

COVER SHEET

S.E.C. Registration Number

(Company's Full Name)

(Business Address: No. Street City / Town / Province)

Contact Person

Company Telephone Number

Month Day
Fiscal Year

FORM TYPE

Last Friday

Month _____ Day _____
Annual Meeting

Secondary License Type, if Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. 27 May 2010
Date of Report (Date of earliest event reported)
2. SEC Identification Number 21134
3. BIR Tax Identification No. 000-234-398
4. VITARICH CORPORATION
Exact name of issuer as specified in its charter
5. Metro Manila, Philippines (SEC Use Only)
Province, country or other jurisdiction of incorporation Industry Classification Code:
7. Abangan Sur, MacArthur Highway, Marilao, Bulacan 3019
Address of principal office Postal Code
8. (632) 843-3033; 843-0237 to 47
Issuer's telephone number, including area code
9. Not applicable
Former name or former address, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
<u>Common Stock – Total Shares Issued and Outstanding</u>	<u>409,969,764 shares</u>

11. Indicate the item numbers reported herein:

Item 2. Acquisition or Disposition of Assets

Sale of Non-core Assets of the Corporation

During the regular Board meeting of Vitarich Corporation (the "Corporation") held on 27 May 2010, the Board approved the sale of the non-core assets of the Corporation located in Visayas and Mindanao for a minimum price of P202,340,245.00. The said sale will be submitted to the Rehabilitation Court for its approval.

Upon motion duly made and seconded, the Board passed the following resolutions:

"WHEREAS, in his Quarterly Report ending September 2009, the Corporation's Rehabilitation Receiver proposed to the Rehabilitation Court, the disposition of the idle assets of the Corporation through an open, transparent and competitive bidding process, under the following terms and conditions: 1) that the minimum bid be 20% higher than the current appraised value of the assets; 2) that the bid may be for cash and/or by reduction of the Corporation's corporate debt; 3) that the highest bidder shall be subject to "Swiss Challenge"; and 4) that the plan to dispose the assets shall be considered as an equivalent compliance with the rehabilitation annual payment which will commence in July 2010;

WHEREAS, the Board of Directors, in its meeting held on July 30, 2009, had provisionally authorized the Chairman of the Board to explore the possibility of entering into a joint venture or of selling the idle, non-core or otherwise underutilized assets of the Corporation; provided that the final terms and conditions of the joint venture or sale shall be subject to the approval of the Board of Directors;

WHEREAS, on 29 January 2010, the Rehabilitation Court issued an Order approving the disposition of the idle assets of the Corporation, and directing the sale of the non-core assets, subject to the approval of the final terms of the sale by the Rehabilitation Court;

WHEREAS, on March 8 and 15, 2010, the Corporation, upon the Order of the Rehabilitation Court, published in the Manila Bulletin, a notice to bid out selected non-core, and non-leased properties of the Corporation, located in Visayas and Mindanao, to wit:

Min. Bid
Industrial (Hatchery Plant, land and buildings)
Brgy. Tuburan Subod, Zarraga, Iloilo City
42,325 sq.m. (T-163008)
15,994,800
Residential House & Lot
Lawaan Village, Brgy. Buhang, Jaro, Iloilo City

312 sq.m. (T-120611)
1,077,600
Residential Land
Skyline Subd., Brgy Catalunan Grande , Davao City
367 sq.m. (T-120466)
1,321,200
Residential land
Maharlika Village, Brgy. Maa, Davao City
1,000 sq.m (T-163882)
600,000
Residential land
Villa Consuelo Subd., Brgy. City Heights , General Santos City
524 sq.m (T-61414)
1,572,000

Land and building
Paradise Subd., Brgy. Lagao, General Santos City
520 s q.m. (T-79391)

1,098,000
Residential/Agricultural Land
San Jose , San Miguel, Iloilo City
24,228 s q.m. (T-153183, T-153184)
13,083,600
Commercial land
Brgy. Sagcahan , City of Tacloban , Leyte
2,428 sq.m (T-65692)
3,600,000
Residential land Brgy. Sum-ag , Pahanocoy , Bacolod City
1,368 sq.m. (T-281351)
1,200,000
Feedmill, Land , Building, Machinery, Equipment, Furniture
Tablon, Cagayan de Oro
37,361 s q.m (T-37040, T-37168, T-37042, T-42303, T-33284)
141,834,000
Residential land and building
Capistrano St., Cagayan de Oro City
133 s q.m. (T-194288)
3,000,000
Residential land
Iponan, Cagayan de Oro
20,645 s q.m. (T-123898, T-123897, T-123896, T-123895)
12,065.640

