

sl No 401
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**IN THE NATIONAL COMPANY LAW TRIBUNAL
BENGALURU BENCH**

C.P.(IB)No.138/BB/2017

U/s.9 of IBC, 2016

R/w Rule 6 of I&B (AAA) Rules, 2016

And

I.A No.163/2020

U/s. 54 of the IBC, 2016

R/w Regulation 45 of IBBI
(Liquidation Process) Regulations, 2016.

Venkata Subbarao Kalva

Liquidator of

M/s.Queizel Furniture Systems Pvt. Ltd.

F-204, Sri Sai Priya Residency,

13th Cross, Sarakki Main Road,

J.P. Nagar 1st Phase,

Bengaluru - 560 078.

- Applicant/Liquidator

Date of Order: 29th May, 2020

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

2. Hon'ble Shri Ashutosh Chandra, Member (Technical)

Parties/Counsels Present (Through Video Conference)

Resolution Professional : Ventata Subbarao Kalva

ORDER

Per: Rajeswara Rao Vittanala, Member (J)

1. I.A.No.163 of 2020 in C.P.(IB)No.138/BB/2017 is filed by Venkata Subbarao Kalva, Liquidator of M/s.Quetzel Furniture Systems Pvt. Ltd. ('Applicant/Liquidator') U/s. 54 of the Code, R/w Regulation 45 of the IBBI (Liquidation Process) Regulations, 2016, by inter alia



seeking to dissolve M/s.Quetzel Furniture Systems Pvt Ltd.(the Corporate Debtor).

2. Brief facts of the case, as available on records of the case, which are relevant to the instant case, are as follows:

(1) Initially, C.P.(IB)No.138/BB/2017 was filed by M/s.Balaji Timber Depot (Petitioner/Operational Creditor) U/s. 9 of the IBC, 2016, R/w Rule 6 of I&B (AAA) Rules, 2016, by inter alia seeking to initiate Corporate Insolvency Resolution Process (CIRP) in respect of M/s.Quetzel Furniture Systems Pvt. Ltd. (Respondent/Corporate Debtor) on the ground that it has committed default for an amount of Rs.13,41,900/- (Rupees Thirteen Lakhs Forty One Thousand and Nine Hundred Only). After considering the case, the Adjudicating Authority admitted the case by an Order dated 18.12.2017, by initiating CIRP in respect of the Corporate Debtor, appointing Venkata Subbarao Kalva, imposing moratorium etc. Subsequently, the CoC of the Corporate Debtor in their first meeting held on 17.01.2018 decided to continue the IRP as the Resolution Professional.

(2) During the course of process, there was no resolution plan received for the revival of the Company. The Adjudicating Authority, vide its Order dated 16.10.2018 passed in IA No.262 of 2018 placed the Corporate Debtor under Liquidation process. In compliance with Regulation 12 of the I&B (Liquidation Process) Regulations, 2016, the Liquidator has to publish an announcement (Public Announcement-Form B) to give intimation to the Creditors of the Corporate Debtor regarding initiation of Liquidation Process and to receive the claims from them within the prescribed time limit



6/11/18

as prescribed under the provisions of the Code, the Liquidator has made the public announcement on 18th October 2018 in two newspapers namely 'Deccan Chronicle' (English language) and 'Samyuktha Karnataka' (Vernacular language).

- (3) In pursuant to the above notification, the IRP has received claims from the Creditors for Rs.36,14,82,696/- (Rupees Thirty Six Crore Fourteen Lakhs Eighty Two Thousands Six Hundred and Ninety Six Only) and an amount of Rs.9,26,91,611/- (Rupees Nine Crore Twenty Six Lakhs Ninety One Thousand Six Hundred and Eleven Only) was admitted by the Liquidator. The Liquidator prepared the asset Memorandum, as per the Regulation 34 of the IBBI (Liquidation Process) Regulations, 2016. As per Regulation 13 of the IBBI (Liquidation Process) Regulations, 2016, the preliminary report was submitted to the Bench on 14th January, 2019.
- (4) All the assets of the Corporate Person were sold by the Liquidator for total amount of Rs.11,67,500/- (Rupees Eleven Lakhs Sixty Seven Thousands Five Hundred Only). As per Section 53 of the IBC, 2014, no distribution was made to stakeholders, as the proceeds from the realization of liquidation assets were insufficient even to meet the Insolvency Resolution Process costs and liquidation cost. The Liquidation Bank Account was closed on 25th November 2019.
- (5) Since there is discrepancy in the assets of the Corporate Debtor i.e. mismatch in the assets available in the factory premises in comparison with the list provided by the Corporate Debtor and as per books of accounts and Fixed Assets Schedule on 9th February, 2018, the Adjudicating



Authority has directed the Directors of the Corporate Debtor to lodge complaint in the jurisdictional police station in which the factory premises is situated. Accordingly, the Directors of the Corporate Debtor lodged the complaint at Krishnagiri police Station on 20th February, 2018. The Directors of the Corporate Debtor directed by officer in charge of Krishnagiri Police Station to lodge complaint in the Bagalur Police Station and thus Complaint was filed on 9th March, 2018 and 16th March, 2018. The FIR issued on 16th March 2018 by Bagalur Police Station. After regular follow up with Police, a final Report dated 20th December 2019 was issued by Officer in Charge, Bagalur Police Station, which was received on 3rd March 2020 wherein it has stated that the assets were undetectable and thus case was closed with a liberty to re-open the same if any evidence is found later on.

