

I.A. (IB) Dis. No.26/KB/2024 In C.P.(IB) No. 249/KB/2019

An application under Section 54 of the Insolvency & Bankruptcy Code, 2016 read with Regulation 44(1) of the Insolvency & Bankruptcy Board of India (Liquidation Process) Regulations, 2016

In the matter of:

United Bank of India (now Punjab National Bank)

...FINANCIAL CREDITOR

Versus

Progress Cultivation Limited

...CORPORATE DEBTOR

And

In the matter of:

Mr. Pankaj Kumar Kedia, Progress Cultivation Limited

...APPLICANT

#### In the matter of:

1. United Bank of India (now Punjab National Bank)

...FINANCIAL CREDITOR

2. Progress Cultivation Limited

...CORPORATE DEBTOR

3. Mr. Pankaj Kumar Kedia

...APPLICANT

Date of pronouncement of order: 25.04.2025

CORAM:

SMT. BIDISHA BANERJEE, HON'BLE MEMBER (JUDICIAL) CMDE SIDDHARTH MISHRA, HON'BLE MEMBER (TECHNICAL)

Appearances (via Video Conferencing/Physical):



CERTIFIED TO BE TRUE CUP, OF THE ORIGINAL

I.A.(IB) Dis. No. 26/KB/2024 In C.P. (IB) No. 249/KB/2019



Mr. Udit Agarwal, Adv. Mr. Pankaj Kalia

] For the Liquidator ] Liq-in person

Mr. Siddhartha Roy, Adv.

For the Respondent No.3

Mr. Jay Manna, Adv.

#### ORDER

#### Per: Bidisha Banerjee, Member (Judicial)

1. The Court congregated in a hybrid mode.

## 2. I.A. (IB) Dis. No. 26/KB/2024 is filed by the Applicant seeking following reliefs:

- a. To pass an order for dissolution of the Corporate Debtor, Progress
  Cultivation Limited;
- b. To pass such further order or orders be passed and/or direction or directions be given as to this Hon'ble Tribunal may deem fit and proper.

#### 3. Facts of the Case:

- 3.1. That this application has been filed by United Bank of India (now Punjab National Bank) (hereinafter referred to as "Financial Creditor") vide order dated 21.10.2019 under Section 7 of the I&B Code, 2016 to initiate Corporate Insolvency Resolution Process (hereinafter referred to as "CIRP") against Progress Cultivation Limited (hereinafter referred to as "the Corporate Debtor"). Mr. Pankaj Kedia was appointed as the IRP vide order dated 12.05.2022 as a Liquidator.
- 3.2. That the CoC in its 6<sup>th</sup> meeting on 23.09.2022 with 100% vote resolved to go for liquidation of the Corporate Debtor before inviting Expression of Interest. Hence, this application under Section 33(2) of the IBC was filed before this Tribunal.



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- 3.3. That this Tribunal vide order dated 01.12.2022 was pleased to pass the liquidation order in terms of Section 33(2) read with Sub-Section (1) thereof the Code, and thereby appointed the Applicant as the Liquidator in the present matter.
- Regulation 2016, that the Liquidator made a public announcement in Form B of Schedule II inviting claims from stakeholders. Public announcement was published by the Liquidator in newspaper in 'Financial Express' (English Edition) and in 'Ekdin' (Bengali Edition). Liquidation commencement on 01.12.2022. Copy of the public announcement is marked as Annexure-C. In order to notify the list of stakeholders a public announcement was made in terms of Regulation 31(1) read with Regulation 12(3) of IBBI (Liquidation Process) Regulations, 2016, which is at Annexure D.
- 3.5. Upon public announcement the Applicant received claims from Punjab National Bank, Secured Creditor and Securities and Exchange Board of India, Operational Creditor. The list of Stakeholder Consultation Committee has been filed with IBBI on 06.01.2023.
- 3.6. Under Regulation 35 of the IBBI (Liquidation Process)
  Regulation 2016 had appointed two valuers for the assets of the company. The details of assets and its realisation value is given hereunder:

ASSETS	LIQUIDATION	REALISATION
	VALUE	VALUE
Land & Building	3,00,39,828/-	1,6,36,712/-

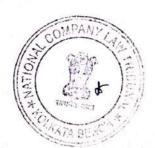


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Plant &	2,58,65,092/-	1,56,27,836/-
Machinery	1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -	
Total	5,59,04,920/-	3,24,34,480/-

