



S.No.8

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
HYDERABAD BENCH – 1  
VC AND PHYSICAL (HYBRID) MODE  
ATTENDANCE CUM ORDER SHEET OF THE HEARING HELD ON  
08-05-2025 AT 02:00 PM**

**CP (IB) No. 273/10/HDB/2022  
AND  
IA (IBC) (Liq.,) 02/2025 in CP (IB) No. 273/10/HDB/2022  
u/s. 10 of IBC, 2016**

**IN THE MATTER OF:**

M/s. Urban Farmart India Private Limited

**...Petitioner**

**C O R A M: -**

**SH. RAMMURTI KUSHAWAHA, HON'BLE MEMBER (JUDICIAL)  
SH. CHARAN SINGH, HON'BLE MEMBER (TECHNICAL)**

**O R D E R**

**IA (IBC) (Liq.,) 02/2025**

Mr. Manjeet Buccha, Resolution Professional present physically.

Order pronounced, in the result, **this application is allowed** subject to the directions mentioned in the order.

**SD/-**

**MEMBER (T)**

**SD/-**

**MEMBER (J)**



**NATIONAL COMPANY LAW TRIBUNAL  
HYDERABAD BENCH-1**

**IA (LIQ) NO. 02/2025  
IN  
CP(IB) NO. 273/10/HDB/2022**

Application filed u/s 33 (2) of IBC, 2016

**IN THE MATTER OF  
URBAN FARMART INDIA PRIVATE LIMITED**

**FILED BY**

**MANJEET BUCHA  
RESOLUTION PROFESSIONAL (RP)  
OF URBAN FARMART INDIA PRIVATE LIMITED  
HAVING OFFICE AT 204, 2<sup>ND</sup> FLOOR,  
SHAKTI SAI COMPLEX, CHAPEL ROAD,  
ABIDS, HYDERABAD – 500001**

**.....APPLICANT/  
RESOLUTION PROFESSIONAL**

**Date of order: 08.05.2025**

**Coram**

Shri Rammurti Kushawaha, Hon'ble Member (Judicial)

Shri Charan Singh, Hon'ble Member (Technical)

**Appearance**

For Applicant: Party in Person



## **PER: BENCH**

## **ORDER**

1. This is an application filed by the Resolution Professional of Urban Farmart India Private Limited (Corporate Applicant) under Section 33(2) of IBC, 2016, seeking an order to liquidate the Corporate Debtor.

2. **AVERMENTS IN THE APPLICATION IN BRIEF: -**

### **BRIEF OVERVIEW OF THE CIRP PROCESS**

#### **(A) ADMISSION OF THE PETITION AND APPOINTMENT OF INTERIM RESOLUTION PROFESSIONAL / RESOLUTION PROFESSIONAL**

This Tribunal vide order dated 05.11.2024, admitted the petition filed by Urban Farmart India Private Limited (Corporate Applicant) under Section 10 of Insolvency & Bankruptcy Code, 2016 (Code) and appointed the Applicant herein as Interim Resolution Professional, who was later confirmed as Resolution Professional.

#### **(B) CONSTITUTION OF COMMITTEE OF CREDITORS (CoC)**

- Pursuant to his taking over charge as Interim Resolution Professional, the Applicant herein complied with Section 13, Section 15 and other applicable sections of the Insolvency and Bankruptcy Code, 2016 read with Regulation 6 of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations 2016, had carried out a public announcement



on 07.11.2024 in Financial Express (English) and Nava Telangana (Telugu) intimating the commencement of Corporate Insolvency Resolution Process against **Urban Farmart India Private Limited** and Invited claims from the creditors.