- (6) The cases filed against the Corporate Debtor i.e. M/s.Quetzel Furniture Systems Pvt. Ltd. (formerly known as Total Environment Wood Works Pvt. Ltd.) are as follows:

Sl. No.	Case No.	Jurisdiction	Plaintiff	Reason for filing
1.	CT CASES/06289 22/2016	Chief Metropolitan Magistrate, South east	Intec Capital Limited, Financial Creditor	Non- payment of dues
2.	CT CASES/0612392/201 6	Chief Metropolitan Magistrate, South east	Intec Capital Limited, Financial Creditor	Non- payment of dues
3.	CT CASES/06292 86/2016	Chief Metropolitan Magistrate, South east	Intec Capital Limited, Financial Creditor	Non- payment of dues



4.	CT CASES/1622/2017	Chief Metropolitan Magistrate, South east	Intec Capital Limited, Financial Creditor	Non-payment of dues
5.	CT CASES/14279/2019	Chief Metropolitan Magistrate, South east	M/s.Hettich India	Non-payment of dues
6.	Case No.O.S.No.2157/2017	Civil of City Civil Court, at bangalore	M/s.Johar Brothers	Non-payment of dues
7.	ITBA/COM/F/17/2019-20/1025711852(1)	Income Tax Department	Mr. B Sunder- Income Tax Officer	Non/Delayed remittance of TDS

(7) Expenses incurred by the Liquidator during the quarter 1st October 2019 to 31st December 2019 totalled to **Rs.3,14,538/-**. And the amounts distributed by the Liquidator during the quarter 1st October 2019 to 31st December 2019 are given below:

Sl. No.	Date	Particulars	Rs.
1.	07/11/2019	Professional fee paid to Resolution Professional	108,000
2.	15/11/2019	Professional fee paid to Resolution Professional	44,976
Total			1,52,976

(8) The Liquidator has filed Final Report dated 16.03.2020 by inter alia stating that total Receipts are Rs.11,91,869/-which are duly dispersed to all Claimants meeting CIRP costs.

[Handwritten Signature]

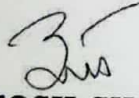


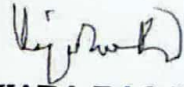
3. Heard Shri Venkata Subbarao Kalva, learned Liquidator, **through Video Conference**. We have carefully perused the pleadings of the Party along with extant provisions of the Code and the Rules made thereunder.
4. Section 54 of the Code empowers the Adjudicating Authority to pass dissolution of Corporate Debtor. **Section 54 of the Code reads "54.**
(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. The facts as narrated supra, confirm that due process of law as prescribed under the provisions of Code, has been followed by the Liquidator. And the Liquidator has filed Final Report and Compliance Certificate (Form H) of even dated 16th March, 2020 by inter alia declaring that he has complied with all requirements required to be complied with under the provisions Code and the Rules made thereunder and nothing remains for further adjudication in the matter, wherein, ultimately, the Liquidation Bank Account of the Corporate Debtor was also closed on 25th November, 2019. Therefore, we are convinced that it is a fit to dissolve the Corporate Debtor with the immediate effect, as prayed for.



6. In the result, by exercising powers conferred on the Adjudicating Authority, under Section 54 of Code, and the Rules made thereunder, C.P.(IB)No.138/BB/2017 and I.A.No.163 of 2020, are hereby disposed of with the following directions:

- (1) It is hereby dissolved the Applicant Company, **M/s.Quetzal Furniture Systems Private Limited**, with immediate effect.
- (2) The Registry is directed to forward a copy of this Order to the Registrar of Companies, Karnataka, Bengaluru, within a period of two weeks from today;
- (3) The Resolution Professional is also directed to forward copies of this Order to all other Statutory Authorities including IBBI, connected with the affairs of the Company.
- (4) Personal liability/Guarantee, if any, of any Director/Promoter of the Corporate Company, would not absolve them by virtue of this order. Any Aggrieved party/Parties, are liberty to continue or to take appropriate legal course of action against them.
- (5) No order as to costs.

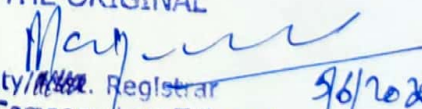

(ASHUTOSH CHANDRA)
MEMBER, TECHNICAL

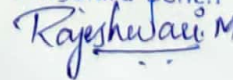

(RAJESWARA RAO VITTANALA)
MEMBER, JUDICIAL

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OF THE ORIGINAL


Deputy Registrar
National Company Law Tribunal
Bengaluru Bench


Rajeswara Rao M