

**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH, COURT-V**

I.A No.24 of 2024

In

CP (IB) No.214/MB/2022

Under Section 33(2) of The Insolvency and Bankruptcy
Code, 2016

In the Matter of

Jovita Reema Mathias ,

Resolution Professional for UGH Vintage Hospital and
Medical Research Centre Private Limited A1-302, 3rd
Floor, Shubham Centre, Cardinal Gracious Road,
Chakala, Andheri Mumbai 400 099

... Applicant /Resolution Professional

In the matter of

Encore Assets Reconstruction Private Limited,

...Financial Creditor

V/s

**UGH Vintage Hospital and Medical Research Centre
Private Limited**

....Corporate Debtor

Order dated 13.08.2024

Coram:

Reeta Kohli, Hon'ble Member (Judicial)

Madhu Sinha, Hon'ble Member (Technical)

For the Applicant:

Advocate Ramesh Kumar Singh

ORDER

Per: Madhu Sinha Member (Technical)

1. This is an Application filed under Section 33 of the Insolvency and Bankruptcy Code, 2016 (Hereinafter referred to as the Code) by the Applicant who is also the Resolution Professional (RP) of the Corporate Debtor seeking the following reliefs:

i. To pass an order for Liquidation of the Corporate Debtor, UGH Vintage Hospital and Medical Research Center Private Limited, under section 33(1) of the Insolvency and Bankruptcy Code 2016.

ii. To pass the Following consequential directions.

a. Mr. Girish Krishna Hingorani, the Insolvency Professional having [13131 Reg. No IBBI/IPA 002/11PN00842/2019-20/12695 be appointed as the liquidator of the Corporate Debtor under section 34 (1) of the Insolvency and Bankruptcy Code, 2016.

b. That the fees of the liquidator be fixed as per the resolution passed by the Committee of Creditors of the Corporate Debtor at their 11 meeting".

c. That the liquidator be directed to explore the possibility of reviving the Corporate Debtor through a scheme of compromise/arrangement under regulation 2B of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.

d. That, failing any scheme being propounded under (3) above, the liquidator be directed to first attempt to sell the: Corporate Debtor as a going concern.

iii. Costs of this Interlocutory Application.

Brief facts of the case:

2. The Applicant in the present application submitted that the Corporate Debtor was

admitted to CIRP by an order dated 19.05.2023, wherein the Applicant was appointed as Interim Resolution Professional. Following the receipt of the CIRP Admission order dated 19.05.2023, a Public Announcement in Form A under Regulation 8 of CIRP Regulations was made by the Applicant on 23.05.2023 in newspapers namely *Tarun Bharat* (Vernacular language) and *Times of India* (English Language) in Panji, Goa. Additionally, the same was published in *Navkal* (Vernacular language) and *Financial Express* (English Language) in Mumbai for intimating commencement of CIRP and inviting claims from the Creditors of the Corporate Debtor on or before 03.06.2023.

3. In pursuance of the aforementioned Public Announcement, the IRP admitted total claims of Rs.38,07,27,652/- which was filed by 'Encore Assets Reconstruction Company Private Limited' and 'The Mapusa Urban Co-operative Bank of Goa'.

Sr.No	Name of the Creditor	Nature of Creditor	Amount of claim admitted(in Rs)
1	Encore Assets Reconstruction Company Private Limited	Financial Creditor	37,10,09,998/-
2	The Mapusa Urban Co-operative Bank of Goa- under Liquidation	Financial Creditor	97,17,654/-
Total			38,07,27,652/-

4. The Applicant duly constituted the CoC in compliance with Section 21(1) of Insolvency and Bankruptcy Code, 2016. The voting rights of both CoC members were as follows.

