



SL. No.2

**NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH
COURT HALL NO: II**

Hearing Through: VC and Physical (Hybrid) Mode

CORAM: SHRI. RAJEEV BHARDWAJ, HON'BLE MEMBER (J)

CORAM: SHRI. SANJAY PURI, - HON'BLE MEMBER (T)

**ATTENDANCE-CUM-ORDER SHEET OF THE HEARING OF NATIONAL COMPANY LAW TRIBUNAL,
HYDERABAD BENCH, HELD ON 03.04.2024 AT 10:30 AM**

TRANSFER PETITION NO.	
COMPANY PETITION/APPLICATION NO.	Company Petition IB/196/2023
NAME OF THE COMPANY	XDD India Pvt Ltd
NAME OF THE PETITIONER(S)	Mrs. G Shilpa Kiran
NAME OF THE RESPONDENT(S)	Registrar of Companies, Telangana
UNDER SECTION	59 of IBC

ORDER

Orders pronounced, recorded vide separate sheets. In the result, this petition is allowed and disposed of.

Sd/-
MEMBER (T)

Sd/-
MEMBER (J)



**IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH - II, HYDERABAD**

CP(IB) No.196/59/HDB/2023

*[Under Section 59(7) of the Insolvency & Bankruptcy Code,
2016 r/w Insolvency and Bankruptcy Board of India
(Voluntary Liquidation Process) Regulations, 2017 and
the National Company Law Tribunal Rules, 2016]*

In the matter of M/s.XDD Private Limited

Ms.Shilpa Kiran Gududur,
Liquidator of M/s.XDD Private Limited,
No.K 304, Purva Panorama Apartments,
Bannerghatta Main Road,
Kalena Agrahara, Near Meenakshi Temple,
Bangaluru-560 076.

Applicant/Liquidator

Date of Order: 03.04.2024

Coram:

Hon'ble Rajeev Bhardwaj, Hon'ble Member (Judicial)
Hon'ble Sanjay Puri, Member (Technical)

Counsel/Parties present:

For the Petitioner : Mr.Shilpa Kiran Gududur, Liquidator
Mr. Shaik Gouse, PCS for the Liquidator

[PER: BENCH]

ORDER

1. This application is filed under Section 59(7) of Insolvency and Bankruptcy Code, 2016 seeking for voluntary dissolution of the Corporate Debtor and to discharge the Liquidator from his duty as Liquidator.



2. The facts of the case briefly are as follows:
 - a. The Company was incorporated on 10th August, 2020 under the Companies Act, 1956, in the state of Telangana at Hyderabad with CIN No.U72900TG2020FTC142663. **(Copy of Memorandum and Articles of Association of the Applicant Company is Annexure A - page Nos.25-52 of the application).**
 - b. The registered office of the applicant is situated at Cabin 161, Workafella, 5th Floor, Western Aqua, Whitefields, HITEC City, Hyderabad-500 081
3. The main objects of the Applicant Company as per its memorandum of association were business of Litigation Coding, Evidence Data Discovery (EDD), Document review, Legal drafting and other legal services and to provide software development support services to clients in the legal industry. **(Memorandum of Association of the Applicant Company at Annexure A-page Nos.25-52 of the application).**
4. The authorized share capital of the Company was Rs.30,00,000/- consisting of 3,00,000 equity shares of Rs. 10/- each. The issued and paid-up capital of the Company was Rs.26,61,660/- into 2,66,166 equity shares of Rs. 10/- each.
5. **Special Resolution:**
 - a) It is submitted that the management proposed to the Board to terminate its business activities and initiate the process of voluntarily winding up the Company in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016, Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017. The Board of Directors decided to voluntarily liquidate the Company on 23.12.2022



and executed a declaration under Section 59(3) of the IBC, 2016. A special resolution of the members of the Corporate person was passed on 26.12.2022 (**Annexure B-Page Nos.53-57 of the application**).

b) It is submitted that the Board of Directors also executed a Declaration on 19.12.2022, as required under Section 59(3) of the Code that the Company does not have any debts. (**Annexure C Page Nos.58-64 of the application**). The declaration was accompanied by the Audited Financial Statements for the previous two years. (**Annexure D Page Nos.65-126 of the application**).

c) It is submitted that the Company has made a provision of Rs.6,00,000/- towards expenses which the Company incurred towards payment to M/s.P.Dilip Kumar & Associates at the commencement of winding up. The Consent of the Creditors of the Company to the special resolution was passed within 7 days as stipulated under Section 59(3) of the Code was obtained. The creditors of the corporate person signed an NOC for initiation of voluntary liquidation process and dispensation of meeting of creditors on December, 26, 2022. (**Annexure E-page No.127**).

6. It is submitted that ROC, IBBI, Income Tax Department, GST Department and the Reserve Bank of India have been intimated as required under Section 59(4) of the Code and invited their objections and/or claims against the Corporate Debtor, if any to the voluntary liquidation. The Applicant did not receive any objection or claims from any authorities. (**Copy of letters are at Annexure - F, Annexure - H - page Nos.128-136, page Nos.139-143**).

7. Upon being appointed, the Liquidator caused a public announcement in terms of Regulation 14 of the Insolvency and Bankruptcy Board of India



Voluntary Liquidation Process) Regulations was published in one English newspaper Business Standard and one Telugu newspaper - Mana Telangana on 29.12.2022 within in the time period of 5 days prescribed in the Regulations. (**Annexure-G-Page Nos. 137-138**).

