

**NATIONAL COMPANY LAW TRIBUNAL  
AMARAVATI BENCH  
(Video Conference)**

**PRESENT: JUSTICE TELAPROLU RAJANI – MEMBER JUDICIAL  
ATTENDANCE-CUM-ORDER SHEET OF THE HEARING HELD ON 05.08.2022 AT 10.30 AM**

TC/CP. Nos.	CA/IA No.	Section/ Rule	Name of Parties
TCP(IB) No.54/7/AMR/2019	IA(IBC)/109/2021	7 of IBC	Reliance Commercial Finance Ltd Vs Smilecare Multi Speciality Hospitals India Pvt Ltd

**Counsel for Petitioner(s):**

Ries

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

**Counsel for Respondent(s):**

Ries

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

**ORDER**

IA(IBC)/109/2021 is allowed, vide separate orders.

Sd/-

**JUSTICE TELAPROLU RAJANI  
MEMBER JUDICIAL**

IA No. 109/2021  
IN  
TCP (IB) No.54/07/AMR/2019

**NATIONAL COMPANY LAW TRIBUNAL  
AMARAVATI BENCH AT MANGALAGIRI**

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IA No. 109/2021  
IN  
TCP (IB) No.54/07/AMR/2019

**Under Section 60(5) read with Section 35(1) (e) of Insolvency and  
Bankruptcy Code, 2016**

**In the matter of  
M/s. SMILECARE MULTI SPECIALITY HOSPITALS INDIA  
PRIVATE LIMITED**

**Between:**

Mr. Rachamalla Ramachandra Reddy,  
Resolution Professional for  
M/s. Smilecare Multi Speciality Hospitals India Private Limited,  
No.508, Block A1, TVS Lakeview Apartments,  
Road No.10, Pachavati Colony,  
Manikonda, Hyderabad.  
... Applicant/Resolution Professional

AND

1. The Admiral Superintendent,  
Naval Dockyard,  
Visakhapatnam-530014.
2. The Flag Officer Commanding-in-Chief,  
For CCPO, Head Quarters,  
Eastern Naval Command, Naval Base (PO),  
Visakhapatnam – 530014.
3. S.N.Sahu,  
Manager, Naval Dockyard,  
Visakhapatnam-530014.

... Respondents

( Sd/-

**Date of pronouncement of Order: 05.08.2022**

**CORAM:**

**Justice Telaprolu Rajani, Member Judicial**

**Appearance:**

For Applicant : Ms.J.V.L.Bharati, Advocate

For Respondents : Mr. N.Harinath, Advocate

**Per:**

**Justice Telaprolu Rajani, Member Judicial**

**ORDER**

1. This Application is filed by the Liquidator seeking for a direction to the Respondent to produce books of accounts, ledger and other relevant documents before him for reconciliation and to release payment for all the amounts mentioned as per annexure.
2. **The facts briefly as stated in the Application are that;**

The Applicant was appointed as Liquidator vide order dated 10.05.2021/ He was also appointed as IRP prior to that. After taking over as IRP, he noted that some unrealised debts are reflected in the books of accounts. He received information from the accounts department of the Corporate Debtor about the particulars of the amount of claims lodged and the amount received and the amount due from different departments of Navy. The Liquidator contacted all the concerned Navy Departments. Every department informed

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that they have no pending bills relating to Durga Hospitals which is a unit of Smilecare Multispecialty Hospitals India Private Limited i.e., Corporate Debtor. The Liquidator contacted the Area Accounts Office (Navy), NAD Post, Visakhapatnam and enquired about the pending bills relating to the Corporate Debtor. They informed that there were no pending bills. The Liquidator wrote a letter requesting the Flat Officer Commanding-in-Chief (For CCPO), Head Quarters, Eastern Naval Command, Naval Base (PO), Visakhapatnam and Admiral Superintendent, Naval Dockyard, Visakhapatnam, requesting them to give confirmation of amount due from Navy relating to the medical bills, but there was no response. The total amount of claims submitted to Navy as per hospital records was Rs.1,28,63,525/-. On verification of the bank statement, the amount received from the different departments of Navy comes to Rs.68,24,580/- only. There is no response from Navy about the balance amount of Rs.60,38,945/-. Hence, this application seeking for the above mentioned directions.

3. Respondent Nos.1 and 3 filed a common counter contending that there are no dues pending from any department of navy towards the Corporate Debtor and that the Naval Dockyard, Visakhapatnam paid a total amount of Rs.71,43,607/-. It is also stated that relevant proof of payments was submitted to the Liquidator. It was also pointed out that there is a conflict between the facts stated in the paragraph No.4 of the Application and tabular form listed in paragraph No.3. It is reiterated that no dues are pending.

sd/-

4. A rejoinder is filed by the Applicant stating that out of Rs.71,43,607/-, which is claimed as paid by the department of Naval Dockyard, Visakhapatnam, the Applicant received only Rs.59,34,460/- to their account with Canara Bank. It is also stated that after submission of bills by hospital to different departments of Navy, the bills have been verified by them and they have sent the bills to the Area Accounts Officer (NAVY), Visakhapatnam for making payment. But so far, the hospital has not received any payment. A detailed letter was addressed by the Applicant on 11.10.2021 to the Area Accounts Officer (NAVY), Visakhapatnam, Senior Accounts Officer, Accounts Section, Material Organization, Visakhapatnam and the Accounts Officer (R & D), Ship Building Centre, Visakhapatnam, but the hospital has not received the said payments.
  
5. At the time of hearing none appeared for the Respondents. The Counsel for the Applicant reiterated the contentions made in the application and rejoinder. However, the issue seems to be with regard to the lack of reconciliation between the amounts claimed by the applicant and the amounts paid by the Respondents. Hence, considering that reconciliation of the statements would resolve the issue, the application is allowed and the Respondents are directed to produce the books of accounts, ledger and relevant documents before the Liquidator for reconciliation and thereafter release the payments if any dues are found to be still existing.

*sd/-*

*IA No. 109/2021*  
*IN*  
*TCP (IB) No.54/07/AMR/2019*

Accordingly, I.A.No.109/2021 in TCP (IB)  
No.54/07/AMR/2019 is disposed of.

*sd/-*

**JUSTICE TELAPROLU RAJANI**  
**MEMBER JUDICIAL**

*Swamy Naidu*