

S.No.1

**IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH -1**

ATTENDANCE CUM ORDER SHEET OF THE HEARING HELD ON **19.09.2022** AT
10:30 AM THROUGH VIDEO CONFERENCE

CP (IB) No. 151/59/HDB/2022
U/s. 59 of IBC, 2016

IN THE MATTER OF:

Flagstone Underwriting Support Services India Pvt Ltd ... **Petitioner**

Vs

ROC, Telangana ... **Respondent**

CORAM:-

DR. VENKATA RAMAKRISHNA BADARINATH NANDULA, HON'BLE MEMBER (JUDICIAL)
SH. VEERA BRAHMA RAO AREKAPUDI, HON'BLE MEMBER (TECHNICAL)

ORDER

Orders passed and recorded vide separate sheets. In the result, the Company Petition is allowed and Company is dissolved.

Sd/-

MEMBER (T)

Sd/-

MEMBER (J)

**IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH – I, HYDERABAD**

**CP(IBC) No. 151/2022
U/s 59 of IB Code, 2016**

**In the matter of
Flagstone Underwriting Support Services (India) Private
Limited**

Ashok Kumar Juneja
Voluntary Liquidator of
Flagstone Underwriting Support Services (India) Private Limited
614, Babu khan Estate, Basheerbagh,
Hyderabad, Telangana – 500001

...Applicant/Liquidator

Date of Order: 19.09.2022

CORAM:

Dr. Venkata Ramakrishna Badarinath Nandula, Hon'ble Member (Judicial)
Shri. Veera Brahma Rao Arekapudi, Hon'ble Member (Technical)

PARTIES/COUNSELS PRESENT:

For the Applicant: Mr. Ashok Kumar Juneja, Liquidator
Mrs. Tara Sharma, Advocate

[PER: BENCH]

ORDER

1. Under consideration is an Application filed Under Section 59 of IB Code, 2016 by the Liquidator of M/s. Flagstone Underwriting Support Services (India) Private Limited, inter-alia seeking to pass an order of dissolution of M/s. Flagstone Underwriting Support Services (India) Private Limited.
2. Brief facts of the case as stated by the Applicant are as under:-

- a. That M/s. Flagstone Underwriting Support Services (India) Private Limited was incorporated in India on 10.10.2005 as West End Capital Management BPO Services(India) Private Limited as per the provisions of the Company Act, 1956. The name of the Company was later changed to Flagstone Underwriting Support Services (India) Private Limited vide Fresh Certificate of Incorporating consequent upon change on name dated 13.06.2008 issued by the Registrar of Companies, Andhra Pradesh.
- b. The main objects of the Company is to carry on the business of research and development, designing, manufacturing and trading in all types of computer software/product development in all areas including management information systems, database services, industrial applications, office system, database services, industrial applications, office system, desktop publishing, communication, CAD/CMA, animation, operating systems, utilities, web and e-commerce related services and developments and all other developments and all other developments in the field of computers in India and abroad.
- c. The Authorised Share Capital of the Company is Rs.35,00,00,000/- divided into 3,50,00,000 Equity shares of Rs.10/- each and the paid up capital of the Company is Rs.2,06,70,000/-.
- d. The Applicant started business on 10.10.2005 and closed the business on 01.01.2014. As the Company was not carrying on any business activities, the Board of Directors of the Company decided to wind up the affairs of the Company under section 59 of the Insolvency and Bankruptcy Code, 2016 by voluntary liquidation process.
- e. The Board of Directors of the Company in their Meeting held on 15.09.2017 proposed to liquidate the Company under section 59 of the Insolvency and Bankruptcy Code, 2016 by voluntary liquidation process.
- f. That as proposed by the Board, the members of the Company in their Annual General Meeting held on 25.09.2017 passed a special resolution required under section 59 of the Code read with the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations

2017 (“Regulations”) to liquidate the Company voluntarily and appointed Mr. Ashok Kumar Juneja, an Insolvency Professional, having IP registration No.IBBI/IPA-002/IP-N00117/2017-18/10286 to act as the Voluntary Liquidator of the Company.

