

2

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

**IA(IBC)/1400(CHE)/2022 in CP/341/IB/CB/2018**

*(Filed under Sec. 60(5) of the Insolvency & Bankruptcy Code, 2016 read with  
Regulation 45(3)(a) of the IBBI (Liquidation Process) Regulation 2016*

IN THE MATTER OF:

C.Ramasubramaniam

*Liquidator of*

**South Indian Mint and Aromatic Products Limited**

“Raji”3B1. 3<sup>rd</sup> Floor, Gaiety Palace,

No.1L, Blackers Road,

Mount Road, Chennai – 600 002

... Applicant

*Order Pronounced on 31<sup>st</sup> May 2023*

CORAM

**SANJIV JAIN, MEMBER (JUDICIAL)**

**SAMEER KAKAR, MEMBER (TECHNICAL)**

*For Applicant : S.Sathiyarayanan, Advocate*

**ORDER**

**(Hearing conducted through VC)**

***Per: SAMEER KAKAR, MEMBER (TECHNICAL)***

This Application has been filed by the Liquidator of the Corporate Debtor viz. M/s. South Indian Mint and Aromatic Products Limited under Section 60(5) of the IBC,2016 read with Regulation 45(3)(a) of the

Insolvency and Bankruptcy Board of India (Liquidation Process)

Regulations, 2016 seeking reliefs as follows;

- a. *“Order closure of Liquidation Process of M/s. South Indian Mint and Aromatic Products Limited and relieve the Applicant from the office of Liquidator.*
- b. *Pass such other orders or further orders as this Hon’ble Tribunal may deem fit and appropriate and thus render justice.”*

2. We have heard the Learned Counsel for the Applicant / Liquidator and perused the documents placed on record.

3. The Corporate Insolvency Resolution Process in respect of the Corporate Debtor viz. M/s. South Indian Mint and Aromatic Products Limited was initiated by this Tribunal vide order dated 04.06.2018 and one Mr. Vasudevan Gopu was appointed as the ‘Interim Resolution Professional’. Thereafter, the Applicant herein was appointed as the Resolution Professional by this Tribunal vide order dated 28.09.2018 in MA/452/2018.

4. During the CIRP of the Corporate Debtor, no resolution plan was received and hence, the Resolution Professional filed an application bearing no. MA/323/2019 under Section 33 of IBC, 2016 seeking

Liquidation of the Corporate Debtor. In pursuance of the same, this Tribunal vide order dated 10.04.2019 ordered for liquidation of the Corporate Debtor and appointed the Applicant herein as the Liquidator.

5. Pursuant to the order of Liquidation, the Applicant caused Public Announcement, informing commencement of Liquidation of the Corporate Debtor and calling for claims, which was published in Form-B on 13.04.2019 in English Daily "Trinity Mirror"- and Tamil Daily "Makkal Kural". The last date for submission of claims fixed on 10.05.2019.

6. The Applicant / Liquidator received claim from one financial creditor viz. IDBI Bank and from one operational creditor viz. Gangai Earth Movers. No claim was received from employees/ workers of the Corporate Debtor the particulars of the claim received are as below:

S.no	Financial/ Operational Creditor	Claim submitted (in Rs.)	Admitted Claim amount (in Rs.)	Voting share in %
1.	IDBI Bank Ltd (Financial Creditor)	9,07,92,110.73	9,07,92,110.73	100%
2.	Gangai Earth Movers (Operational Creditor)	7,75,000.00	7,75,000.00	-

7. The Liquidator appointed two registered valuers on 30.10.2018 and carried out valuation of the Corporate Debtor. The average Liquidation value of the assets of the Corporate Debtor was arrived at as Rs. 2,48,18,500/- based on the Valuation Reports of the Registered Valuers.

8. The Applicant prepared the Preliminary Report on the affairs of the liquidation of the Corporate Debtor and filed the same on 24.06.2019 before this Tribunal vide SR. No. 2997.

9. As per Regulation 33(1) of the IBBI (Liquidation Process) Regulation, 2016, the Applicant initiated steps to sell the assets of the Corporate Debtor through e-auction. The Applicant liquidator conducted Three (3) e-auctions so far for the sale of the assets of the Corporate Debtor viz. 17.07.2019, 27.09.2019, and 11.01.2020. However, the e-auctions were unsuccessful as no bids were received.

10. The Applicant received a proposal from Mr. Jeganeedhi Krishnan R for taking over the Corporate Debtor as a going concern with an intention to revive and rehabilitate the Company in Liquidation.



11. The provisions pertaining to constitution of Stakeholders Consultation Committee do not apply to this Corporate Debtor as the Regulation 31A of the IBBI (Liquidation) Regulation, 2016 was inserted only subsequent to the passing of the liquidation order. Hence, the proposal received from the Respondent was placed before the Secured Financial Creditor Meeting held on 06.01.2021 and the same was approved.

12. The Applicant herein filed an Application bearing IA/199/2021 seeking directions for sale as a going concern of Corporate Debtor to Mr. Jeganeedhi Krishnan R, in accordance with the provisions of the Insolvency & Bankruptcy Code 2016 and the rules made thereunder and the same was allowed by this Tribunal vide order dated 03.01.2022.

