as per the Regulation 39B of the CIRP Regulations. However, the RP has discussed the required compliance with the CoC. The relevant part of the minutes of 10<sup>th</sup> Meeting of CoC dated 26.09.2023 is reproduced here as follows:

*"As per Regulation 39B(2) of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) (Second Amendment) Regulations, 2019 the committee shall make a best estimate of the value of the liquid assets available to meet the liquidation costs, as estimated in sub-regulation (1) of Regulation 39B and the Committee shall approve a plan providing for contribution for meeting the difference between the estimated liquidation cost and estimated value of liquid assets under Regulation 39B(3) of CIRP Regulations.*

*The Chairman informed that as there is no liquid Assets in the Corporate Debtor, therefore it is the duty of CoC to contribute the*



*liquidation cost as per their voting share, which shall be repaid on priority under distribution of assets of CD in terms of Section 53 of IBC. The Liquidator shall open escrow account in which member of CoC shall deposit their contribution in accordance to voting share. The CoC took the note of the same.”*

2.12. The IRP in terms of Regulation 35 of the CIRP Regulations appointed IBBI Registered Valuers for carrying out valuation of assets of the Corporate Debtor. In view of the aforesaid, the total Average Fair Value and total Average Liquidation Value of the Land & Building of the Corporate Debtor is as follows:

S. No.	Name of Registered Valuer	Nature of Asset	Fair Value (Rs.)	Liquidation Value (Rs.)
1.	Corporate Professionals	Land & Building	37,72,742	30,18,193
2.	Fintech Valuation Advisor Private Limited	Land & Building	105,98,235	76,45,389
3.	Corporate Professionals	Plant & Machinery	13,79,726	9,79,301
4.	Fintech Valuation Advisor Private Limited	Plant & Machinery	37,18,750.00	26,40,625
5.	Corporate Professionals	Security or Financials	8,29,46,172	4,18,36,086
6.	Fintech Valuation Advisor Private Limited	Security or Financials	1,63,47,234	81,73,617.00
<b>Average Value</b>			<b>5,93,81,425</b>	<b>3,21,46,606</b>

2.13. The Applicant at the time of 10<sup>th</sup> meeting dated 26.09.2023 had agreed to give his consent to act as Liquidator in the matter of the Corporate Debtor. The CoC have approved the Resolution for appointment of the Applicant as the Liquidator for the Corporate Debtor in its 10<sup>th</sup> meeting dated 26.09.2023 with 100% voting share.





2.14. The Applicant convened the 12<sup>th</sup> CoC meeting in the matter of the Corporate Debtor on 04.11.2023, wherein the Applicant apprised the CoC that the lease deed of factory land, building and machinery has expired on 31.10.2023. The CoC requested the Applicant to renew the same. The Applicant further requested the CoC members to defray CIRP costs ratified by the CoC from time to time. The Applicant further informed the CoC member that in view of the circular dated 18.07.2023 issued by IBBI, RP cannot be appointed as the Liquidator for the same Corporate Debtor. Upon discussions and deliberations, the CoC proposed the name of Mr. Ashok Kumar Gupta (Insolvency Professional) having IBBI Reg. No. IBBI/IPA-003/IP-N00010/2016-17/10072 to be appointed as Liquidator in the matter of the Corporate Debtor.

2.15. Mr. Ashok Gupta has given his consent form AA to act as the Liquidator in the matter of the Corporate Debtor as approved by the CoC in its 12<sup>th</sup> CoC meeting dated 04.11.2023 with 100% voting share.

3. We have heard the learned counsel appearing on behalf of the Resolution Professional, and have perused the relevant material available on record carefully.

4. It is noted that the corporate debtor was admitted into CIRP vide order dated 10.01.2023. The CoC consists of sole member, i.e., Bank of Baroda. It is observed that the present Application has been filed under sub-section (2) of the section 33 of the Code for the initiation of the liquidation process of the Corporate Debtor. The Resolution Professional has published Form-G twice. Consequently, six PRAs submitted their expression of interest and 4 PRAs submitted their



Resolution plans to the Resolution Professional. The Resolution Plans along with the resolution for Liquidation of the Corporate Debtor was placed for voting in the 10<sup>th</sup> meeting of the CoC. The sole member in its 10th CoC meeting dated 26.09.2023 rejected the resolution plans and passed the resolution for liquidation of the corporate debtor.