- g. That as required under the provisions of Section 59 of the Insolvency and Bankruptcy Code, 2016, Copy of GNL-2 submitted with the RoC for filing of a copy of declaration from majority directors along with audited financial statements and record of business operations of the Company for the previous two years, i.e., 2015-16 & 2016-17 and CA Certificate dated 31.08.2017 on estimated realizable value of Assets and Liabilities.
- h. There were no creditors of the Company as on the voluntary liquidation commencement date.
- i. The liquidator made a Public Accouchement of commencement of liquidation in Form-A in Telangana Today, English Edition and Andhra Jyothi, Telugu Edition at Hyderabad both on 30.09.2017, seeking submission of the claim by the stakeholders, if any, within 30 days from the date of commencement of liquidation i.e, 25.09.2017. The Public Announcement was simultaneously submitted to the Insolvency and Bankruptcy Board of India (IBBI) website on 30.09.2017.
- j. The commencement of liquidation, appointment of liquidator and the public announcement made in newspapers were submitted to the Registrar of Companies, Hyderabad in Form MGT-14.
- k. That as required under Regulations, the liquidator opened a separate Account with IDFC Bank, New Delhi titled as “*Flagstone Underwriting Support Services (India) Pvt. Ltd in Voluntary Liquidation*” subsequent to the commencement of liquidation for realisation of assets and payment to the creditors and members.
- l. The last date of submission of claim was 25.10.2017. However Voluntary Liquidation received no claims from any third party.
- m. As required under Regulations, the liquidator submitted its preliminary report by hand to the Company on 01.12.2017.

- n. The liquidator intimated the commencement of liquidation and appointment of liquidator to the Income Tax Department, Employees Provident Fund Organisation and goods and Services Tax Department. The No Dues Certificate has been received from Income Tax Department, Employees Provident Fund Department and Goods and Services Tax Departments.
- o. That there are two shareholders (i) Flagstone (Bermuda) Holdings Ltd. holding 20,66,900 shares (99.99%) of the Company therefore this Company is wholly owned subsidiary of Flagstone (Bermuda) Holdings Ltd And (ii) Validus UPS Limited holding 100 shares of the Company (0.01%).
- p. That a letter dated 24.01.2022 was received from Validus UPS Limited holding 100 shares of the Company stating that they do have any bank account and therefore requested for remitting the capital to Singhania & Partners LLP on behalf of Validus UPS Limited. LA letter dated 24.01.2022 was received from Singhania & Partners LLP stating that they do not have any objection if the said remittance of capital is to be made to Singhania & Partners LLP on behalf of Validus UPS Limited.
- q. Subsequent to the payment of the expenses and payment to Members of the Company, the liquidator has closed the liquidation account. Statements from the Banks showing NIL Balance of the accounts.
- r. That a copy of the Final Report has been submitted with IBBI on 01.02.2022 showing the realisation and payment to the creditors and Members of the Company, containing the details as required under regulation 38 of the regulations is enclosed.

Reiterating above, counsel for the Applicant prayed to allow the instant Application.

- 3. Heard the Liquidator. Perused the record.
- 4. The Application is filed by the liquidator under section 59 of the IB Code, 2016. This Adjudicating Authority has to see whether the liquidator has complied with

all the provisions of section 59 of the IB Code, 2016 read with Regulation 3 of the Regulations before initiating voluntary liquidation of the company.

5. It is on record that the Directors have executed the Declaration of Solvency on 15.09.2017 duly verified by an affidavit in terms of provisions of section 59(3)(a) of the IB Code, 2016, read with Regulation 3 of the Regulations before initiating voluntary liquidation of the company.
6. The Board of Directors meeting was held on 15.09.2017, inter-alia, approving the Voluntary Liquidation of the Company.
7. The Company has issued notice to all the shareholders and an Extraordinary General Meeting was also held on 25.09.2017 in which the approval for liquidating the company was also given. The Company has also filed MGT 14 informing the special resolution passed by the members to the ROC and also the Form No. GNL2.
8. It was also informed to the Adjudicating Authority that the Company under voluntary liquidation has no secured or unsecured creditors as on date of filing of the application.
9. The liquidator in compliance with the Regulations had also published public announcement in Form-A of schedule – I in Telangana Today (English) and other in Andhra Jyothi (Telugu) on 30.09.2017. The Public Announcement was submitted to the Insolvency and Bankruptcy Board of India (IBBI) website on 30.09.2017.
10. All the above facts would show that the voluntary liquidator has complied with the requirement of the provisions of section 59 of the IB Code, 2016 read with the Regulations and filed this application under section 59(7) of the IB Code, 2016 to dissolve the Applicant/Corporate Person viz., M/s. Flagstone Underwriting Support Services (India) Pvt Ltd. Taking into consideration the above facts and also the compliance with all the requirement of the provisions of the code and Regulations by the liquidator, M/s Flagstone Underwriting Support Services (India) Private Limited is ordered to be dissolved as envisaged under section 59 of the Code.

11. Upon dissolution, Liquidator shall hand over the record of the Company to IBBI in terms of IBBI (Voluntary Liquidation Process) Regulations, 2017 read with relevant provisions of IBC, 2016 and file confirmation thereof to this Adjudicating Authority.
12. With the above observations, instant petition is disposed of and the voluntary liquidator is directed to file the copy of the order through e-form INC-28 with the ROC concerned within 14 days from date of receipt of copy of this order.

Sd/-**Veera Brahma Rao Arekapudi
Member Technical****Sd/-****Dr.Venkata Ramakrishna Badarinath Nandula
Member Judicial**