In the National Company Law Tribunal
Kolkata Bench
Kolkata

C.P. (IB) No. 331/KB/2017

along with

IA 627 (KB) 2021

In the matter of:
An application under Section 54 of the Insolvency & Bankruptcy Code, 2016 read with Regulation 45 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations 2016.

And

In the matter of:
Laxmivinayak Rice Mill Private Limited (In Liquidation)

And

In the matter of:
Mr. Kanchan Dutta ... Applicant/Liquidator

Coram: Shri Rajasekhar V.K., Member (Judicial)
Shri Balraj Joshi, Member (Technical)

Counsel on Record:

Mr. Rahul Auddy, Advocate] For the Applicant/Liquidator

Order reserved on : 01.11.2021
Order pronounced on: 15.11.2021

O R D E R

Per: Rajasekhar V.K., Member (Judicial)

1. **I.A. 627(KB) 2021** is an application filed under section 54(2) of the Insolvency and Bankruptcy Code, 2016 read with regulation 45(3) of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 by the Liquidator of Laxmivinayak Rice Mill Private Limited (the Company in Liquidation) having Corporate Identity

No.U15490WB2011PTC166440 and

having its registered office at 303, Gour Bangla Road, Nagarthuba, Akrampur Habra, West Bengal 743263 praying for dissolution of the Company.

2. This Adjudicating Authority vide order dated 19th September 2017 admitted the Corporate Debtor under Corporate Insolvency Resolution Process (CIRP) appointing Mr.Kanchan Dutta, Regn. No. IBBI/IPA-001/IP-P00202/2017-18/10391 as Interim Resolution Professional. Subsequently, his appointment was confirmed as Resolution Professional in the first meeting of the Committee of Creditors (CoC) held on 17th October, 2017. Later on, *vide* order dated 22.03.2018 this Adjudicating Authority passed an order of Liquidation of Laxmivinayak Rice Mill Private Limited and appointed Mr. Kanchan Dutta as the Liquidator.

3. The Liquidator in due discharge of its functions published several advertisements, *i.e.,* on 22nd July, 2018, 4th November, 2018, 14th December, 2018, 14th July, 2019, 20th October 2019, 21st January, 2020 and 16th February, 2020 in Business Standard (English Newspaper) and Aajkal (Bengali Newspaper) on 4th September, 2020 about the public auction of the assets of the company in liquidation but there was no response or communication from any person. Then the Liquidator obtained the approval of this Adjudicating Authority for private sale of the assets. Despite this, none approached. The Liquidator as late as on 7th March, 2020 received a quotation which was placed before the meeting of the stakeholders on 13th March,2020. In the said meeting it was deliberated that since there are interested purchasers the Liquidator may apply for extension of the Liquidation period. As per the Regulation 44(2) of IBBI Liquidation Regulations 2016, the entire liquidation proceeding is required to be completed within a period of two years from the commencement of the liquidation proceedings but due to lockdown arising out of the Covid-19 pandemic, no work progressed from March middle till June, 2020.

4. It is submitted that on the basis of the offer received from Anaadih Vincom Private Limited *vide* their letter dated 17th June, 2020 for purchase of the assets

of the Corporate Debtor at a price of ₹2.29 crore (including GST), the Liquidator decided to sell the assets of the Corporate Debtor under "Swiss Challenge Method" based on the existing offer dated 17th June, 2020. Thereafter, on an application made under section 60(5) this Adjudicating Authority extended the period of liquidation by six months from 21st March, 2020 excluding the period of lockdown.

5. **The** e-auction sale notice was published in *Business Standard* (English) and *Aajkal* (Bengali) on 4th September, 2020. Since no prospective buyer participated in the said e-auction, the Liquidator vide letter dated 16th September, 2020 communicated to Anaadih Vincom to be the successful buyer for the sale of assets of the Corporate Debtor at Rs.2.29 crores inclusive of GST under the Swiss Challenge Method and Anaadih Vincom executed a letter of intent dated 18th September, 2020 and Acceptance Statement dated 3rd October, 2020. Thereafter the Liquidator has executed a Deed of Assignment of lease including Buildings and sheds thereon for the residual period and sale deed for sale of Plant and Machinery and sale certificate for sale of Truck on 23rd February, 2021. As a result the assets of the Corporate Debtor have been sold on 23rd February, 2021.