Sr. No	Name of the creditor	Nature of the creditor	Amount of claim admitted (in Rs.)	Voting Share
1	Encore Assets Reconstruction Company Private Limited	Financial Creditor	37,10,09,998/-	97.45%

2	The Mapusa Urban Co-operative Bank of Goa-under Liquidation	Financial Creditor	97,17,654/-	2.55%
Total			38,07,27,652/-	100%

5. The first CoC Meeting was conducted by the IRP on June 19, 2023 in which the CoC with the unanimous vote decided to appoint **Jovita Reema Mathias(Applicant)** as the Resolution Professional.
6. Later, on July 11, 2023, in the 2nd CoC meeting, the CoC approved the publication of an Expression of Interest (EOI) in FORM-G as per *Regulation 36A(1)* of the Insolvency and Bankruptcy (Insolvency Resolution Process for Corporate Persons) Regulations, 2016. The CoC also approved additional eligibility criteria for Prospective Resolution Applicants to submit a resolution plan, according to clause (h) of sub-section (2) of *Section 25 of the IBC, 2016*. The CoC further approved the Detailed Expression of Interest, Evaluation Matrix, and Request for Resolution Plan, which had been prepared by the Resolution Professional in line with Regulations 36A and 36B of the CIRP Regulations, 2016. The Resolution Professional notified the Committee of Creditors (CoC) regarding the appointment of two registered valuers for conducting valuation across different asset classes, namely Land & Building, and Securities and Financial Assets to determine its fair value and liquidation value.
7. The Applicant further submitted that in 3rd Committee of Creditors meeting held on August 9, 2023, where it was noted that only one Expression of Interest (EOI) along with an Earnest Money Deposit (EMD) was received from '*Tatkal Loan Private Limited*' by the deadline of August 7, 2023. The CoC resolved to issue an addendum to invite more prospective resolution applicants (PRAs). During the 4th CoC meeting held on October 10, 2023, the final list of PRAs was presented. Although there were requests from two PRAs to extend the submission deadline for the resolution plan, the committee refused these requests.

- 8.** The Applicant submitted that in the 5th Committee of Creditors (CoC) meeting held on November 2, 2023, the CoC resolved to seek a 30-day extension for the Corporate Insolvency Resolution Process (CIRP) due to necessary revisions in the submitted resolution plan. Consequently, an Interlocutory Application (IA) bearing No. 5314 of 2023 was filed to seek an extension of 30 days for the completion of the CIRP. This Hon'ble Tribunal allowed the application vide an order dated November 22, 2023.
- 9.** In the 6th CoC meeting on November 22, 2023, the Committee of Creditors requested the Prospective Resolution Applicant(PRA's) to increase their offer and reduce the plan period from 180 to 45 days, the revised plan to be submitted by November 27 2023. In the 7th CoC meeting held on December 6 2023, discussed regarding appointment of a third valuer due to reclassification and other issues with a property in Caculo Enclave. During the 8th CoC meeting held on December 8 2023, the CoC resolved to seek a 60-day extension from the Hon'ble Tribunal for further negotiations to maximize stakeholder realization and addressed the reclassification of the Caculo Enclave property to a public zone, which imposed construction restrictions and changed the permissible construction area.
- 10.** During the 9th CoC meeting, the CoC members resolved to request an additional 60-day extension from the Hon'ble Tribunal to negotiate with Resolution Applicants. The Applicant informed the members about the appointment of a third IBBI-registered valuer, SVEE Valuation and Advisory LLP, with IBBI Reg No. IBBI/RVE/05/2021/143.
- 11.** In the 10th CoC meeting held on February 6, 2024, the Applicant informed the Committee of Creditors the Interlocutory Application bearing No.1342 of 2024 is already filed for the extension was under scrutiny. During the 11th Committee of Creditors (CoC) meeting convened on February 13, 2024, the majority members of the CoC expressed their inclination to withhold approval of the

resolution plans on the grounds that the plans do not meet the liquidation value criteria. The Applicant briefed on the liquidation process, and both the resolution plans and the resolution for liquidation were put to vote. Ultimately, the CoC members voted in favor of liquidating the corporate debtor, with a voting percentage of 97.01%. Mr. Girish Krishna Hingorani was subsequently appointed as the liquidator.

