

# WU07

## Notice of progress report in a winding-up by the court



Companies House

For further information, please  
refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number 0 7 8 5 8 8 9 8

Company name in full Prometheon Enterprise Limited

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Liquidator's name

Full forename(s) Nimish

Surname Patel

### 3 Liquidator's address

Building name/number 58

Street Hugh Street

Post town London

County/Region

Postcode S W 1 V 4 E R

Country

### 4 Liquidator's name ①

Full forename(s) Ashok Kumar

Surname Bhardwaj

#### ① Other liquidator

Use this section to tell us about  
another liquidator.

### 5 Liquidator's address ②

Building name/number 47 - 49

Street Green Lane, Northwood,

Post town Middlesex

County/Region

Postcode H A 6 3 A E

Country

#### ② Other liquidator

Use this section to tell us about  
another liquidator.

WU07

Notice of progress report in a winding-up by the court

6

Period of progress report

From date

<sup>d</sup>

1

<sup>d</sup>

7

<sup>m</sup>

1

<sup>m</sup>

2

<sup>y</sup>

2

<sup>y</sup>

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To date

<sup>d</sup>

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<sup>d</sup>

6

<sup>m</sup>

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2

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1

7

Progress report



The progress report is attached

8

Sign and date

Liquidator's signature

Signature

X



X

Signature date

<sup>d</sup>

1

<sup>d</sup>

1

<sup>m</sup>

0

<sup>m</sup>

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0

<sup>y</sup>

2

<sup>y</sup>

2

**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name	Nimish Patel
Company name	Re10 Restructuring and Advisory Limited
Address	58 Hugh Street
Post town	London
County/Region	
Postcode	S W 1 V 4 E R
Country	
DX	
Telephone	0207 355 6161

**Checklist**

**We may return forms completed incorrectly or with information missing.**

**Please make sure you have remembered the following:**

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

**All information on this form will appear on the public record.**

**Where to send**

**You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:**

The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ.  
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

**This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)**



**Prometheon Enterprise Limited  
In Compulsory Liquidation**

**Registered Number: 07858898**

**Joint Liquidators' Annual Progress Report  
To Creditors and Members for the Period From:**

**17 December 2020 to 16 December 2021**

**Joint Liquidators:**

Nimish Patel  
Re10 Restructuring and Advisory Limited  
58 Hugh Street  
London  
SW1V 4ER

Tel.: 0207 355 6161

Ashok Kumar Bhardwaj  
Bhardwaj Limited  
47-49 Green Lane  
Northwood  
Middlesex  
HA6 3AE

Tel.: 0192 382 0966

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APPENDICES

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1. Joint Liquidators' Receipts and Payments Account for the period from 17 December 2020 to 16 December 2021
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3. Additional Information in relation to Joint Liquidators' Fees and Expenses
- 3A. Practice Recovery / Fee Policy

**PROMETHEON ENTERPRISE LIMITED  
IN LIQUIDATION**



**1. SUMMARY AND STATUTORY INFORMATION**

<b>Company Name:</b>	Prometheon Enterprise Limited	
<b>Company Number:</b>	07858898	
<b>Date of Winding Up Order</b>	3 December 2020	
<b>Court Reference No</b>	In the High Court of Justice, No.: 008111 of 2019	
<b>Registered Office:</b>	<p>Changed:</p> <p><b>From:</b> The Shard, 32 London Bridge Street, London, SE1 9SG</p> <p><b>To:</b> 58 Hugh Street, London SW1V 4ER</p>	
<b>Principal Trading Address:</b>	30 Millbank, 6th Floor, London, SW1P 4EE	
<b>Previous Trading Name:</b>	-	
<b>Joint Liquidators:</b>	Nimish Patel	Ashok Kumar Bhardwaj
<b>Contact Details:</b>	<p>Re10 Restructuring and Advisory Limited 58 Hugh Street London SW1V 4ER</p> <p>020 7355 6161</p> <p><a href="mailto:ketul.patel@re10.co.uk">ketul.patel@re10.co.uk</a></p>	<p>Bhardwaj Limited 47-49 Green Lane Northwood Middlesex HA6 3AE</p> <p>0192 3820 966</p> <p><a href="mailto:ashok@bhardwaj.co.uk">ashok@bhardwaj.co.uk</a></p>
<b>Date of Appointment:</b>	17 December 2020	
<b>Basis of Remuneration:</b> (see Section 4)	<b>Officeholder Fees:</b>	<b>Drawn to Date:</b>
<b>Fixed Fee Agreed with Secured Creditor</b>	Quarterly payment of £4,500.00 up to a maximum of £27,000.00	£18,000.00 (inclusive of VAT)
<b>Joint Liquidators' Remuneration</b>	Basis of Fees not determined	(Not drawn from the Liquidation Estate)  £Nil
<b>Dividend Prospects:</b>	<b>Paid to Date:</b>	<b>Estimated Future Dividend:</b>
	£Nil	Uncertain
<b>Matters Preventing Closure</b>	Continuing investigation into the affairs of the Company	