Agricultural Land
Brgy. Glamang, Polomolok, South Cotabato
63,389 sq.m. (T-71235)

34,230,000
Agricultural Land
Bo. Marbel, Koronadal, South Cotabato
20,886 sq.m. (T-59799)

2,005,200

WHEREAS, on April 7, 2010, the Corporation opened the bids submitted by two bidders, Kenward Marketing Inc. ("Kenward") and Kormasinc, Inc. ("Kormasinc");

WHEREAS, Kenward submitted a bid for the property covered by TCT No. T-65692, located at Brgy Sagcahan, City of Tacloban, Leyte for P3,000,000.00. However, such bid was rejected by the Corporation because the bid amount was short of the floor price of P3,600,000.00;

WHEREAS, Kormasinc submitted a bid for all but two (i.e., the property covered by TCT No. T-71235, located in Brgy Glamang, Polomolok, South Cotabato; and the property covered by TCT No. T-59799, located in Bo. Marbel, Koronadal, South Cotabato) of the properties advertised for sale. Kormasinc offered to pay by way of reduction of the debt of the Corporation evidenced by the Promissory Note dated January 2, 2003 for P218,566,702, originally issued by the Corporation to Rizal Commercial Banking Corporation, and which was subsequently acquired by Kormasinc. Kormasinc offered to pay the amount of P202,340,245.00 for the properties by way of reduction of the aforesaid debt of the Corporation by the same amount.

WHEREAS, the bid of Kormasinc, being the highest responsive bid, the Corporation granted Kormasinc a provisional award subject to a period for challenging the said bid award, which will expire on 7 June 2010;

WHEREAS, as of current date, no challenge to the bid award in favor of Kormasinc has been brought before the Corporation and/or Rehabilitation Receiver;

RESOLVED, as it is hereby resolved, that the Board of Directors of the Corporation approves the sale of the following real estate properties to Kormasinc, and that the Board hereby approves the payment by way of reduction of the Corporation's debt to the extent of P202,340,245.00, subject to the approval of the Rehabilitation Court, to wit:

Industrial (Hatchery Plant, land and buildings)
Brgy. Tuburan Subod, Zarraga, Iloilo City
42,325 sq.m. (T-163008)
15,994,800
Residential House & Lot
Lawaan Village, Brgy. Buhang, Jaro, Iloilo City
312 sq.m. (T-120611)

1,077,600
Residential Land
Skyline Subd., Brgy Catalunan Grande , Davao City
367 sq.m. (T-120466)
1,321,200
Residential land
Maharlika Village, Brgy. Maa, Davao City
1,000 sq.m (T-163882)
600,000
Residential land
Villa Consuelo Subd., Brgy. City Heights , General Santos City
524 sq.m (T-61414)

Land and building
Paradise Subd., Brgy. Lagao, General Santos City
520 s q.m. (T-79391)
1,572,000

1,098,000
Residential/Agricultural Land
San Jose , San Miguel, Iloilo City
24,228 s q.m. (T-153183, T-153184)
13,083,600
Commercial land
Brgy. Sagcahan , City of Tacloban , Leyte
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1,368 sq.m. (T-281351)
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Feedmill, Land , Building, Machinery, Equipment, Furniture
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20,645 s q.m. (T-123898, T-123897, T-123896, T-123895)
12,065.640

RESOLVED, FURTHER, that in the event that the bid of Kormasinc is effectively challenged between the date hereof and June 7, 2010 in accordance with the bidding rules, the Chairman of the Board, Mr. Rogelio M. Sarmiento, shall bring the matter to the attention of the Board for appropriate action; and

"RESOLVED, FINALLY, that upon the expiration of the period for challenging the bid award, or after 7 June 2010, and the bid submitted by Kormasinc has not been successfully challenged, the Corporation's Chairman of the Board, Mr. Rogelio M. Sarmiento, be authorized, as he is hereby authorized, to execute and deliver the deed of sale with Kormasinc, and any and all papers, instruments and documents which may be necessary to implement the foregoing resolutions."

Item 9. Other Events

a. Issuance of the remaining unissued shares

During the said Board meeting, the Board approved the issuance of the remaining 90,030,236 common shares out of the Corporation's authorized capital stock of 500,000,000 common shares.

The Board also passed a resolution approving the listing of the said shares with the Philippine Stock Exchange ("PSE"). The Board resolved to submit this resolution for the approval of the stockholders of the Corporation during the annual stockholders' meeting scheduled on 25 June 2010.

