



**IN THE NATIONAL COMPANY LAW TRIBUNAL,
SPECIAL BENCH – II, CHENNAI**

IA(IBC)/1019(CHE)2023

IN

CP/584/IB/2018

*(filed under Section 54 of the Insolvency and Bankruptcy Code, 2016
read with Insolvency and Bankruptcy Board of India (Liquidation Process)
Regulations, 2016*

In the matter of
M/s. FATHEYPORI GARDENS PRIVATE LIMITED

C. Ramasubramaniam,
Liquidator of
M/s. Fatheypori Gardens Private Limited,
"RAJI", 3B1, 3rd Floor, Gaiety Palace,
No.11, Blackers Road, Mount Road,
Chennai-600 002

..... Applicant

Order Pronounced on 27th July, 2023

CORAM:

SANJIV JAIN, MEMBER (JUDICIAL)
SATYA RANJAN PRASAD, MEMBER (TECHNICAL)

For Applicant : Mr. S. Sathiyanaayanan, Advocate

ORDER

(Hearing conducted through VC)

Per: SANJIV JAIN, MEMBER (JUDICIAL)

This application has been filed under Section 54 of the Insolvency and Bankruptcy Code, 2016 and Regulation 45(2) of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 by Sri. C. Ramasubramaniam, Liquidator of



M/s. Fatheypori Gardens Private Limited seeking dissolution of the Corporate Debtor.

2. Briefly the facts are that on an application filed by the Financial Creditor, vide an order dated 05.10.2018, the Corporate Debtor was admitted to Corporate Insolvency Resolution Process ("**CIRP**"). A Resolution Professional was appointed to carry out the CIRP. The Tribunal on an application filed under Section 33(2) of IBC by the Resolution Professional vide an order dated 04.06.2019 ordered liquidation of the Corporate Debtor and appointed the Applicant as the Liquidator. The Liquidator as required under Regulation 12 of Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 made the public announcement in Form-B of Schedule-II calling upon the stakeholders of the Corporate Debtor to submit their claims. A public announcement was also made in two newspapers viz., "**Trinity Mirror**" (English) and "**Makkal Kural**" (Tamil) on 07.06.2019 with last date of submission of claims as 04.07.2019. The Liquidator received the claims from the following stakeholders:



S. No.	STAKEHOLDERS	CLAIMS RECEIVED (AMT IN RS.)	CLAIMS ADMITTED (AMT IN RS.)	SECURED/ UNSECURED
1	Punjab National Bank	654,09,57,751.55	654,09,57,751.55	Secured
2	State Bank of India	933,83,16,673.00	933,83,16,673.00	Secured
3	Central Bank of India	329,77,28,152.97	329,77,28,152.97	Secured
4	Bank of India	241,81,30,234.35	241,81,30,234.35	Secured
5	IDBI Bank	320,56,29,803.00	320,56,29,803.00	Secured
6	Standard Chartered Bank	329,95,21,367.15	329,95,21,367.15	Secured
Total		2810,02,83,982.02	2810,02,83,982.02	

3. The Liquidator submitted a Preliminary Report along with Asset Memorandum with List of Stakeholders on 14.08.2019 in compliance with Regulation 13, 34 and 31 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016. He opened a bank account in the name of "Fatheypori Gardens Private Limited – In Liquidation" bearing Account No. 38917362233 on 13.11.2019 with State Bank of India, Overseas Branch, Chennai. He appointed two Registered Valuers who carried out the valuation of the assets of the Corporate Debtor. The average liquidation value of the assets of the Corporate Debtor was assessed as Rs.1,05,00,000/- (Rupees One Core Five Lakhs only).



The Financial Creditors relinquished their security interest over the secured property.

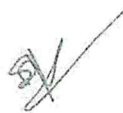
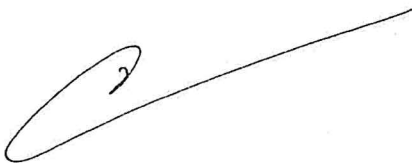
4. It is stated that the Corporate Debtor had an immovable property in its name viz., land of 8712 sq. ft. and building thereon a bungalow @ Old S, No. 724/1 Part, R.S. No. 718/2B, Ketti II Village, Connor Taluk, Nilgiris District. The Liquidator conducted four e-auctions for selling the aforesaid property. In the 4th e-auction held on 13.05.2020, Mr. Gautham H Shet and Mr. Vedha Mohan Revankar (Joint Bidders) did the highest bidding and they were declared as the Successful Bidders. Rs.1,02,50,000/- (Rupees One Crore Two Lakhs Fifty Thousand only) were realized as the sale consideration on 09.11.2020. It is stated that the Corporate Debtor was the Corporate Guarantor for M/s. Surana Corporation Limited.