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## **2. INTRODUCTION**

- 2.1 Nimish Patel is authorised to act as an Insolvency Practitioner by the Institute of Chartered Accountants in England and Wales and Ashok Bhardwaj is authorised to act as an Insolvency Practitioner by the Insolvency Practitioners Association and are bound by their Code of Ethics. Further details on work undertaken in the period and costs incurred are provided in the body of the report.
- 2.2 Information about the way that we will use, and store personal data on insolvency appointments can be found on our website at <https://www.re10.co.uk/privacy-policy>. If you are unable to download this, please contact us and a hard copy will be provided to you free of charge.

## **3. PROGRESS OF THE LIQUIDATION**

- 3.1 This is the first report on the Liquidation and provides an update on the work that has been undertaken, and the progress made, in the first twelve months following the Joint Liquidators' appointment.
- 3.2 A copy of the receipts and payments account for the reporting period is attached at Appendix 1.
- 3.3 VAT is not reclaimable on this assignment, as the Company is not registered for VAT.

### **Summary of the Liquidation**

#### *Background of the Company*

- 3.4 The Company was incorporated on 24 November 2011 for the sole purpose of operating as an intermediary holding company for a global travel group that was head quartered and listed in India. The sole activity of the Company was to manage investments on behalf of its parent. By 2019, the Company had obtained bank loans amounting to £120 million secured on its investments in subsidiary companies. Throughout 2019, the group faced increasing difficulties in raising additional finance which culminated in a series of defaults and insolvency of a number of companies throughout the group. In December 2019, the Company was placed into Administration by the secured creditor, Yes Bank Limited.
- 3.5 In the Joint Administrators' Proposals, the Joint Administrators' proposed to achieve the statutory purpose of seeking to achieve a better result for the Company's creditors as a whole than would be likely if the Company had been wound up (without first being in administration) or realising the property in order to make a distribution to the Company's creditors. The creditors approved the Joint Administrators' Proposals. On the anniversary of the Administration in December 2020, due to the lack of assets and uncertainty about the prospect of dividends for any creditors, the Administrator formed the opinion that the statutory purpose could no longer be achieved and made an application to the Court to bring the Administration to an end and the Company to be placed into Liquidation by way of a winding up petition.
- 3.6 A winding up order was made against the Company on 3 December 2020 and, Nimish C Patel of Re10 Restructuring and Advisory Limited, 58 Hugh Street, London, SW1V 4ER and Ashok Kumar Bhardwaj of Bhardwaj Ltd, 47-49 Green Lane, Northwood, Middlesex, HA6 3AE were appointed as Joint Liquidators of the Company on 17 December 2020 by the Secretary of State.
- 3.7 The Joint Liquidators' comments on the progress made are as follows:

***Administration (including statutory compliance & reporting)***

- 3.8 An office holder must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. This work will not necessarily bring any financial benefit to creditors but is required on every case by statute. This work includes dealing with administrative tasks associated the appointment, such as agreeing the strategy for the realisation of assets, insurance, filing notices of appointment, statutory advertising, opening and maintaining the estate cash book and bank accounts.
- 3.9 In the period under review, the Joint Liquidators' have opened and maintained their required practice files, estate cashbook and completed all statutory and regulatory duties following their appointment.