8. **Preliminary Report by the Liquidator:**

On 03.02.2023, the Liquidator submitted a Preliminary Report as required under Regulation 8(1) to the Company detailing:

- a) Claim of M/s.P.Dilip Kumar & Associates amounting to Rs.6,00,000/- was paid by the Liquidator on 04.03.2023.
- b) List of Stakeholders were prepared within 45 days of the last date for receipt of claims and shared the same with the Corporate Person and IBBI for displaying on its website.
- c) It is submitted by the Applicant that the only assets was cash at bank, deposits and other receivable of the Corporate Person and the deposits and other receivables which were to be realised were written off. Claim was paid and the Liquidators' remuneration was drawn from the bank account of the Corporate person.
- d) The distribution was made in accordance with the priority of payments or 'waterfall' as prescribed in Section 53 of the Code. The surplus funds after payment of the liquidator's remuneration and expenses of Rs.54,41,613.69 were remitted to the shareholder Xcellence Inc on March 31, 2023. An amount of Rs.26,51,958.96 towards capital and an amount of Rs.27,89,654.73 towards dividend was remitted on March, 31, 2023. (**Copy of Acknowledgement of payment to Shareholders is at Annexure I - page Nos.144-146**).
- e) The Applicant on distribution of surplus funds to the shareholders, made a request to Kotak Mahindra Bank, in his capacity as Liquidator to close the Bank Account of the Corporate Person and the same was



closed on 05.04.2023 (**Copy of account closure letter is at Annexure M - page Nos.160-164**).

- f) The books of accounts as required under the Regulations to be maintained by the Liquidator have been maintained by the Applicant. On closure of the bank account, the final accounts of liquidation was prepared and audited by M/s.Vipin Bhansali and Associates, Chartered Accountants and Audit Report dated 11.04.2023 was issued. (**Copy of Audit Report is at Annexure N - page Nos.165- 168A**)
- g) TDS return in respect of tax deducted at source for payment to Liquidator was filed on 11.04.2023.

9. The Liquidator submits that the **Final Report** dated 12.04.2023 along with Liquidator Statement of Account duly audited and Auditor Report as required under Regulation 38 of the Regulations was also prepared and sent to the IBBI and RoC vide letter dated 13.04.2023. (**Copy of the letters sent to IBBI and RoC along with Final Report is at Annexure O-page Nos. 169-179 of the application**).

10. The Liquidator submits that as there were no undistributed assets or any other balance payable to the shareholders, the provisions of Regulation 39 do not apply and accordingly no separate application was made before the Tribunal for this purpose. An affidavit demonstrating compliance with the provisions of the Code and the Regulations thereunder is also submitted. (**Copy of the Compliance Affidavit is at Annexure Q - page Nos.172-191**).

11. It is submitted by the Liquidator that in terms of IBBI Circular No. IBBI/LIQ/45/2021; dated 15th November, 2021, clarification was issued stating the Liquidator/Insolvency Professional handling voluntary



liquidation process is not required to seek any NOC/NDC from the Income Tax Department as part of compliance in the said process.

12. It is submitted by the Liquidator that since the affairs of the Company have been completely wound up, and its assets completely liquidated the Liquidator has filed this Petition with the NCLT, Hyderabad Bench, at Hyderabad for voluntary dissolution of the Company in terms of section 59(7) of the Insolvency & Bankruptcy Code, 2016.
13. The Applicant has also enclosed an Affidavit demonstrating her eligibility to act as a Liquidator in accordance with the provisions of the Code and the Regulations thereunder. **(Copy of Affidavit is at Annexure R page Nos. 192-198 of the Application).**
14. We have perused the contents of the application and heard the Counsel appearing for the Liquidator. We are satisfied that the liquidation process is completed as per the procedure laid-down under IBC, 2016 and hence the voluntary dissolution as requested by the Liquidator is allowed and the Company shall stand dissolved.
15. In the Result, the Petition is allowed and Corporate Person shall stand dissolved from the date of this order. In exercise of the powers conferred on the Adjudicating Authority under Section 59 (7) of the Code, we hereby allow the Company Petition with the following directions:
 - A. The Corporate Person, M/s.XDD Private Limited is hereby dissolved, with immediate effect.
 - B. The Liquidator is directed to forward a copy of this order within a period of 14 days from the date of this order to the Registrar of Companies, Hyderabad, Telangana for making appropriate remarks for the



Corporate Person on MCA Website and Insolvency & Bankruptcy Board of India.

- C.** The Liquidator is also directed to forward copies of this order to all the Statutory Authorities connected with the affairs of the Corporate Person.
- D.** The Liquidator is further directed to preserve a physical or electronic copy of reports, registers, books of accounts referred to in Regulation 8 and 10 for at least 8 years after the dissolution of the Corporate Person, either with himself or with the information utility.

Accordingly, this **C.P.(IB) No.196/59/HDB/2023** is **allowed** and disposed of.

SD/-

(SANJAY PURI)
MEMBER (TECHNICAL)

Vinod

SD/-

(RAJEEV BHARDWAJ)
MEMBER (JUDICIAL)