

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

**PRESENT: JUSTICE TELAPROLU RAJANI – MEMBER JUDICIAL
ATTENDANCE-CUM-ORDER SHEET OF THE HEARING HELD ON 04.05.2022 AT 10.30 AM**

| TC/CP. Nos. | CA/IA No. | Section/ Rule | Name of Parties |
|----------------------|-----------|------------------|--|
| CP No.45/59/AMR/2022 | | 59 of IBC | Yugandhar Babu Lella (Liquidator of Raajeevan Hospitals Private Limited) |

Counsel for Petitioner(s):

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

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

CP No.45/59/AMR/2022 is allowed, vide separate orders.


**JUSTICE TELAPROLU RAJANI
MEMBER JUDICIAL**

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

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CP (IB) No. 45/59/AMR/2022

**Under Section 59 of the Insolvency and Bankruptcy Code, 2016
Read with IBBI (Voluntary Liquidation Process) Regulations, 2017**

**In the matter of
M/s. RAJEEVAN HOSPITALS PRIVATE LIMITED**

BETWEEN:

Mr.CA Yugandhara Babu Lella,
Registration No. IBBI/IPA-001/P00912/2017-18/11518
Liquidator of M/s.Raajeevan Hospitals Pvt Ltd
Address: 12-7-134, Villa 52, Mystic Hills,
Green Hills Road, Anjaneyanagar, Moosapet,
Hyderabad-500018, Telangana.

...Applicant

Date of Order:04.05.2022

CORAM:

Justice TelaproluRajani, Member Judicial.

Appearance:

For Applicant : Ms.Mano Ranjani, Advocate.

ORDER

1. This Petition is filed by the Liquidator for M/s. Rajeevan Hospitals Private Limited (Corporate Person) seeking for an order, to take the Final Report of the Liquidator on records and to dissolve the Corporate Person, as provided under the Regulations.
2. The facts as per the Petition, briefly, are as follows:

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- a) The Corporate Person i.e., M/s Raajeevan Hospitals Private Limited is a Private Limited Company incorporated under the provisions of Companies Act, 1956 on 21.08.1987 bearing CIN No. U85110AP1987PTC007710 and the Authorized Share Capital of the Company is Rs.20,00,000/- divided into 2,00,000 Equity shares of Rs. 10/- each and the Issued, Subscribed and Paid up share capital of the Company is Rs.19,39,280/- divided into 1,93,928 Equity shares of Rs. 10/- each and with an object of to carry on the business of running hospitals and allied activities.
- b) The majority of the Directors of the Corporate Person, on 19.03.2021, as prescribed U/S 59(3)(a) R/W Regulation 3 of IBBI(Voluntary Liquidation Process) Regulations, 2017 ("**Voluntary Liquidation Process Regulations**") declared the Corporate Person's solvency and audited financial statements for the previous two years and a report on valuation of the Company's assets. As per Section 59(3)(c)(i) R/W Regulation 3 of IBBI(Voluntary Liquidation Process Regulations), a special resolution was passed, in the Extraordinary General Meeting dated 17.04.2021, wherein it was resolved to liquidate the Company voluntarily under the provisions of I&B Code and Mr Yugandhara Babu Lella is appointed as Liquidator for the Corporate Person. Pursuant to Regulation 3(2) of Voluntary Liquidation Process Regulations, the Liquidator

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made a public announcement on 22.04.2021, in Form-A of Schedule-I calling upon the Corporate Person's stakeholders to submit their claims as on 17.04.2021 (Liquidation Commencement Date) with last date of submission of claims as 16.05.2021, which is 30 days from the liquidation commencement date.

- c) The Applicant intimated to the Registrar of Companies (RoC), and the Board about the resolution to liquidate the company within seven days of such resolution and prepared a list of stakeholders within forty five days from the last date of receipt of claims and modified the same from time to time and made it available for inspection as prescribed under Regulation 30 of IBBI(Voluntary Liquidation Process Regulations).
- d) Thereafter, the Liquidator prepared the preliminary report in line with Regulation 9 of the IBBI (Voluntary Regulation Process) Regulations, 2016 on 29.04.2020 and the same was submitted to the directors of the Corporate Person, detailing its capital structure and estimate of the assets and liabilities as on the liquidation commencement date based on the books of the Corporate Person and discussion with the stakeholders and proposed the plan of action for carrying out the liquidation of the Corporate Person along with estimated timelines and liquidation costs. Before initiation of its voluntary liquidation, the Corporate Person have an amount of Rs.12,94,627/- in its

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current account maintained with Karnataka Bank, Vizag Branch and also cash on hand of Rs.1,26,018/-. As per Regulation 34(1) of Voluntary Liquidation Regulations, Applicant opened the new bank account with same bank and the above amounts were transferred into new bank account.