***Realisation of Assets***

- 3.10 Work undertaken to date to recover assets may bring a financial benefit to creditors through the distribution of funds available to creditors after settlement of properly authorised costs and expenses.

***Investments***

- 3.11 According to the Director's Statement of Affairs, the most significant known assets of the Company are its investments in its subsidiaries with a total book value of approximately £157.54 m as set out below.

<b>Country</b>	<b>Holding (%)</b>	<b>Shares in Group Undertakings</b>	<b>Amount (£)</b>
UK	63.58	Prometheon Holdings (UK) Limited	122,374,540.91
UK	100.00	Cox & Kings Travel Limited	29,655,001.00
AUS	100	Prometheon Australia Ptd	460.85
UK	100	Cox & Kings Destination Management Services Ltd	2.00
SNG	100	Cox & Kings Destination Management Services PTE Ltd	221,957.04
DUB	99.51	Cox & Kings Tours LLC	5,292,338.71
SNG	100.00	Prometheon Enterprise PTD Ltd	0.46
<b>Total</b>			<b>157,544,300.97</b>

- 3.12 The Joint Liquidators believe that it is extremely unlikely that there will be any recovery from any of the investments held by the Company. This is because the former Administrators were unable to locate any share certificates or supporting documentation for the above investments. We have not been able to locate these documents and rely on documents filed at Companies House in the various jurisdictions. Furthermore, a number of the above entities are subject to formal insolvency proceedings with little or no recoveries being made. Therefore, any return to the Company remains uncertain. The two main subsidiaries were both put into Administration as explained below.



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*Prometheon Holdings (UK) Limited (“PHUK”)*

- 3.13 PHUK was placed into Administration on 11 May 2020 and subsequently moved to Creditors Voluntary Liquidation on 19 February 2021. Any return to the Company is uncertain and wholly depends upon the asset realisations.

*Cox & Kings Travel Limited (“CKTL”)*

- 3.14 David Pike and William Wright of KMPG were appointed Joint Administrators of CKTL on 4 December 2019. The administration ended on 14 July 2020, and CKTL was subsequently dissolved on 14 October 2020. The only distribution was to the fixed charge creditor with no distribution to any other class of creditors.

*Balance received from Duff & Phelps (Administrator)*

- 3.15 Following the appointment of the Joint Liquidators, the balance transferred from the Administrators’ account was £1,038.60. This was in accordance with their final account.

*Group Undertakings*

- 3.16 The Director’s Statement of Affairs, as filed in the Administration, showed that there were sums due to the Company from group undertakings and associated parties with a book value of £138,779,395.00. As the Company is part of a complex international group consisting of over 100 subsidiaries, it is difficult to track down the relevant documentation for several companies. The Joint Liquidators have contacted the office holders to establish the position and believe that it is extremely unlikely that there will be any realisation of these book debts. This is because of the number of group companies with debts of about £30m have been in an insolvency process in various jurisdictions with little or no recoveries due to the lack of assets. Most of the other companies have ceased trading. The Liquidators of one of the entities, Tempo Holidays Pty Ltd, have submitted a claim of AUD (A\$) 5,074,723.60.00 in the Liquidation. The Joint Liquidators are continuing their efforts to realise book debts and will report back to creditors if the outlook for the recovery of book debts changes in any material way over the next 12 months.

*Other Debtors*

- 3.17 According to the Director’s Statement of Affairs, there were other debtors in the sum of £1,178,108.00. We have instructed solicitors to pursue these debts and will report to creditors in our next report.

*Investigations*

- 3.18 The Joint Liquidators are required by legislation to undertake an initial investigation in all cases to determine whether there are any potential recovery actions for the benefit of creditors. This work may not necessarily bring any financial benefit to creditors unless these investigations reveal potential asset recoveries that they can pursue for the benefit of creditors.
- 3.19 In a Compulsory Liquidation, the duty to investigate the Company’s affairs is the responsibility of the Official Receiver. There is no requirement on the Joint Liquidators to submit a report on the directors’ conduct to the Department for Business, Energy & Industrial Strategy. Any matters brought to the Joint Liquidators’ attention will be reported to The Official Receiver as appropriate.