6. **The** Final Sale Report is given below:-

(Rupees in lakhs)

Sl No.	Assets	Mode of sale	Estimated Liquidation value *(Asset Memorandum)*	Amount realised	Date of Transfer to Liquidation Account
1.	Land	Swiss Challenge Method	130.18	56.21	03.10.2020
2.	Building/Factory/ Structure/Shed	-do-	145.54	62.84	-do-

Sl No.	Assets	Mode of sale	Estimated Liquidation value *(Asset Memorandum)*	Amount realised	Date of Transfer to Liquidation Account
3.	Plant & Machinery	-do-	243.39	105.09	-do-
4.	Truck 10 Wheeler	-do-	11.25	4.86	-do-

7. The amount distributed to stakeholders as per section 52 or 53 of Code are as under:-

Sl No	Stakeholders under section 53(1)	Amount claimed	Amount Admitted	Amount Distributed	Amount Distributed to the Amount claimed (%)
1	(a): CIRP Costs	-	-	15,26,456	-
2	(a): Liquidation Costs	-	-	27,83,890	-
3	(b)(i) workmen's dues	Nil	Nil	Nil	Nil
4	(b)(ii) Bank of India, Barasat Bench	121,823,557	121,634,191	1,31,13,165	10.76%
	(b)(ii) Reliance Commercial Finance Limited	107,56,536	10,636,644	11,46,718	10.66%
	(b)(ii) Shriram Transport Finance Company Limited	11,004,798	11,004,798	11,86,407	10.78%
5	(c) Employee dies	Nil	Nil	Nil	Nil
6	(d) Financial debts owed to unsecured creditors	Nil	Nil	Nil	Nil
7	€(i) Income Tax Officer, Ward 14(2)	68,91,538	68,91,538	Nil	Nil
8	(e)(ii) debts owed to a secured creditor for any amount unpaid following the enforcement of security interest	Nil	Nil	Nil	Nil
9	(f) WBECSE Ltd	38,93,313	38,93,313	Nil	Nil

	(f) West Bengal State Cooperative Marketing Federation Ltd.	1,86,21,755	1,85,79,587	Nil	Nil
10	(g) preference shareholders	Nil	Nil	Nil	Nil
11	(h) equity shareholders or partners				
	Total	17,29,91,497	17,26,40,071	1,97,56,636	32.21%

8. After the sale of the aforesaid assets, no assets are left in the liquidation estate which has to be dealt with by the Liquidator.

9. **Form** 'H' has been prepared by the Liquidator, a copy of which is annexed with the application marked as Annexure 'A'.

10. In compliance of regulation 15 of the Liquidation Process Regulations, the Liquidator has filed Fourteen quarterly progress reports on 13.04.2018, 16.07.2018, 12.10.2018, 15.01.2019, 12.04.2019, 15.07.2019, 15.10.2019, 15.01.2020, 24.06.2020, 15.07.2020, 15.10.2020, 15.01.2021, 19.04.2021 and 14.07.2021 before the Adjudicating Authority, and the final report prior to dissolution of the Corporate Debtor in terms of the Regulation 45 and Asset Sale Report in terms of the Regulation 36 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 is annexed with the application marked as Annexure 'B'.

11. Upon hearing the Ld. Counsel appearing for the Liquidator and perusing the documents annexed to the application, it appears that the affairs of the Corporate Debtor have been completely wound up and its assets have been completely liquidated.

12. In view of the facts and circumstances, there is no impediment to the Corporate Debtor being **dissolved** and it is ordered accordingly.

13. The Liquidator is further directed to serve a copy of this order upon the

Registrar of Companies, West Bengal, immediately 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.

14. The Liquidator shall stand discharged from his responsibilities, subject to procedural compliances.

15. **I.A. (IB) No. 627 (KB) 2021** shall stand disposed of in accordance with the above directions. Consequently, CP (IB) No.331/KB/2017 shall also stand closed. Any other pending IAs shall also stand closed as of no consequence.

16. 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.

17. **Certified** copy of this order may be issued, if applied for, upon compliance of all requisite formalities.

18. File be consigned to the records.

(Balraj Joshi)	**(Rajasekhar V.K.)**
Member (Technical)	**Member (Judicial)**

Signed on 15th November, 2021.

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