5. It is stated that 75% of the sale consideration was distributed to the stakeholders and the balance 25% was kept for distribution pending the applications i.e. IA/736/2020 in MA/418/2020 filed by the Punjab National Bank in the matter of M/s. Surana Corporation Limited. It is stated that subsequent to the order dated 09.01.2023 in the aforesaid application, the balance amount was also distributed to the stakeholders on 31.03.2023.



6. It is stated that on the application of the State Bank of India, the property of the Corporate Debtor was attached by an order of Debts Recovery Tribunal-2 ("DRT"), Chennai which attachment was lifted vide an order dated 14.09.2020 and thereafter the immovable property was registered in favour of the Successful Bidder on 09.12.2020. It is stated that the amount realized from the sale of assets of the Corporate Debtor was distributed amongst the stakeholders in accordance with the Section 53 of the Code.

7. It is stated that the Corporate Debtor did not have any business activities at the time of commencement of liquidation, there were no employees and the unit remained as a closed unit. It is also stated that no applications are pending before the Tribunal relating to any avoidance, preferential, undervalued or fraudulent transactions. It is stated that the Liquidator had sought the extension which was approved and the liquidation period was extended till 03.02.2023 vide an order dated 13.04.2023. The Liquidator has given the details of report submitted during the liquidation process tabulated as below:





Sl No	Name of the Report	Date of filing with this Hon'ble Tribunal
1.	Preliminary Report	14.08.2019
2.	Asset Memorandum	14.08.2019
3.	Quarterly Progress report I	15.07.2019
4.	Quarterly Progress report II	14.10.2019
5.	Quarterly Progress report III	13.01.2020
6.	Quarterly Progress report IV with Audited Receipts and payments	08.07.2020
7.	Quarterly Progress report V	09.07.2020
8.	Quarterly Progress report VI	15.10.2020
9.	Quarterly Progress report VII	11.01.2021
10.	Quarterly Progress report VIII with Audited Receipts and payments	12.04.2021
11.	Quarterly Progress report IX	08.07.2021
12.	Quarterly Progress report X	07.10.2021

13.	Quarterly Progress report XI	13.01.2022
14.	Quarterly Progress report XII with Audited Receipts and payments	13.04.2022
15.	Quarterly Progress report XIII	11.07.2022
16.	Quarterly Progress report XIV	10.10.2022
17.	Quarterly Progress report XV	09.01.2023
18.	Quarterly Progress report XVI with Audited Receipts and payments	12.04.2023
19.	Final report prior to dissolution	26.05.2023



8. The Liquidator has also filed the Final Report prior to dissolution as prescribed under Regulation 45 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 along with the Compliance Certificate in Form-H, audited receipts and payments till 15.05.2023. It is stated that the Corporate Debtor has no other assets and order for dissolution of the Corporate may be passed.

9. We have heard Ld. Counsel for the Applicant and perused the report and synopsis filed by the Liquidator.

10. In the present case, as evident from the record, the liquidation of the Corporate Debtor commenced on 04.06.2019. There were six stakeholders as evident from the above list who had filed the claims. All the stakeholders were the Secured Creditors. Their claims were to the extent of Rs.2810,02,83,982.02 (Rupees Two Thousand Eight Hundred and Ten Cores Two Lakhs Eighty Three Thousand Nine Hundred and Eighty Two and Paise Two only). During the liquidation, they relinquished their security interest over the secured property.