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- 3.20 The insolvency legislation gives the office holder powers to take recovery action in respect of what are known as antecedent transactions, where assets have been disposed of prior to the commencement of the insolvency procedure and also in respect of matters such as misfeasance and wrongful trading.
- 3.21 The Joint Liquidators are required to make an initial assessment of any matters that require further investigation. The Joint Liquidators' initial work has identified significant areas of concern. This is discussed further below, to the extent possible given the sensitivity of the findings and the need for confidentiality in these early stages of investigations. We will report to creditors in full once our investigations, and any appropriate actions, have been concluded.
- 3.22 Time incurred to date on investigations is 186.50 hours at a cost of £100,985.00, plus VAT. The key activities where time costs have been incurred are as follows:
- Contacted all officers of the Company, and any individuals identified who was involved in the Company's financial affairs to request information. This included the Company Accountant and key individuals;
  - Liaising with the former Administrator for the available electronic information and records of the Company;
  - Action to secure and collate books and records handed over by the former Administrator of the Company. As the Company being part of a complex international group structure, the available documentation that needs to be reviewed is quite extensive and it is anticipated that our review will take another 3 to 4 months to complete;
  - Contacting the Company's previous accountant and solicitors to provide further information in relation to the potential claims identified during the investigation. In particular, the submission of forged audited accounts to the stock exchange in India;
  - Meeting and interviewing all the major creditors with knowledge of the Company's operations. The purpose of these meetings was to determine the representations that were made by the directors and senior management team at the time funds were loaned to the Company;
  - Interviewing and seeking information from one of the directors of the Company;
  - Downloading and examining all statutory records available at Companies House;
  - Contacting subsidiaries to request financial information;
  - Requesting information from the Company's bankers, analysing the information provided and attending meetings with them to understand the nature of unusual transactions; and
  - Analysis of the records and more than seven years of bank statements received to date to identify the movement of assets and any unusual payments.
- 3.23 The Joint Liquidators initial assessment is that whilst there are a number of potential claims that could be pursued, given the lack of funding in the Liquidation estate and the financial wherewithal of individuals and organisations that could be pursued it is not possible to estimate the quantum of any likely recoveries. We will write to creditors once we have obtained legal advice on potential claims identified.
- 3.24 The Joint Liquidators have instructed Devonshires Solicitors to advise on the matters identified and the matters which need further scrutiny. These investigations remain ongoing, and due to the inherent
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sensitivities, no further information can be disclosed at this time, as this may hamper any further action. The Joint Liquidators have also instructed Stewarts Law to advise on the possibility of obtaining a bankruptcy orders against certain individuals involved in the management of the Company. The Joint Liquidators will report on this further in their subsequent reports.

***Creditors (claims and distributions)***

- 3.25 The Joint Liquidators are required to deal with correspondence and claims from all classes of creditors. This work will not necessarily bring any financial benefit to creditors unless a distribution is anticipated, however, this work is required by statute. Work in relation to the adjudication of claims will not be undertaken unless a distribution is anticipated. This will not be determined until investigations are completed.

***Outcome for Creditors***

- 3.26 At present the Joint Liquidators do not believe that there is a prospect of a distribution to creditors from the realisation of the Company's known assets. Any potential recoveries are completely dependent on the outcome of the Joint Liquidators investigations and the feasibility of pursuing legal action for the recovery of assets into the Liquidation Estate. We will report further on our progress in our next report.

***Secured Creditors***

- 3.27 Yes Bank Limited holds a debenture granted on 9 August 2018 secured by a fixed and floating charge over all the Company's Assets. At the date of the Liquidation, the indebtedness to the secured creditor amounted to £118,471,621.09. There are no recoverable secured assets from which the bank can be paid.

***Preferential Creditors***

- 3.28 No preferential claims have been received to date in this matter.