13. The entire proceeds realized from the sale of the Corporate Debtor as a going concern were distributed to the stakeholders of the Corporate Debtor in accordance with the waterfall mechanism stipulated under Section 53 of the Code in the manner as stated below:



S.no.	Particulars	Amount in Rs. -
1.	Sale consideration received as proposed in Plan	2,87,00,000/-
2.	(Less) CIRP expenses	9,68,681/-
3.	(Less) Liquidation Cost	2,36,652/-
4.	(Less) Liquidator fee based on Regulation 4(3) of IBBI Liquidation rules including GST @ 18%	10,41,392/-
5.	Balance available for distribution as per Section 53 of IBC	2,64,53,276/-
6.	(Less) Expenses to be incurred for sale of going concern process (approx.)	3,00,000/-
7.	(Less) Claim from workers	-
8.	Balance available for distribution as per Section 53 for financial creditor	<b>2,61,53,276/-</b>
9.	Amount distributed to IDBI Bank as per Section 53 of IBC	<b>2,61,53,276/-</b>

14. The Asset Sale Report was filed before this Tribunal on 01.10.2022. It is further stated that the Liquidator has filed all the Reports that are required to be filed as per the mandate of the Code. The details of the reports submitted before this Adjudicating Authority are stated below:

Sl No	Name of the Report	Date of filing with this Hon'ble Tribunal
1.	Preliminary Report	24.06.2019
2.	Asset memorandum	24.06.2019
3.	Quarterly Progress report - I (for FY - 1) April 2019 to June 2019	12.07.2019
4.	Quarterly Progress report- II July 2019 to September 2019	14.10.2019
5.	Quarterly Progress report-III October 2019 to December 2019	13.01.2020
6.	Quarterly Progress report -IV January 2020 to March 2020 filed along with Audited Receipts and Payments	08.07.2020
7.	Quarterly Progress report -V April 2020 to June 2020	09.07.2020
8.	Quarterly Progress report -VI July 2020 to September 2020	14.10.2020
9.	Quarterly Progress report -VII October 2020 to December 2020	11.01.2021
10.	Quarterly Progress report -VIII January 2021 to March 2021 filed along with Audited Receipts and Payments	12.04.2021
11.	Quarterly Progress report -IX April 2021 to June 2021	13.07.2021
12.	Quarterly Progress report -X July 2021 to September 2021	12.10.2021
13.	Quarterly Progress report -XI October 2021 to December 2021	13.01.2022
14.	Quarterly Progress Report -XII January 2022 to March 2022 filed along with Audited Receipts	13.04.2022

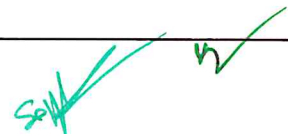
	and Payments	
15.	Quarterly Progress report- XIII April 2022 to June 2022	12.07.2022
16.	Quarterly Progress report- XIII July 2022 to September 2022 filed along with Audited Receipts and Payments	01-10-2022
17.	Final report	28-09-2022
18.	Asset Sale Report	01-10-2022

15. The applicant has also filed Form-H dated 01.10.2022. It is also seen from Form –H that no Applications, for avoidance of Preferential, Undervalued or Fraudulent Transactions, is filed or pending before this Tribunal with respect to the Corporate Debtor.

16. The receipts and payments of the liquidator have also been audited for period 10.04.2019 to 31.03.2020, 01.04.2020 to 31.03.2021, 01.04.2021 to 31.03.2022 and 01.04.2022 to 30.09.2022.

17. Regulation 45 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 provides that *"The liquidator shall submit an application along with the final report and the compliance certificate in Form H to the Adjudicating Authority for (a) closure of the liquidation process of the corporate debtor where the corporate debtor is sold as a going concern"*. Accordingly, the Applicant/Liquidator has filed the present Application seeking directions before this Tribunal for closure of the liquidation process of the Corporate Debtor which has been sold as a Going-concern.

18. In view of the aforesaid facts and circumstances, we allow the closure of the Liquidation Process of the Corporate Debtor.

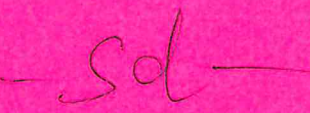


19. The Liquidator is discharged from its responsibilities, subject to procedural compliances. The Liquidator shall handover all the books and files of the Corporate Debtor, after retaining copies of the same for future requirement, if any, to the successful bidder viz. Mr.Jeganeethi Krishnan.

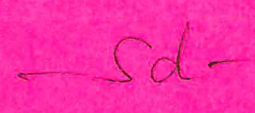
20. IA(IBC)1400(CHE)/2022 stands **disposed of** accordingly.

21. The Registry is directed to email copies of this order forthwith to the Applicant, the Registrar of Companies, concerned and also to IBBI for information.

22. Certified Copy of this order may be issued, if applied for, upon compliance of all requisite formalities.



**SAMEER KAKAR**  
MEMBER (TECHNICAL)



**SANJIV JAIN**  
MEMBER (JUDICIAL)