- e) Corporate Person has only immovable property, comprising of piece and parcel of the land to an extent of 1420.30 Sq.yds or 1186.151 Sq.mtrs with buildings constructed thereon situated in Sy.No.6 of Resapuvanipalem Village, Seethammadhara Layout NE of Visakhapatnam (Schedule Property) and it has enough cash to meet the outside liabilities/claims, except the unsecured loans advanced by 3 of its shareholders. In terms of the special resolution passed at the Extraordinary General Meeting of the members of the Corporate Person held on 13.03.2021 and in accordance with the Articles of the Company, it was agreed to distribute the schedule property among the unsecured creditors and shareholders. Hence, the Applicant executed a conveyance deed, allotting the land aggregating to 28 sq.yards among the three unsecured creditors equivalent to the unsecured loan amount aggregating Rs.18,21,000/-, based on the valuation done for the schedule property and the balance extent of 1392.30 Sq.yards was distributed among the shareholders in proportion to their shareholding with an undivided and

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unspecified share in the said land and buildings, as approved by the corporate person, in terms of Regulation 35(3) of IBBI (Voluntary Liquidation Process) Regulations, 2017 made U/S 59 of the I&B Code and also distributed the surplus cash of Rs.9,21,151/- available, after compensating and after meeting the voluntary liquidation expenses.

- f) As per Article 76 of the Articles of Association, in case of winding up of the Company the Liquidator may with the sanction of special resolution, distribute all or any of the assets of the Company in specie among the contributories, in accordance with their respective rights, subject to prior discharge of the Company's liabilities.
- g) On 30.07.2021, the Liquidator conducted a meeting with stakeholders of the Company, wherein the Liquidator apprised them on the status of liquidation process and it was resolved that there is a consent for distribution of the assets of the company in specie among the contributories as per Article 76 of the Articles of Association of the Company and the special resolution dated 13.03.2021. Minutes of the meeting were prepared for records and were maintained as prescribed under Regulation 12 of the Voluntary Liquidation Process Regulations.

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- h) The surplus cash of Rs.9,21,151/- in the Company bank account, after meeting all the liabilities and liquidation expenses, was distributed to the shareholders in proportion to their shareholding and the bank account was closed on 28.02.2022.
 - i) As prescribed under regulation 38 of the Voluntary Liquidation Process Regulations, the Liquidator prepared the Final Report and sent the same to the ROC, IIPICAI and IBBI.
 - j) As prescribed under Regulation 10 of the Voluntary Liquidation Process Regulations, the Liquidator maintained the Registers and Books of Accounts of the Company till date and kept the receipts for all payments made and expenses incurred by him.
 - k) As per Section 178 of Income Tax Act, 1961 the liquidation of the Company was intimated to the Income Tax Department vide letter dated 09.09.2021 and the Income Tax Officer issued a “No Dues Certificate” by certifying that as per its office database, there is no outstanding demand and that the company had filed its Returns till AY 2020-21.
3. Heard the Counsel appearing for the Applicant. Under Section 59 of the IBC, the requirements for voluntary liquidation are that; there

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should be a declaration from majority of Directors of the Company verified by an affidavit stating that they have made full enquiry into 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, debts in full from the proceeds of assets to be sold in the voluntary liquidation and the Company is not liquidated to prefer any person and the said declaration shall be accompanied by an audited financial statements and record of business operations of the company for the previous two years or for the periods of its incorporation whichever is later and report of the valuation of assets of the Company, if any, prepared by a registered valuer; and within four weeks of a declaration under sub-clause (a) of Section 59(c) of IBC, a special resolution of the member of the Company in a General Meeting, requiring the company to be liquidated voluntarily and appointing an Insolvency Professional to act as Liquidator and a resolution of the members of the Company in a general meeting requiring the Company to be liquidated voluntarily as a result of expiry of period of its duration, if any, fixed by its articles or on the occurrence of any event in respect of which the articles provide that the company shall be dissolved, as the case may be and appointing an Insolvency Professional to act as a Liquidator, are required. Provided that if the Company owes any debt to any person, creditors representing 2/3rd in the value of the debt of the Company shall approve the resolution passed under (c) within seven days of such resolution. The Applicant is also required

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- to notify the Registrar of Companies and Board about the resolution under (5) to liquidate the Company within seven days of such resolution or subsequent to the approval by the Creditors as the case may be. If the affairs of the Corporate Person have been completely wound up and its assets completely liquidated, the liquidator shall make an application to the Adjudicating Authority for dissolution of such Corporate Person (LLP).
4. The Counsel drew the attention of this Tribunal to the declarations and the special dissolution as required under Section 59 and also about the information given to the Registrar of Companies (RoC) and the Board. The intimation given to the RoC is also filed. The final report submitted by the Liquidator is also placed before this Tribunal. The CIRP costs were also recorded and the closure of the bank account is also done. Hence, it can be seen that the requirements under Section 59 are complied with by the Applicant and hence, there need not be any demur to allow the Application and grant the reliefs as sought for.
 5. 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, I hereby allow the Company Petition with the following directions:-

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- A. The Corporate Person, M/s. Raajeevan Hospitals 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, Vijayawada, Andhra Pradesh 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.
6. Accordingly, this CP (IB) No.45/59/AMR/2022 is allowed and disposed of.

7/11/22

**JUSTICE TELAPROLU RAJANI
MEMBER JUDICIAL**

Swamy Naidu