***Unsecured Creditors***

- 3.29 According to the Director's Statement of Affairs, as submitted in the Administration, the Company's total liability to 10 unsecured creditors was £85m of which £68m was to associated companies. The Joint Liquidators have received claims totalling £16,927,468.00 from 3 non-associated creditors. In addition, Yes Bank Limited has also submitted a claim for £118,471,621.09.
- 3.30 As explained above there are no realisable assets to enable a distribution to be paid to any class of creditors. Any distribution is dependent upon the outcome of the Joint Liquidators investigations into the affairs of the Company.
- 3.31 Matters still to be dealt with:
- Investigating further into the affairs of the Company;
  - Seeking legal advice from Solicitors;
  - Carrying out Joint Liquidators statutory duties as appropriate;
  - Agreement of tax liabilities; and
  - Close administration of the estate.

#### **4. JOINT LIQUIDATORS' REMUNERATION**

- 4.1 As outlined above there are no assets in the Liquidation estate to enable the Joint Liquidators to draw any remuneration. The secured creditor, Yes Bank Ltd (the Bank), has agreed to pay Re10 Restructuring & Advisory a fixed fee per quarter of £4,500.00 up to a maximum of £27,000.00 to conduct investigations in relation to the failure of the Company. To date, Re10 Restructuring & Advisory Limited has been paid £18,000 by the Bank. Since this has not been drawn from the Liquidation estate this payment has not been reflected in the Receipts and Payments account for the Liquidation estate:
- 4.2 To date the Joint Liquidators have not sought determination of the basis their remuneration. In the absence of the creditors' committee, the basis of remuneration may be fixed by a decision of creditors. Further details regarding the decision procedure for authorisation of the Joint Liquidators fees will be sent under a separate cover within the next 6 months once there is greater clarity about the outcome of the Joint Liquidators investigations.
- 4.3 Attached as Appendix 2 is a Time Costs Analysis which provides details of the activity costs incurred by staff grade in managing the Liquidation during the reporting period.
- 4.4 During the reporting period, Re10 Restructuring and Advisory Limited's time costs are £106,115.00. This represents 215.10 hours at an average rate of £493.00 per hour. Due to the investigations' complex nature, more time has been spent by senior members of the staff in dealing with various matters identified.
- 4.5 In addition, Bhardwaj Limited's time costs during the reporting period are £1,343.00. This represents 3.40 hours at an average rate of £395.00 per hour with regards to statutory duties and review.
- 4.6 A copy of 'A Creditors' Guide to Liquidators' Fees' is available, free of charge, on request or can be downloaded from:
- <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29114/page/1/guide-to-liquidators-fees/>
- 4.7 Further information on creditors rights under Insolvency legislation may be found at [www.creditorinsolvencyguide.co.uk](http://www.creditorinsolvencyguide.co.uk), a resource provided by R3, the trade body to the insolvency profession.
- 4.8 Attached as Appendix 3 is additional information in relation to the Joint Liquidators' fees, including where relevant, information on the use of subcontractors and professional advisers.

#### **5. JOINT LIQUIDATORS' EXPENSES**

- 5.1 An analysis of the expenses paid to the date of this report, together with those incurred but not paid at the date of this report, is provided below:

<b>Name</b>	<b>Expense Category 1</b>	<b>Basis of Remuneration</b>	<b>Estimated Total Cost (£)</b>	<b>Amount Incurred (£)</b>	<b>Amount Paid (£)</b>
Vision Blue	Insolvency Software Licence Fee	Fixed Fees	110.00	110.00	110.00

TMP UK Limited	Statutory Advertising	Fixed Fees	88.00	88.00	88.00
Marsh (Re10)	Statutory Bonding	Based on Asset Value	70.00	70.00	70.00
Marsh (Bhardwaj Ltd)	Statutory Bonding	Based on Asset Value	48.00	48.00	48.00
<b>Total</b>			<b>316.00</b>	<b>316.00</b>	<b>316.00</b>

- 5.2 The above disbursements have been paid by the practice and it is intended to recover these by way of disbursements if realisations permit.

