IN THE NATIONAL COMPANY LAW TRIBUNAL
BENGALURU BENCH
(Exercising powers of Adjudicating Authority under the Insolvency and Bankruptcy Code, 2016)

I.A.No.268/2022
U/s.54 of the I&B Code, 2016 &
C.P. (IB) No.64/BB/2019
U/s.10 of IBC, 2016
R/w Rule 7 of I&B (AAA) Rules, 2016

In the matter of:

Mr. Pankaj Srivastava,
(Liquidator of M/s. Vintage Foods and Industries Ltd)
No.5, 5th Cross, Navya Nagar, Jakkur,
Bangalore – 560 064 … Applicant

Order delivered on: 25.05.2023

Coram: 1. Hon'ble Justice (Retd.) T. Krishnavalli, Member (Judicial)
2. Hon'ble Shri Manoj Kumar Dubey, Member (Technical)

Present:

For IA 268/2022 : Ms. Ayushi Agarwal, Adv

O R D E R

***Per:* T. Krishnavalli , *Member* (Judicial)**

1. I.A.No.268/2022 in C.P.(IB) No.64/BB/2019 is filed by Mr. Pankaj Srivastava, Liquidator of M/s. Vintage Foods and Industries Limited (Applicant/Liquidator), U/s.54 of the I&B Code, 2016 by seeking to dissolve the Corporate Debtor M/s. Vintage Foods and Industries Limited.

2. Brief facts of the instant Application, which are relevant to the issue in question, are as follows:

(1) Initially, the main Company Petition bearing C.P.(IB)No.64/BB/2019 was filed by M/s. Vintage Foods and Industries Limited (Petitioner), U/s.10 of the IBC, 2016, by inter alia seeking to initiate CIRP and the same was admitted by the Adjudicating Authority, vide its order dated 23.07.2019, by appointing Mr. Balady Shekar Shetty as IRP, imposing moratorium etc. Further, the Resolution Professional filed I.A.No.174 of 2020 for Liquidation of Corporate Debtor U/s. 33(2) of the IBC, 2016 Read with Rule 11 of NCLT Rules, 2016 and to appoint the Applicant as Liquidator and the same was disposed of by this Adjudicating Authority vide its order dated 15.06.2020. Pursuant to the said Liquidation Order, the Liquidator made Public Announcement in Form-B dated 20.06.2020, one in Deccan Herald (English Newspaper) another in local language Prajawani (Kannada Newspaper) and on the official website of IBBI on same day.

(2) It is stated that the Liquidator has received total claim of Rs.87,07,45,244/- and the total claim amount of Rs. 23,40,04,050/- was admitted by the Liquidator. Further, it is stated that the Liquidator has not appointed any Registered Valuers during the period of liquidation, and the registered valuers were appointed on 09.09.2019 during the CIRP period. Valuation of assets is as follows:

(Rs. In Lacs)

Sl. No.	Class of Assets	Fair Value	Liquidation Value
Valuer 1	Unsold Property	Rs. 21,63,000	Rs.14,06,000
Valuer 2	Unsold Property	Rs. 24,51,000	Rs.17,15,000
	Average Value	--	Rs. 15,60,500

(3) Further, based on the claims received under Liquidation process, the liquidator has prepared the list of stakeholders and filed on 16.10.2020.

(4) Pursuant to Regulation 13 and 14 of the IBBI (IRP for Corporate Persons) Regulations,2016 the Preliminary Report and Asset Memorandum was filed on 16.10.2020. Besides that a total of Eight Progress Reports have been filed in this liquidation process.

(5) It is stated that the new bank account was opened in Bank of Baroda, in the name of corporate debtor followed by the words in liquidation.

(6) Further, the liquidator issued the first e-auction sale notice on 06.11.2020 to sell land and building of the corporate debtor. The stakeholders were consulted by liquidator on 08.12.2020 and 04.01.2021. The liquidator issued second and final e-auction sale notice on 13.02.2021. The auction was conducted on 09.03.2021 and the letter of intent was issued to two highest bidders vide email dated 10.03.2021 and 19.03.2021. The highest (H1) bidder withdrew his bid on 17.03.2021 and the advance received was forfeited; upon fulfilment of payment conditions, assets of the corporate debtor was sold to H2 (2nd highest bidder) who was asked to remit the sale value within 30 days from the date of Auction. It is further stated that the deed of sale was executed between the liquidator and the buyers on 12.04.2021 and the sale consideration of Rs.52,10,000/- was deposited in Liquidation Bank Account.

(7) On 16.04.2021, the liquidator distributed Rs. 44,12,945 after deduction liquidation expenses as well as paid to Erstwhile IRP towards pending dues. Further, the liquidator had issued sale/assignment notice to general public in newspaper on 12.08.2021 for assignment of not readily realizable assets. The letter of intent approved by stakeholders consultation committee was issued to successful bidder through email dated 16.11.2021, with the details of assignment terms and payments. The liquidator appointed the CA Mr. Ganesh Baliga to audit the financial statement of corporate since the earlier CA refused to audit. The directors of corporate debtor also refused to sign the accounts. Hence, the liquidator filed the unaudited accounts with MCA. Upon receipt of remittance of advance from bidder towards NRRA as well as confirmation of terms of Assignment Deed, the liquidator issued an Assignment Certificate dated 04.06.2022 as well as signed copy of Assignment Deed to the Assignee vide registered post. Compliance certificate in Form H prepared by the Liquidator is filed vide D.No. 3754 dated 06.09.2022.