Upon motion duly made and seconded, the Board passed the following resolutions:

"RESOLVED, that the Board of Directors of the Corporation hereby approves and authorizes the issuance of the remaining unissued 90,030,236 common shares of the Corporation, either by cash or by the conversion the Corporation's debts to equity;

RESOLVED, FURTHER, that the abovementioned issuance shall be subject to the following conditions: (1) the prior approval of the Board of Directors of the Corporation shall be obtained for all issuances of shares to particular subscribers, and the terms and conditions for such issuances; (2) compliance by the Corporation with the requirements of the Securities and Exchange Commission ("SEC") for the issuance of the shares as a result of debt-to-equity conversion in general; (3) compliance by Corporation with the requirements of the Philippine Stock Exchange ("PSE") for the additional listing of the new common shares to be issued; (4) the approval by the stockholders of the Corporation of the issuance of the new shares, and the listing thereof with the PSE; and (5) the approval of the Rehabilitation Court as may be applicable;

RESOLVED, FURTHER, that the Corporation hereby authorizes the Corporation's Chairman of the Board, Mr. Rogelio M. Sarmiento, to sign, execute and deliver any and all deeds, papers, instruments or documents which may be necessary to effect the foregoing resolution, including without limiting, the deed/s of assignment with the creditors to effect the debt-to-equity conversion, if applicable; the notice of exemption and/or amendment of the registration statement, if any, to be filed with the SEC; and the additional listing agreement with the PSE.

RESOLVED, FURTHER, that the Board hereby approves the listing with the PSE of the abovementioned shares to be issued out of the remaining unissued shares of the Corporation;

RESOLVED, FINALLY, that the issuance and the listing of the abovementioned shares with the PSE shall be submitted to the stockholders for their approval during the annual stockholders' meeting scheduled on 25 June 2010."

b. Increase in the authorized capital stock of the Corporation

During the same Board meeting, the Board passed a resolution to increase the authorized capital stock of the Corporation by another P500,000,000.00, or from P500,000,000.00, divided into 500,000,000 common shares with a par value of P1.00 per share, to P1,000,000,000.00, divided into 1,000,000,000 common shares with a par value of P1.00 per share. The Board resolved to submit this resolution for the approval of the stockholders of the Corporation during the annual stockholders' meeting scheduled on 25 June 2010.

The Board also approved a resolution approving the listing of the said shares to be issued in pursuant to the said increase in the authorized capital stock with the PSE. The Board resolved to submit this resolution for the approval of the stockholders of the Corporation during the annual stockholders' meeting scheduled on 25 June 2010.

Upon motion duly made and seconded, the Board passed the following resolutions:

"RESOLVED, as it is hereby resolved, that the authorized capital stock of the Corporation be increased by another Five Hundred Million Pesos (P500,000,000.00), or from Five Hundred Million Pesos (P500,000,000.00), divided into Five Hundred Million (500,000,000) Common Shares with a par value of One Peso (P1.00) each, to One Billion Pesos (P1,000,000,000.00), divided into One Billion (1,000,000,000) Common Shares with a par value of One Peso (P1.00) each, and that Article SEVENTH of the Corporation's Articles of Incorporation be amended to read as follows:

"SEVENTH: That the authorized capital stock of the Corporation is ONE BILLION (P1,000,000,000.00) PESOS, divided into ONE BILLION (1,000,000,000) COMMON SHARES, with a par value of P1.00 per share."

"RESOLVED, FURTHER, that the Board of Directors of the Corporation shall approve all issuances of the new common shares to particular subscribers and the terms and conditions for such issuances, subject

to the approval of the Securities and Exchange Commission and the Rehabilitation Court as may be applicable;

RESOLVED, FURTHER, that the Board hereby approves the listing of the new common shares to be issued pursuant to the increase in the authorized capital stock of the Corporation with the Philippine Stock Exchange, subject to the approval of the stockholders of the Corporation and of the Securities and Exchange Commission of the increase in the authorized capital stock;

RESOLVED, FINALLY, that the increase in the authorized capital stock, the issuance and the listing of the abovementioned shares with the PSE shall be submitted to the stockholders for their approval during the annual stockholders' meeting scheduled on 25 June 2010."

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the Issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Registrant - **VITARICH CORPORATION**

By:



ATTY. PEDRO T. DABU

Assistant Corporate Secretary, Corporate Information Officer
And Compliance Officer

May 27, 2010