*Professional Advisors*

- 5.3 On this assignment the Joint Liquidators have used the professional advisors listed below. The basis of the agreed fee arrangement with them is indicated and will be subject to review on a regular basis. The Joint Liquidators' choice was based on perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of the fee arrangement with them to ensure value for money.

<b>Name of Professional</b>	<b>Services Provided</b>	<b>Basis of Remuneration</b>	<b>Estimated Total Cost (£)</b>
Devonshire Solicitors	Legal Fees	Time Costs	£50,000.00
Stewarts Law	Legal Fees	Time Costs	£15,000.00

- 5.4 At present there are no funds in the Liquidation estate and any costs incurred in relation to legal fees will have to be approved and paid for by the Company's creditors. If necessary, we will report on this separately to creditors. Additional information in relation to the Joint Liquidators' expenses is given at Appendix 3. It is anticipated that these costs will initially be met by creditors and that if there are recoveries they will be reimbursed from the Liquidation estate.

## **6. CREDITORS' RIGHTS**

- 6.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors), may request in writing that the Joint Liquidators provides further information about their remuneration or expenses which have been itemised in this progress report.
- 6.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors), may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Joint Liquidators remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Joint Liquidators, as set out in this progress report, are excessive.

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**7. NEXT REPORT**

- 7.1 The Joint Liquidators are required to provide a further report on the progress of the Liquidation within two months of the next anniversary of the Liquidation, unless they have concluded matters prior to this, in which case they will write to all creditors with their final account.
- 7.2 Should you have any queries regarding this report, or require hard copies of any of the documents made available on-line, please do not hesitate to contact my colleague Ketul Patel at this office on 020 7355 6161 or by email on [ketul.patel@re10.co.uk](mailto:ketul.patel@re10.co.uk).

Yours faithfully,



Nimish Patel  
Joint Liquidator

Encl.:

**JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS ACCOUNT  
FOR THE PERIOD FROM 17 DECEMBER 2020 TO 16 DECEMBER 2021**

	17-Dec-20 to 16-Dec-21 £	Statement of Affairs £
<b>Receipts</b>		
Group Undertakings and Related Parties	-	Uncertain
Book Debts	-	Uncertain
Transfer from Administrator	1,038.60	2,400.00
<b>Total Receipts</b>	<b>1,038.60</b>	<b>2,400.00</b>
<b>Payments</b>		
Official Receiver's Debit Balance	11,000.00	
BIS Bank Charges	88.00	
<b>Total Payments</b>	<b>11,088.00</b>	
<b>BALANCE ON HAND</b>	<b>(10,049.40)</b>	

**JOINT LIQUIDATORS' TIME COSTS ANALYSIS  
FOR THE PERIOD FROM 17 DECEMBER 2020 TO 16 DECEMBER 2021**

**[A] Time Spent by Re10 Restructuring and Advisory Limited**

Employee Grade	Partner	Senior Manager	Manager	Supervisor	Office Assistant			
	Hours	Hours	Hours	Hours	Hours	Total Hours	Total Cost (£'s)	Average Rate p/h
Planning and Administration	1.40	2.10	0.40	1.60	16.00	21.50	3,526.00	164
Investigations	137.80	27.90	0.20	7.50	13.10	186.50	100,985.00	541
Creditors	0.90	1.70	0.00	0.50	4.00	7.10	1,604.00	226
<b>TOTAL</b>	<b>140.10</b>	<b>31.70</b>	<b>0.60</b>	<b>9.60</b>	<b>33.10</b>	<b>215.10</b>	<b>106,115.00</b>	<b>493</b>

*The office holder employs staff in both the UK and India. The office holder reserves the right to use staff in either jurisdiction, as appropriate, based on the complexity of the matter and to ensure the most time and cost-efficient service is provided.*