- 3.7. The average liquidation value arrived at by the registered valuers is Rs.2,77,96,084/-(Two crore Seventy Seven Lakh Ninety Six thousand and Eighty Four only) is at **Annexure A-7**.
- 3.8. That under Regulation 41(1) of the Insolvency and Bankruptcy (Liquidation Process) Regulations, 2016, a bank account in the name of the Corporate Debtor "Progress Cultivation Limited" in liquidation was opened on 05.12.2022 and upon completion of the liquidation process the account has been closed on 13.06.2024. Copy of the Bank Statement with ZERO balance is marked as **Annexure G** and the Copy of the Bank Closure Certificate is marked as **Annexure H**.
- 3.9. That in terms of Regulation 13 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 filed the Preliminary Report along with Asset Memorandum Report on 14.01.2023 which is marked as Annexure I.
- 3.10. The Applicant liquidator submits that till date has filed seven progress reports under Regulation 15 in relation to the Liquidation process of the Corporate Debtor and is marked as **Annexure K**.
- 3.11. It is submitted that 18 (eighteen) meetings were held from time to time after issuing sale certificate and final distribution made



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to the sole member. The details of assets sold, realized and distributed were recorded and copies of all minutes were marked as **Annexure L**.

- 3.12. Further, that the Applicant in compliance to the Code and its Regulation has discharged his duties diligently and has made several efforts for the maximum realization from the assets of the Corporate Debtor. That no other assets of the Corporate Debtor remain unsold and the Corporate Debtor may be dissolved. Copy of the Final report is marked as **Annexure Q**.
- 3.13. It is submitted that the Liquidator in compliance has filed the present application under Section 54 read with Regulation 44(1) of IBBI (Liquidation Process) Regulation, 2016 seeking for an order of dissolution of the Corporate Debtor.
- 3.14. Liquidator has also submitted Form H in compliance to the code and IBBI (Liquidation Process) Regulation, 2016 is at Annexure-R.
- 3.15. It is thus agreed that the Corporate Debtor needs to be dissolved are per the provisions of Section 54 of IBBI Code, 2016 r/w Regulation 44(1) of Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.
- 4. We have considered the application and perused records. Various provisions of the Code dealing with the dissolution of the Corporate Debtor are as follows:

"54. Dissolution of corporate debtor. -



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- (1) Where the assets of the corporate debtor have been completely liquidated, the liquidator shall make an application to the Adjudicating Authority for the dissolution of such corporate debtor.
- (2) The Adjudicating Authority shall on application filed by the liquidator under sub-section (1) order that the corporate debtor shall be dissolved from the date of that order and the corporate debtor shall be dissolved accordingly.
- (3) A copy of an order under sub-section (2) shall within seven days from the date of such order, be forwarded to the authority with which the corporate debtor is registered."
- 5. A conjoint reading of these two provisions leads to the requirement of completion of the liquidation of the assets of the corporate debtor and subsequent application to the Adjudicating Authority by the liquidator for dissolution under section 54 of the IBC where the assets of the Corporate Debtor has been completely liquidated after distribution among the Stakeholders for the Liquidation Process Regulations when the realizable properties of the corporate debtor are insufficient to cover the cost of the liquidation process, the liquidator may apply to the Adjudicating Authority for dissolution.
- 6. In view of the above facts and circumstances, this Adjudicating Authority in exercise of the powers conferred under sub-section (2) of section 54 of the Code hereby orders dissolution of the Corporate Debtor, viz., *Progress Cultivation Limited* from the date of this Order, and the Corporate Debtor stands dissolved. Consequently, Liquidator stands relieved subject to all procedural compliances.
- 7. The Liquidator and the Registry are hereby directed to serve a copy of this order upon the Registrar of Companies, West Bengal, immediately



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and, in any case, within fourteen days of receipt of this order. The Registrar of Companies shall take further necessary action upon receipt of a copy of this order.

- 8. We also direct the Punjab National Bank to make the payment of due liquidation cost.
- 9. I.A.(IB) Dis. No.26/(KB)/2023 and CP (IB) No. 249/(KB)/2019 is allowed and disposed of with the above directions.
- 10. The Registry is directed to send e-mail copies of the order forthwith to all the parties and their Ld. Counsel for information and for taking necessary steps.
  - 11. Certified Copy of this order may be issued, if applied for, upon compliance of all requisite formalities.

Cmde Siddharth Mishra Member (Technical) Bidisha Banerjee Member (Judicial)

Signed on this, the 25th April, 2025.

S. Ghose, (Steno)



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