- The Applicant has not received any claims from financial creditors:
- The Applicant has not received any claims from the workmen/Employees/Authorised representative of workmen or employees.
- The following are the claims received from the operational creditors pursuant to public announcement:

Sl. No	Name of the Operational Creditor	Principal Amount of claim (Rs.)	Interest (Rs.)	Total Amount of claim (Rs.)	Percentage
1.	Employees State Insurance Corporation. Hyderabad	72,000=00	1,645=00	73,645=00	1.17831114
2.	Heritage Foods Limited, Hyderabad	17,92,943=00		17,92,943=00	28.6868723
3.	Creamline Dairy Products Limited	4,383,459=00		4,383,459=00	70.1348166
	<b>Total</b>	<b>6,248,402=00</b>	<b>1,645=00</b>	<b>6,250,047=00</b>	<b>100=00</b>



- On receipt of the said claims, the IRP collated and verified the same and accordingly, the CoC was constituted by the applicant with three financial creditors namely Employees State Insurance Corporation Hyderabad, Heritage Foods Limited Hyderabad, Creamline Dairy Products Limited. The constitution of CoC has been confirmed by the Tribunal vide Order dated 10.01.2025 in IA (IBC) 45/2025 in CP (IB) No.273/10/HDB/2022.

**(C) CONVENING OF 1<sup>ST</sup> CoC MEETING AND THE DECISIONS TAKEN IN THE MEETING**

In the 1st meeting held on 03.12.2024, the appointment of the applicant herein as the resolution professional was approved, and later confirmed by this Tribunal vide order dated 06.01.2025.

**(D) APPOINTMENT OF REGISTERED VALUERS**

- The decision to appoint Registered Valuers for determining the fair value and liquidation value of each class of assets of the Corporate Applicant, in accordance with Regulation 35 of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, was taken during the 2nd meeting of the Committee of Creditors (CoC) held on 30.12.2024.



- Additionally, a Forensic Auditor was appointed to examine potential avoidance transactions, as applicable. The Forensic Auditor has commenced the process and submitted initial observations, along with a request for specific information. According to the Liquidator, the requested information can only be provided upon the completion of account updation, which is currently underway.

**(E) RESOLUTION FOR LIQUIDATION:**

- The Applicant submits that sincere efforts were undertaken to explore the possibility of reviving the Corporate Applicant. However, these efforts did not yield any significant results. Except for a few physical assets such as furniture, fixtures, and chillers, the Corporate Applicant does not possess any substantial assets that could attract the interest of potential buyers for revival as a going concern.
- Furthermore, the Applicant submits that the suspended Board of Directors has not extended necessary cooperation to the Resolution Professional (RP). The RP has not been provided with adequate and accurate information required to effectively conduct the Corporate Insolvency Resolution Process (CIRP). This lack of cooperation and unavailability of essential information has severely impeded the RP's ability to carry out the CIRP in an efficient and meaningful manner.



- Accordingly, it was resolved in the 3rd meeting of the Committee of Creditors (CoC) held on 28.01.2025 to initiate liquidation proceedings against the Corporate Debtor under Section 33(2) of the Insolvency and Bankruptcy Code, 2016. In the same meeting, the CoC further resolved to appoint the existing Resolution Professional as the Liquidator of the Corporate Applicant, who has given his consent to act as Liquidator.
3. Thus submitting, the present application is filed by the Resolution Professional seeking an order requiring the Corporate Applicant (**URBAN FARMART INDIA PRIVATE LIMITED**) to be liquidated as per Section 33 (2) of the Insolvency & Bankruptcy Code 2016. The said Section is extracted as below:-

*Section 33(2): Where the resolution professional, at any time during the corporate insolvency resolution process but before confirmation of resolution plan, intimates the Adjudicating Authority of the decision of the committee of creditors [approved by not less than sixty-six per cent. of the voting share] [Inserted by Act No. 26 of 2018, dated 17.8.2018.] to liquidate the corporate debtor, the Adjudicating Authority shall pass a liquidation order as referred to in sub-clauses (i), (ii) and (iii) of clause (b) of sub-section (1).*

*[Explanation. [Inserted by Act No. 26 of 2019, dated 5.8.2019.] - For the purposes of this sub-section, it is hereby declared that the committee of creditors may take the decision to liquidate the corporate debtor, any time after its constitution under sub-section (7) of section 21 and before the confirmation of the resolution plan, including at any time before the preparation of the information memorandum.]*

- (4) We have heard Shri Manjeet Bucha, Ld. Resolution Professional and perused the records.



(5) According to the Applicant, the CoC in its 3rd CoC meeting dated 28.01.2025 with 100% voting, resolved to seek order of liquidation as no resolution plan is received by the Applicant.