**[B] Time Spent by Bhardwaj Limited**

Classification of Work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	SIP9 Additional 1	SIP9 Additional 2	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Investigation Analysis	3.40	0.00	0.00	0.00	0.00	0.00	3.40	1,343.00	395.00
Investigations	3.40	0.00	0.00	0.00	0.00	0.00	3.40	1,343.00	395.00
<b>TOTAL HOURS</b>	<b>3.40</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>3.40</b>	<b>1,343.00</b>	<b>395.00</b>
<b>TOTAL FEES CLAIMED</b>									<b>0.00</b>
<b>TOTAL EXPENSES CLAIMED</b>									<b>0.00</b>

n/a - Denotes time recorded under that section with no sub-analysis code specified



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**ADDITIONAL INFORMATION IN RELATION TO JOINT LIQUIDATORS' FEES AND EXPENSES**

Re10 Restructuring and Advisory Limited's ("Re10") mission statement is "to provide clients with an outstanding service based on technical excellence, effective problem solving and the highest level of client care". It provides a quality, partner led service and takes compliance with insolvency legislation and best practice guidance seriously.

This guide to our fees and disbursements has been produced to provide creditors with information required by best practice guidance.

**Additional Information in Relation to the Joint Liquidators' Fees and Expenses**

**1. Staff Allocation and the Use of Sub-Contractors**

- 1.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 1.2 The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.
- 1.3 Staff are employed in both the UK and India and the Office holder reserves the right to use staff in either jurisdiction, as appropriate, based on the complexity of the matter and to ensure the most time and cost-efficient service is provided.
- 1.4 It is not proposed to utilise the services of any sub-contractors in this case.

**2. Professional Advisors**

- 2.1 On occasion it is necessary for the office holder to engage with specialist professional advisers. Professional advisers are selected with regard to the specific requirements of the case and based upon the office-holder's professional judgement of their experience and ability to perform the necessary work, the complexity and nature of the assignment and the basis of the fee arrangement to ensure a fair and reasonable cost to the estate. The Joint Liquidator is obliged to ensure that such advice or work is warranted and that the advice or work reflects the best value and service for work undertaken.
- 2.2 Expenses incurred in respect of specialist advisers are subject to independent assessment prior to engagement and reported in accordance with current guidance. Unless a significant personal or professional relationship, that may give rise to a potential threat or conflict, has been identified with any Advisor their costs are regarded as category 1 expenses.
- 2.3 On this assignment the Joint Liquidator has used professional advisors for specialist areas of work. All providers are independent, appropriately qualified persons whose rates have been assessed to provide value to the estate. Details of the services provided to date and the expenses incurred to date can be found in the body of the report.

**3. Joint Liquidators' Expenses**

- 3.1 An expense is a directly attributable cost to the estate which is neither an office holder's remuneration nor a distribution to creditors or members. Expenses can include disbursements, payments met by the office holder and subsequently recovered from the estate, and are divided into those that do not need approval before they are charged to the estate (category 1) and those that do (category 2).

### **ADDITIONAL INFORMATION IN RELATION TO JOINT LIQUIDATORS' FEES AND EXPENSES**

- 3.2 Category 1 expenses are payments to independent third parties and do not have to be approved prior to payment, but when reporting to the creditors committee and creditors during the course of the Liquidation the actual expenses incurred will be compared with the original estimate provided and I will explain any material difference (e.g. where legal costs rise due to escalated recovery action).
- 3.3 Category 2 expenses are payments to associates, or parties with a professional or personal relationship, or payments which have an element of shared costs. These expenses require approval in the same manner as an office holder's remuneration. No category 2 expenses have been incurred in this case.
- 3.4 Details of the Joint Liquidators' expenses incurred to date can be found in the body of the report.

#### **4. Charge-Out Rates**

- 4.1 Re10's current charge-out rates are detailed below:
- 4.2 Support staff do not charge their time to each case. Support staff include cashier, secretarial and administration support. This firm records its time in minimum units of 6 minutes.

