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**IN THE NATIONAL COMPANY LAW TRIBUNAL
BENGALURU BENCH**

C.P. (IB) No.286/BB/2019
U/s 7 of IBC, 2016
R/w Rule 4 of I&B (AAA) Rules, 2016

IN THE MATTER OF:

M/s. Pridhvi Asset Reconstruction
And Securitisation Company Limited
Regd. Off: D.No.1-55, 4th Floor,
Wing-I, Raja Praasadamu,
Masjid Banda Road, Kondapur,
Hyderabad – 500 084. - Petitioner/Financial Creditor

Versus

M/s. Alpine Wineries Pvt. Ltd.
Regd. Off: No.33/1, Saphthagiri Arcade,
II Floor, 8th Cross, Wilson Garden,
H. Siddaiah Road,
Bengaluru – 560 027. - Respondent/Corporate Debtor

Date of Order: 17th December, 2019

Coram: 1. Hon'ble Shri Rajeswara Rao Vittanala, Member (Judicial)
2. Hon'ble Shri Ashutosh Chandra, Member (Technical)

Parties/Counsels Present:

For the Petitioner : Mr. M. Jagadeesh
For the Respondent : Mr. Revanaradhya

ORDER

Per: Rajeswara Rao Vittanala, Member (J)

1. C.P. (IB) No.286/BB/2019 is filed by M/s. Pridhvi Asset Reconstruction and Securitisation Company Limited (hereinafter referred to as 'Petitioner/Financial Creditor') under Section 7 of the I&B Code, 2016 read with Rule 4 of the I&B (Application to Adjudicating Authority) Rules, 2016, by inter alia seeking to initiate



- (3) It is stated that the Corporate Debtor represented by Mr.T.Thimmegowda and other Directors approached Bank of Maharashtra (BOM) in October 2009 seeking a Term Loan of Rs.36,93,00,000/- (Rupees Thirty Six Crore Ninety Three Lakhs Only) as Agriculture Direct loan for setting up a Vineyard project and Winery project at Holesalu Village, Talkadu Hobli, T.Narasipura Taluk, Mysore District in 226 Acres of land. BOM had sanctioned Rs.36,93,00,000/- vide sanction letter dated 23.10.2009.
- (4) As security for the Term Loan (Agriculture Direct) availed by the Corporate Debtor, the Directors have executed composite Deed of Hypothecation of all facilities and hypothecated the movable properties in favour of the Bank. Further, they have executed the Memorandum of Entry (constructive delivery) mortgage by way of deposit of title deeds dated 21.07.2011, in favour of the Bank in respect of immovable properties.
- (5) It is stated that the Corporate Debtor had availed the said Term Loan (Agriculture Direct) on 20.11.2009 and subsequently rephrased/renewed on 23.07.2011, b) Term Loan (Non priority) on 20.11.2009 and subsequently rephrased/renewed on 23.07.2011, c) Funded Interest Term Loan (Agriculture Direct) on 30.10.2012 and d) Funded Interest Term Loan (Non priority) on 30.10.2012 and accounts were opened in books of account of Bank of Maharashtra.
- (6) The loan amount was renewed and rephrased as Term Loan (Agriculture Direct) for a sum of Rs.19,57,00,000/- (Rupees Nineteen Crore Fifty Seven Lakhs Only) and Term Loan (non-priority) for a sum of Rs.25,34,00,000/- (Rupees Twenty Five Crore Thirty Four Lakhs Only). The Corporate Debtor also availed the Funded Interest Term Loan (Agriculture Direct) of a sum of Rs.2.56 Crore and sum of Rs.2.65 Crore, as detailed in Sanction letter dated 24.08.2012.



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first floor, bounded on the – East by: Private property; West by: Private property and conservancy; North by: Road; South by: Private Land.

