NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH

PRESENT: HON'BLE SHRI RATAKONDA MURALI– MEMBER JUDICIAL (SINGLE BENCH)

ATTENDANCE-CUM-ORDER SHEET OF THE HEARING HELD ON 29.11.2019 AT 10.30 AM

TRANSFER PETITION NO.	
COMPANY PETITION/APPLICATION NO.	CP(IB)733/59/IBC/HDB/2019
NAME OF THE COMPANY	Vanitha Finance&Investment Pvt Ltd
NAME OF THE PETITIONER(S)	Vanitha Finance&Investment Pvt Ltd
NAME OF THE RESPONDENT(S)	
UNDER SECTION	59 of IBC

Counsel for Petitioner(s):

Name of the Counsel(s)	Designation	E-mail & Telephone No.	Signature
PADMASRI APPANA	Liquidator	padmaappana@yahoo.co.in	[signature]

Counsel for Respondent(s):

Name of the Counsel(s)	Designation	E-mail & Telephone No.	Signature

ORDER

Liquidator is present in person. Heard her. Order is passed vide separate order.

Member (J)

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NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH-I

COMPANY APPLICATION NO. 733/59(7)/HDB/2019

U/S 59 (7) OF INSOLVENCY & BANKRUPTCY CODE 2016
R/w IBBI (Voluntary Liquidation Process) Regulations, 2017.

<u>In the matter of:</u>

Vanitha Finance & Investment Private Limited
8-2-120/112/A/14, Road No.9
Jubilee Hills
Hyderabad – 500033 ...Applicant

<u>Date of order: 29.11.2019</u>

<u>Coram</u>:

Hon'ble Shri Ratakonda Murali, Member (Judicial)

<u>Parties / counsels present</u>:

For the Applicant: Ms. Padmasri Appana, Liquidator

Heard on: 29.11.2019.

Per: Hon'ble Shri Ratakonda Murali, Member (Judicial)

<u>ORDER</u>

1. The Present Application is filed by the liquidator of M/s. Vanitha Finance & Investment Private Limited (hereafter referred to as Corporate Person) under Section 59 of the

Insolvency and Bankruptcy Code, 2016 for voluntary liquidation of the Corporate Person.

2. Vanitha Finance & Investment Private Limited (Company) was incorporated on 06.08.1984 under the provisions of the Companies Act, 1956 having CIN: U65993TG1984PTC004888.

3. The Authorized share capital of the Company is Rs. 250,00,00,000/- (Rupees Two Hundred and Fifty Crores only) divided into 25,00,000 (Twenty Five Lakhs) equity shares of Rs.100/- each. The issued, subscribed and paid-up share capital of the Company is Rs.19,15,000/- (Rupees Nineteen Lakhs Fifteen Thousand only) consisting of 19,150 (Nineteen Thousand One Hundred and Fifty) equity shares of Rs.100/- .

4. The Company is presently engaged in the business of Finance and investment.

5. The Board of Directors are of the opinion that due to non-availability of business prospect and long term financial resources, it is not financially viable to carry on the business activities of the Company and proposed to close down the Company by way of voluntary liquidation.

6. The Board of Directors of the Company in their Meeting held on 04.02.2019 passed a proposal to liquidate the Company. Further an Extraordinary General Meeting was held on 25.02.2019 wherein it was resolved to liquidate the Company Voluntarily under the provisions of Insolvency

and Bankruptcy Code, 2016 and Ms. Padmasri Appana, Insolvency Professional having IP Registration No. IBBI/IPA-002/IP-N002201/2017-18/10672 was appointed as Liquidator for the Company.

7. Pursuant to her appointment as Liquidator, the Applicant herein made public announcement of commencement of liquidation in Form-A in Business Standard (English) and Nava Telangana (Telugu) newspapers on 27.02.2019 inviting claims from the Stakeholders, if any, within 30 days from the date of commencement of liquidation i.e. 25.02.2019. On 27.02.2019 the Insolvency and Bankruptcy Board of India (IBBI) was also requested to publish the same on its website. The report regarding the same was also sent to Registrar of Companies, Hyderabad in Form MGT-14 and Form GNL-2.

8. It is stated there are 08 (eight) shareholders in the Company.

9. It is stated as per required under Regulations, the liquidator opened a Bank account in the name of "**VANITHA FINANCE & INVESTMENT PRIVATE LIMITED in voluntary liquidation**" with State Bank of India, Jubilee Hills, Hyderabad for realisation and payment to the creditors and Members. It is also stated that the liquidator has not received any claims.