#### **General Practice Rates**

<i><b>Grades</b></i>	<i><b>£ per hour</b></i>	<i><b>£ per unit*</b></i>
Partner	650	65.0
Senior Manager	320	32.0
Manager	260	26.0
Assistant Manager	200	20.0
Senior Supervisor	175	17.5
Supervisor	150	15.0
Office Executive	120	12.0
Office Assistant	100	10.0

#### **5. Complaints Procedure**

- 5.1 Re10 Restructuring and Advisory Limited strives to provide a first-class service to all of its clients and we are committed to a process of continuous improvement. As such, should you have any comments or complaints regarding this matter, you should contact using the first place at the address on the front of this report.
- 5.2 Should you consider that we have not dealt with your comments appropriately, you may request we perform an internal independent review of your complaint. This review would be undertaken by a person within Re10 Restructuring and Advisory Limited not involved in the assignment.
- 5.3 If you do not receive a satisfactory response then you may be able to make a complaint to the Liquidator's regulatory body, via the complaints Gateway operated by the Insolvency Service. The contact details for the Gateway are by email [insolvency.enquiryline@insolvency.gov.uk](mailto:insolvency.enquiryline@insolvency.gov.uk), by phone 0300 678 0015 (call charges apply) or by post: The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds LS11 9DA. Further information on the Gateway can be found at <https://www.gov.uk/complain-about-insolvency-practitioner>.

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**BHARDWAJ LIMITED  
FEE POLICY AND CHARGE OUT RATES**

## Practice Recovery

## Practice Recovery

### 1. Introduction

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration either as a combination of, or on one of the following basis of the time properly spent in dealing with the case, on a fixed fee basis, or as a percentage of realisations or on the estimate provided to the creditors. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on the above basis. Best practice guidance requires that such information should be disclosed to those who are responsible for approving remuneration.

### 2. Office Holder's fees in respect of the administration of insolvent estates

The office holder has overall responsibility for the administration of the estate. He will delegate tasks to the appropriate members of staff. Such delegation assists the office holder as it allows him to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

If remuneration is to be charged on the basis of time properly spent in dealing with the case, the firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. This time is recorded in not more than six minute intervals at the individual's hourly rate in force at that time which is detailed below. If a time cost basis is sought creditors will be provided with a fee estimate. The Officeholder is unable to draw fees in excess of any approved fee estimate without seeking further authority from the creditors or creditors committee.

Should remuneration be charged on a fixed fee basis, this fee is fixed having taken into account the complexity of the case and those tasks that would be necessary to conclude the case. A proposed fixed fee gives certainty with regard to costs.

Should remuneration be charged as a percentage of net realisations, this is based on an estimate of the percentage that the office holder believes reflects the risk that he is taking of not achieving any realisations, the nature of the assets involved, the complexity of the case and the anticipated benefit for the creditors. If assets are recovered, we first recover our costs and then distribute any balance. We consider that the proposed percentage reflects the risk that there will be no realisation, whilst sharing the benefit our work will produce to creditors. For clarity, a proposed percentage fee is not only to cover costs of asset recovery but also to contribute to the costs of the proceedings generally. As this fee is conditional upon recoveries from this particular source, a proposed percentage fee protects the estate from exposure to costs, which would apply in respect of a higher general fixed fee or time cost basis.

### Expenses incurred by Office Holders in respect of the administration of Insolvent estates

Best practice guidance classifies expenses into two broad categories:

- Category 1 expenses (approval not required) – specific expenditure that is directly related to the case usually referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- Category 2 expenses (approval required) – items of incidental expenditure directly incurred on the case which include an element of shared or allocated cost and which are based on a reasonable method of calculation.

(A) The following items of expenditure are charged to the case as category 2 expenses (subject to approval):

- Internal meeting room usage for the purpose of creditors is charged at the rate of £100
- Car Mileage is charged at the rate of 45 pence per mile
- Storage of books & records (when not chargeable as a Category 1 expense) is charged on the basis that the number of standard archive boxes for all such cases in respect of the period for which the storage charge relates.

## Practice Recovery (Continued)

(B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a Category 1 Expense: Telephone & Facsimile, Printing & Photocopying, Stationery.

### Bhardwaj Limited charge-out rates

Current charge out rates are provided below and may be subject to change periodically.

Office Holder	£450 per hour
Managers	£320 per hour
Administrator	£225 per hour

Time is recorded in units of 6 minutes.