11. Record reveals that the Corporate Debtor had only one immovable property in its name viz., land of 8712 sq. ft. and building thereon a bungalow @ Old S, No. 724/1 Part, R.S. No. 718/2B, Ketti II Village, Connor Taluk, Nilgiris District. The average liquidation value of the assets of the Corporate Debtor was



assessed as Rs.1,05,00,000/- (Rupees One Crore Five Lakhs only) as evident from the report of the two Registered Valuers. The immovable property was put to e-auction and an amount of Rs.1,02,50,000/- (Rupees One Core Two Lakhs Fifty Thousand only) was realized from the sale of the immovable property. The Liquidator has filed the synopsis showing the realization and the distribution which are reproduced as under:

18. REALISATION:

S. No.	Assets	Mode of Sale	Estimated Liquidation Value (Rs.)	Realisation Amount (Rs.)	Date of Transfer to Liquidation Account
(1)	(2)	(3)	(4)	(5)	(6)
1	Land and Building (a bungalow) situated at Old s.no.724/1 part, R.S. no.718/2B, Ketti II villag, Connur Taluk, Niligris District (Land 8712 Sq.feet)	E-auction	1,05,00,000 /-	1,02,50,000 /-	11.05.2020, 14.05.2020, 16.07.2020, 24.09.2020, 09.10.2020, 12.10.2020, 19.10.2020, and 09.11.2020

19. DISTRIBUTION:

Sl. No.	Stakeholders* under section 53 (1)	Amount Claimed in Rs.	Amount Admitted in Rs.	Amount Distributed in Rs.	Amount Distributed to the	Remarks
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(1)	(2)	(3)	(4)	(5)	Amount Claimed (%)	(7)
1	(a) CIRP Costs	-	-	7,05,624	-	-
2	(a) Liquidation Costs	-	-	8,47,661	-	-
3	(b)(i) Workmen	-	-	-	-	-
4	(b)(ii) Secured Financial Creditor	2810,02,83,982.02	2810,02,83,982.02	86,96,706	-	-
5	(c) wages and any unpaid dues owed to employees	-	-	-	-	-
6	(d) Financial debts owed to Unsecured Creditor	-	-	-	-	-
7	(e)(i) (i) any amount due to Central Government and the State Government	-	-	-	-	-
8	(e) (ii) Debt owed to secured creditor	-	-	-	-	-
9	(f) Remaining debts and dues	-	-	-	-	-
10	(g) Preference Shareholders	-	-	-	-	-
11	(h) Equity shareholders	-	-	-	-	-
TOTAL		2810,02,83,982.02/-	2810,02,83,982.02/-	1,02,50,000/-	-	-

12. The distribution shows that Rs.7,05,624 and Rs.8,47,661/- were paid towards the cost of the CIRP and the liquidation respectively. The record shows that the Corporate Debtor was not carrying out any operations and it was a closed unit. There were no employees of the Corporate Debtor. There were no unpaid dues to the Employees/Unsecured Creditors/Governments/shareholders. The balance realized amount of Rs.86,96,706/- (Rupees Eighty Six Lakhs Ninety Six Seven Hundred and Six only) was distributed



among the six Secured Creditors in terms of Section 53 of the Code. The account was duly audited by the auditor. The account thereafter was closed.

13. It is seen from the Form-H that all the compliances have been made by the Liquidator. The Corporate Debtor was fully liquidated. The amounts realized were duly distributed under the waterfall mechanism under Section 53(1)(b)(ii) of IBC as per table above.

14. The record also shows that the Liquidator has completed the liquidation process within the extended period till 03.02.2023.

15. From the documents and the report of the Petitioner, it is clear that the Petitioner complied with all the requirements as contemplated under the Code and the Regulations without any deviation and satisfied the claims of all the stakeholders who pursuant to the wide publicity had filed their claims. There is no complaints of any of the stakeholders or anyone else in respect of satisfaction of claims/distribution of the amounts / balances lying with the company. As on date, there is NIL balance in the account of the company.

16. Thus, on examining the submissions made by the Learned Counsel for the Applicant and after perusing the documents annexed to the Application, we find that the affairs of the Company



have been completely wound up and the assets of the Applicant Company have been completely liquidated and as such the Company deserves to be dissolved. Accordingly, in exercise of the powers conferred under Section 59(8) of IBC, 2016, we hereby order the dissolution of ***Fatheypori Gardens Private Limited*** and the Applicant Company shall stand dissolved from the date of this order. Accordingly, the Company Petition stands **allowed**.

17. The Registry and the Liquidator are directed to serve a copy of this order upon the jurisdictional Registrar of Companies and also to IBBI, within 14 days from the date of this Order.

- Sd -

SATYA RANJAN PRASAD
MEMBER (TECHNICAL)

Suguna

- Sd -

SANJIV JAIN
MEMBER (JUDICIAL)