5. The CoC resolved to first explore for compromise and arrangement and then to try for sale of the corporate debtor as a going concern.

6. Considering the above facts and circumstances of the case and taking into account the guidelines of IBBI, dated 18.07.2023 that IP other than the IRP/RP may be appointed as liquidator in all the cases where a liquidation order is to be passed, henceforth, we have considered the name of Mr. Ashok Kumar Gupta (Insolvency Professional) having IBBI Reg. No. IBBI/IPA-003/IP-N00010/2016-17/10072, email: cmaashokgupt@gmail.com, as proposed by CoC for appointment as liquidator.

7. In view of the satisfaction of the conditions provided under section 33 of the Code, the Corporate Debtor, i.e., JM Feed Mills Private Limited, is directed to be liquidated in the manner as laid down in Chapter III of the Code.

8. Accordingly, by exercising our power under sub-section (1) of section 33 of the Code we pass the following Order:

- (i) The Corporate Debtor JM Feed Mills Private Limited shall be liquidated with immediate effect in the manner provided under Chapter III, Part II of the Code and other relevant rules and Regulations, including Insolvency and Bankruptcy (Liquidation Process) Regulations, 2017 as



amended up to date, enjoined upon him. Accordingly, we allow IA(Liq.) 2701 of 2023.

(ii) The Moratorium declared under section 14 of the Code shall cease to have effect from the date of the order of liquidation.

(iii) According to section clause (b) of sub-section (4) of section 34 of the Code and in view of guidelines of IBBI letter dated 18.07.2023 of IBBI, we hereby appoint Mr. Ashok Kumar Gupta having IBBI Registration No. IBBI/IPA-003/IP-N00010/2016-17/10072 as a liquidator of the corporate debtor i.e. JM Feed Mills 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) All the powers of the Board of Directors, key managerial persons, and the partner of the corporate debtor, as the case may be, hereafter cease to exist and shall vest with the liquidator.

(v) The personnel of the Corporate Debtor are directed to extend all cooperation to the liquidator as required by him in managing the liquidation process of the Corporate Debtor.

(vi) Once the liquidation process is initiated, subject to section 52 of the Code, no suit or other legal proceeding shall be instituted by or against the corporate debtor. The liquidator has the liberty to institute a suit and other legal proceedings on behalf of the corporate debtor with the prior approval of this Adjudicating Authority, as provided in sub-section (5) of section 33 of the Code.

(vii) This Order shall be deemed to be notice of discharge to the officers, employees, and workmen of the corporate debtor except to the extent of the business of the corporate debtor continued during the liquidation process by the liquidator.



(viii) This Adjudicating Authority directs the liquidator to issue a public announcement stating that the corporate debtor is in liquidation. The liquidator will also serve a copy of this order to the various Government Departments such as Income Tax, GST, VAT, RPFC etc., who are likely to have any claim upon the corporate debtor so that the authorities concerned are informed of the liquidation order timely. The liquidator will also provide a copy of this order to the trade unions/employee associations of the corporate debtor so that the workman/employees could also be informed of this liquidation order through their association.

(ix) The Registry is directed to communicate this order to the concerned Registrar of the Companies, the registered office of the corporate debtor, the resolution professional, and the liquidator by speed post as well as by email within one week from the date of this order.

(x) The present Resolution Professional is directed to hand over the relevant documents and control of the Corporate Debtor to the newly appointed liquidator namely, forthwith.

11. Accordingly, IA(Liq.) 2701 of 2023 in CP(IB) No. 27 of 2019 is allowed and disposed of.

Sd/-  
**Kaushalendra Kumar Singh**  
**Member (Technical)**

Sd/-  
**Khetrabasi Biswal**  
**Member (Judicial)**  
Aakash