- 12.** Since no resolution plan was approved and the Corporate Insolvency Resolution Process (CIRP) period had ended, liquidation was sought. All requirements under Section 33 of the Insolvency and Bankruptcy Code (IBC) were met, and liquidation of the corporate debtor was pursued, along with the appointment of the proposed insolvency professional as the liquidator
- 13.** After hearing the submissions made by the Ld. Counsel appearing for the Applicant and upon perusing the material available on record, the counsel for the Applicant submits that no resolution Plan has been approved and the period of CIRP had also come to an end, there is no option except to put the Corporate Debtor Company into Liquidation as per the Code.
- 14.** The Interlocutory Application No. 1324 of 2024 filed for 60 days extension has been disposed of pursuant to the order dated 26.03.2024 of the Hon'ble Tribunal, and an extension has been granted to enable the Resolution Professional (RP) to continue the process and complete the Corporate Insolvency Resolution Process (CIRP).
- 15.** No resolution plans were approved by the CoC of the Corporate Debtor, the CoC considered it appropriate to move an appropriate Application for seeking permission of liquidation of the Corporate Debtor.
- 16.** After having appreciated the contentions of the Applicant, we deem it appropriate to agree with commercial wisdom of the CoC to allow present Application seeking for Liquidation.

17. Accordingly, the above Interlocutory Application No.24 of 2024 stands disposed of. The prayers are allowed, directing the Liquidation of the Corporate Debtor.

18. The above I.A No 24 of 2024 is allowed in terms of the above said and is disposed of.

a. The Corporate Debtor M/s UGH Vintage Hospital and Medical Research Center Private Limited is ordered to be Liquidated.

b. Mr. Girish Krishna Hingorani, having IP Registration No. IBBI/IPA002/1IPN00842/2019-20/12695 is hereby appointed as the Liquidator as provided under Section 34(1) of the Code.

c. That the Liquidator for conduct of the Liquidation proceedings would be entitled for fees as per table mentioned in Regulations 4(3) of the *IBBI (Liquidation Process Regulation),2016*.

d. The Liquidator appointed in this case is to initiate liquidation process as envisaged under Chapter-III of the Code by following the liquidation process given in the *Insolvency & Bankruptcy Board of India (Liquidation Process) Regulations,2016*.

e. The liquidator is appointed under section 34(1) of the Code. All powers of the Boards of Directors, Key Managerial Personnel and the partners of the Corporate Debtor, as the case may be, shall cease to have effect and shall be vested with the liquidator.

f. That the Corporate Debtor to be liquidated in the manner as laid down in the Chapter by issuing Public Notice stating that the Corporate Debtor is in liquidation with a direction to the Liquidator to send this order to the ROC under which this Company has been registered.

g. That the personnel of the Corporate Debtor are directed to extend all co-

operation to the liquidator for managing the liquidation process of the Corporate Debtor.

- h.** That on having liquidation process initiated, subject to section 52 of the Code, no suit or other legal proceeding shall be instituted by or against the Corporate Debtor save and except by the liberty of the liquidator to institute suit or other legal proceedings on behalf of the Corporate Debtor with prior approval of this Adjudicating Authority.
- i.** This liquidation order shall be deemed to be a notice of discharge to the officers, employees and workmen of the Corporate Debtor except to the extent of the business of the Corporate Debtor continuing during the liquidation process by the liquidator.
- j.** IA 24 of 2024 Allowed and Disposed of.

Sd/-

Madhu Sinha
Member (Technical)
/Priyanka/

Sd/-

Reeta Kohli
Member (Judicial)

NATIONAL COMPANY LAW TRIBUNAL

COURT-V, MUMBAI BENCH

212. IA/1833/2024 C.P. (IB)/214(MB)2022

IN THE MATTER OF

Encore Asset Reconstruction Company Private Limited ... Petitioner

Vs

UGH Vintage Hospital And Medical

Research Centre Private Limited

... Respondent

U/s 7 of the Insolvency and Bankruptcy Code, 2016

Order Delivered on 13.08.2024

CORAM:

MS. REETA KOHLI
MEMBER (J)

MS. MADHU SINHA
MEMBER (T)

Appearance through VC/Physical/Hybrid Mode:

For the Applicant: Adv. Yash Jariwala (VC)

For the Respondent:

ORDER

IA 1833/2024:- On the request of the Counsel for the Applicant, adjourned to

08.10.2024.

Sd/-
MADHU SINHA
Member (Technical)

Sd/-
REETA KOHLI
Member (Judicial)

// Anmol //