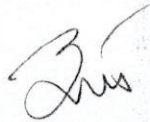
- (10) It is stated that the Reserve Price fixed for the above Secured Asset was Rs.1.75 Crores. One Mr.V.Venkatesh had participated in the auction and the bid quoted by him was Rs.1,75,10,000/-. He was declared as the highest bidder for the said item. Immediately after the auction, he had deposited 25% of the bid amount, inclusive of the EMD on the same day with BOM. Prior to the date of auction, the Borrower Company filed W.P. No.3317/2017 before the Hon'ble High Court of Karnataka at Bengaluru against the auction. The Hon'ble High Court, vide its Order dated 30.01.2017 directed the Bank to proceed with the auction but not to confirm the sale or create third party rights without any further orders. In view of the said interim order of the High Court, the said Bank couldn't confirm the sale in favour of the auction purchaser.
- (11) Subsequently, the debt of the Corporate Debtor was assigned to the Applicant vide Assignment Agreement dated 31.03.2017. The same was intimated by the Applicant to the Directors of the Corporate Debtor vide its letter dated 11.04.2017.
- (12) The Order dated 30.01.2017 in W.P. No.3317/2017 before the Hon'ble High Court of Karnataka at Bengaluru, was modified permitting the Bank/Applicant to finalize the sale transaction but observing that it shall be subject to the result of the Writ Petition. In view of this order also, the sale couldn't be confirmed. The interim Order was once again modified on 28.02.2018 permitting the Bank/Applicant to take possession of the Secured Asset and issue the Sale Certificate. Mr.T.Suresh Kumar, the lessee of the property and son of Mr.Thimmegowda, filed WP No.12861/2018 before the Hon'ble



5. Mr. M. Jagadeesh, learned Counsel for the Petitioner, while reiterating the averments made in the Company Petition, and also in the summary, as briefly stated supra, has further submitted that there is no dispute with regard to the debt and default, and the Respondent has not opposed the claim of the Petitioner and the respondent admittedly also suffered various orders detailed supra and some of its properties also auctioned. The instant Petition is filed in accordance with law and a qualified Insolvency Professional namely Mr. Ravindranath N. is suggested for appointment as the Interim Resolution Professional, in respect of the Corporate Debtor, who also has filed his written consent in Form 2 dated 12.06.2019. Therefore, he urged the Adjudicating Authority to admit the case by initiating CIRP in respect of the Corporate Debtor.
6. The above facts and circumstances of the case clearly established that the debt and default in default in question. The Adjudicating Authority also has given several opportunities to the Respondent to settle the issue or to file their objection. However, they have failed to avail the opportunity and thus there is no other alternative for us except to consider the case as per merits. The instant Application/ Petition is filed in accordance with law and a qualified Insolvency Professional namely Mr. Ravindranath N. having Regn. No.IBBI/IPA-001/IP-P00645/2017-2018/11099 is suggested to appoint him as IRP, who is prima facie eligible to be appointed as the Interim Resolution Professional and he has also filed his written consent in Form 2 dated 12.06.2019 by inter alia affirming that he is eligible to be appointed as a Resolution Professional in respect of the Corporate Debtor and certified that there are no disciplinary proceedings pending against him with the Board or IPA of ICAI. Therefore, we are of the considered opinion that the instant case is a fit case to admit by initiating CIRP in respect of the Corporate Debtor, appointing IRP, imposing Moratorium etc., as per the Code.

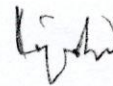


- e. The supply of essential goods or services to the corporate debtor as may be specified shall not be terminated or suspended or interrupted during moratorium period.
- f. The provisions of sub-section (1) shall not apply to such transaction as may be notified by the Central Government in consultation with any financial regulator.
- g. The order of moratorium shall have effect from the date of such order till the completion of the Corporate Insolvency Resolution Process.
- (3) The IRP is directed to follow all extant provisions of the IBC, 2016 and the Rules including fees rules as framed by the IBBI from time to time.
- (4) The Board of Directors and all the staff of the Corporate Debtor are hereby directed to extend full co-operation to the IRP, in carrying out his functions as such, under the Code and Rules made by the IBBI.
- (5) The IRP is directed to file his progress reports to the Tribunal from time to time about the steps taken in pursuant to the CIRP. The IRP is further directed to take expeditious steps so as to complete the process of CIRP within the stipulated time.
- (6) Post the case for report of the IRP on **20th January, 2020**.




**ASHUTOSH CHANDRA
MEMBER, TECHNICAL**

Krishna

**RAJESWARA RAO VITTANALA
MEMBER, JUDICIAL**
CERTIFIED TO BE TRUE COPY
OF THE ORIGINAL


Deputy/Secy. Registrar
National Company Law Tribunal
Bengaluru Bench