10. The Liquidator submitted preliminary report to the Company on 30th March 19. A copy of preliminary report is annexed and Marked as **Annexure H.**

11. Based on the books of account there are no claims received, and as such no payments were made.

12. The Liquidator further intimated about the commencement of liquidation and appointment of Liquidator to the Income Tax Authority on 13.03.2019 as required under the provision of Section 178 of Income Tax Act who in turn issued no objection certificate/no due certificate on 10.06.2019 which is annexed and marked as **Annexure I.**

13. It is stated that the Corporate person/Liquidator/ Applicant herein has paid dividend distribution tax (DDT) of Rs. 72,00,352. The copy of the challan of SBI is annexed and Marked as **Annexure J**. It is further stated that post payment of the Dividend Distribution Tax, the accumulated profit was distributed to the members amounting to Rs. 2,78,28,834/- and investment in share capital to the tune of Rs.19,15,000. Entire amount was distributed and paid to the shareholders on 28th June 2019 through cheques. Copies of the same are annexed and Marked as **Annexure K.**

14. Certificate dated 24.09.2019 issued by NRG & Co, Chartered Accountant on the liquidation, showing receipts and payments pertaining to liquidation since the liquidation commencement date and copy of final report showing the realisation and Members of the Company, as required under regulation 38 of the regulations is annexed and Marked as **Annexure L.**

15. The copy of final report submitted to the Registrar of Companies, Hyderabad in form GNL-2, vide SRN R07380876 on 23rd October 19 and to IBBI through mail are annexed and marked as Annexure M.

16. Subsequent to making payment to the Members of the Company, the Bank account was closed on 15.09.19. Copy of the same is annexed and marked as **Annexure N.** Therefore, the Applicant prays the Tribunal to pass an order to dissolve the Company.

17. Heard the Liquidator in person. The Application is filed by the Liquidator under Section 59 of Insolvency and Bankruptcy Code, 2016. The Tribunal has to see whether the Liquidator complied the provisions of Section 59 of Insolvency and Bankruptcy Code, 2016 Read with Regulation 3 of Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017 before dissolution of the Company.

18. As per Section 59(3)(a) of the Code, a declaration from the majority of the Directors of the Company verified by an affidavit to the effect that, they have made a full inquiry in to the affairs of the Company and they have formed an opinion that, either the Company has no debt or that it will be able to pay its debt in full from the proceeds of the assets to be sold in the Voluntary Liquidation and the Company is not being liquidated to defraud any person, has to be filed.

19. The Directors of the Company passed a resolution on 04.02.2019 for voluntarily liquidating the Company. The

Liquidator also filed the declaration of solvency by Directors dated 04.02.109, i.e Ms. Vanitha Datla and Ms. Ramavarthy Kalidindi who have given their declaration of Solvency as Contemplated under Section 59(3)(a) of the Insolvency and Bankruptcy Code, 2016.

20. The Shareholders of the Company at the extra ordinary general meeting held on 25^{th} February, 2019 have approved the Voluntary Liquation of Corporate Person. I have seen the Minutes of Extra Ordinary General Meeting giving consent to liquidate the Company voluntarily and appointing Mrs. Padmasri Appana, Insolvency Professional as Liquidator through resolution dated 25.02.2019. The Company notified the RoC, Hyderabad about passing of Special Resolution.

21. The Liquidator appointed issued a Public announcement in Form-A in Business Standard, English Newspaper and the Nava Telangana, Telugu Newspaper both dated 27.02.2019 as per the IBBI (Voluntary Liquidation Process) Regulations, 2017. The Liquidator filed the copies of Public Announcement, which is marked as Annexure-E.

22. The Concerned Income Tax Officer vide his letter dated 10.06.2019 has conveyed to the liquidator stating that there are no tax arrears outstanding against M/s Vanitha Finance and Investment Private Limited and the said office has no objection to the Liquidation Process involving the said Assesse.

23. The Liquidator stated in her Application that Company did not have any Creditors as on the date of Liquidation Commencement.

24. The Liquidator has complied with the Liquidation process as per provisions stipulated under Section 59 of the Code and also as per IBBI (Voluntary Liquidation Process) Regulations, 2017 and moved this Application under Section 59(7) for seeking dissolution of Corporate Person **M/s Vanitha Finance and Investment Private Limited.** Therefore, the said Corporate Person stands dissolved. In the result **M/s Vanitha Finance and Investment Private Limited** is ordered to be dissolved with effect from 29.11.2019 and the copy of this order shall be forwarded to the concerned authority where the Corporate Person is registered within 14 days.

29.11.19

(RATAKONDA MURALI)
(MEMBER JUDICIAL)

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