(6) We have gone through the minutes of the 3<sup>rd</sup> meeting of the COC held on 28.01.2025, wherein the following resolutions were passed:-

**RESOLVED THAT** pursuant to provisions of Section 33(2) of Insolvency & Bankruptcy Code, 2016, and other applicable provisions, if any, consent of the Committee of Creditors of Urban Farmart India Private Limited (Corporate Debtor) be and is hereby accorded to liquidate the Corporate Debtor.

**RESOLVED THAT** Mr Manjeet Bucha, Resolution Professional of Corporate Debtor be and is hereby authorised to make an application before the Hon'ble National Company Law Tribunal, Hyderabad and to do all such acts, things and deeds as may be necessary to give effect to the above resolution.

(7) The COC with 99% voting has further resolved to appoint Mr. Manjeet Bucha, Resolution Professional (Reg No. IBBI/IPA-002/IP-N00808/2019-2020/12551) to act as Liquidator.

(8) Therefore, taking into consideration the provisions of law, particularly Section 33 (2) of IBC, 2016, as well as the documents on record, this Adjudicating Authority is of the view that since there is no scope for resolution of the Corporate Applicant through the CIRP, the only option left, under the circumstances is the liquidation process. Further the Insolvency and Bankruptcy Board of India ("IBBI") vide its circular number Liq-12011/214/2023-IBBI/840 dated 18/07/2023, by exercising its powers conferred under Section 34(4)(b) of the Code has recommended that an IP other than the RP/IRP may be appointed as Liquidator in all the cases where Liquidation order is passed henceforth and the Liquidator





can be appointed from the panel list of the IBBI. Though the COC has resolved to appoint Mr. Manjeet Bucha, as Liquidator, in the light of the said circular, we hereby appoint Mr. Govada Venkata Subba Rao, IBBI Regn No. IBBI/IPA-003/ICAI-N-00358/2021-2022/1753 as Liquidator.

- (9) We partly allow this Application, directing the liquidation of the Corporate Debtor as under:-

**ORDER**

- (a) The Corporate Applicant i.e. **URBAN FARMART INDIA PRIVATE LIMITED**, is put under liquidation process in the manner laid down in Chapter-III of the Code with effect from the date of order.
- (b) Mr. Govada Venkata Subba Rao, IBBI Regn No. IBBI/IPA-003/ICAI-N-00358/2021-2022/1753, email id: [govada.subbarao1@gmail.com](mailto:govada.subbarao1@gmail.com), mob. 8019062958, is hereby appointed as Liquidator. He is directed to file his consent in Form AA within 2 days of receipt of the copy of this order.
- (c) He shall issue public announcement stating that the Corporate Debtor is in liquidation in terms of Regulation 12 of IBBI (Liquidation Process) Regulations, 2016.
- (d) The Moratorium declared under Section 14 of the code shall cease to have its effect.
- (e) Subject to Section 52 of the Code, no suit or other legal proceedings shall be instituted by or against the Corporate Person. This shall however not



apply to legal proceedings in relation to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.

- (f) All powers of the Board of Directors, Key Managerial Personnel and partners of the Corporate Debtor shall cease to have effect and shall be vested in the Liquidator.
- (g) 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 Insolvency & Bankruptcy Board of India (Liquidation Process) Regulations, 2016.
- (h) The personnel connected with the Corporate Debtor shall extend all assistance and co-operation to the Liquidator as would be required for managing its affairs.
- (i) The Liquidator shall be entitled to such fees as may be specified by the Board in terms of Section 34 (8) of the Code.
- (j) 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.
- (k) The Applicant herein is directed to serve a copy on the Liquidator appointed herein above.



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- (l) The Regional Director, Ministry of Corporate Affairs, Registrar of Companies & Official Liquidator, Hyderabad, the Registered Office of the Corporate Debtor and the Liquidator.

SD/-

**(CHARAN SINGH)**  
**MEMBER (TECHNICAL)**

SD/-

**(RAMMURTI KUSHAWAHA)**  
**MEMBER (JUDICIAL)**

*Binnu/PS*