(8) The amount realised from sale liquidation estate is Rs. 52,10,000/- and the amount realised from assignment of NRRA is Rs. 2,00,000/- by way of initial sale consideration and balance contingent upon realisation of NRRA's as per assignment deed dated 4th June 2022.

(9) The Liquidator has distributed amount in terms of Section 53 of the Code in the following manner: Rs. In Lakhs

	Stakeholders u/s. 53 (1)	Amount Distributed	Percentage to admitted claims	Remarks
1	(a) CIRP Costs	3.59	NA	-
2.	(b) Liquidation costs	12.68		Rs. 12,67,907/- as per Reg. 4 of IBBI(Liquidation Process) Regulations, 2016
3.	(b)(i)- Workmen dues	-	-	-
4.	(b)(ii) Secured Creditors	44.13	0.02%	Distribution of Rs.44,12,945/- made to Edelweiss Asset Reconstruction Company Ltd. in the year 2021.
5.	(c) Wages and salaries	-	-	-
6.	(d) Unsecured Creditors	Nil	0%	-
7.	(e) (i)	-	-	-
8.	(e) (ii)	-	-	-
9.	(f)	-	-	-
10.	(g)	-	-	-
11.	(h)	-	-	-
	Total	60.40	-	-

(10) Details of Receipt & Payment Account of M/s. Vintage Foods and Industries Limited, a Company under Liquidation, from the commencement date are as follows:

Receipts	(Amount in Rupees)	Payments	(Amount in Rupees)
I. Opening Balances:		**I. Expenses & Payments:**	
a Cash in hand	-	Bank Charges	1,562.00
b Bank balances		Expenses on Accounting & Finance Professional	27,000.00
II. Receipts from sale of assets		Expenses on Public Announcement	37,524.00
a. EMD received (Refundable)	3,00,000.00	Expense- Webpage Maintenance	14,000.00

b. EMD received (forfeited)	2,50,000.00	Fee paid to any other Professionals	55,500.00
c. Advance towards sale from successful bidder	52,10,000.00	Fee paid to legal/other Professionals	1,33,000.00
d. Assignment of NRRA Receipt	2,00,000.00	Fee paid to liquidator	9,44,326.00
III. Amounts received from other Bank accounts of Vintage Foods & Industries Limited:		Other expenses on/for Liquidator	47,951.95
a. Central Bank		E Auction Service	7,080.00
b. Indian Bank	10,530.00	**II. Current Liabilities**	
c. Bank of Baroda		EMD Refunded to unsuccessful bidders (Paid back)	3,00,000.00
IV. Contribution from FIs towards liquidation expenses		**III. Distribution to Financial Creditors (EARC)**	44,12,945.00
a. Edeweises Assets reconstruction co Ltd	3,49,120.00	**IV.** Payment of IRPC IRP Claim for Expenses as approved by Erstwhile COC	3,59,268.00
V. Bid Processing Fee	31,000.00	**V. Closing balances:**	
		a. Cash in hand	
		b. Bank balances	
Total	**63,50,650.00**		**63,40,120.00**

(11) It is also stated that the Liquidator has proposed the corporate debtor for dissolution under section 54 of IBC, 2016 since the liquidation proceeds are Nil and the distribution to the stakeholders under section 53 is also distributed. The sharing ratio of the recovered amount from all NRRA shall be distributed amongst the Observer towards liquidation costs, stakeholders eligible distribution as per section 53 of IBC and Assignee in the ratio of 10:50:40 and the Final Report dated 27.06.2022 as per Regulation 45 of IBBI (Liquidation Process) Regulations has been submitted by the Liquidator.

3. Heard the learned Counsel for the Applicant. We have carefully perused the pleadings of the Party along with extant provisions of the Code and the Regulations made thereunder.

4. From a perusal of the details narrated supra, it appears that the Ld. Liquidator has complied with all the conditions and procedural requirements, as specified

under various provisions of Section 54 of the Insolvency & Bankruptcy Code, 2016 and also the extant IBBI Regulations. We have also considered the manner in which the available assets have been dealt with prior to the dissolution of the Corporate Applicant. It is seen from the Receipts and Payments Account furnished that the entire amount in Bank and receipts from sale of assets have been utilised to defray various statutory and other expenses. Further, through the sale deed liquidator assigned the assignee for NRRA. In view of this factual matrix, we are of the view that the said I.A. No.268 of 2022 seeking dissolution of the Corporate Applicant, deserves to be allowed, as prayed. As the I.A.No.268 of 2022 is disposed of allowing dissolution of the Corporate Applicant, consequently the C.P. (IB) No.64/BB/2019 also stands disposed of.

5. In the result, in exercise of the powers conferred on the Adjudicating Authority, under Section 54 of the Code, the Interim Application bearing I.A.No.268 of 2022 and C.P.(IB)No.64/BB/2019 are hereby disposed of with the following directions:

   (1) The Corporate Debtor, namely, M/s. Vintage Foods and Industries Limited is dissolved, with immediate effect;

   (2) The Registry is directed to forward a copy of this Order to the Registrar of Companies Karnataka, Bangalore, within a period of two weeks from the date of receipt of this order, for further necessary action as prescribed under Law;

   (3) The Ld. Liquidator is directed to forward copies of this Order to all other statutory authorities connected with the affairs of the Company, for further necessary action as prescribed under Law.

   (4) With this, the instant **I.A. No. 268 of 2022**, and the Company Petition bearing **C.P. (IB)No.64/BB/2019** also stands **disposed of**.

-Sd/-

(MANOJ KUMAR DUBEY)
MEMBER (TECHNICAL)

-Sd/-

(T.KRISHNA VALLI)
MEMBER (JUDICIAL)