

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH AT HYDERABAD**

C.A. (CAA) No.8/230/HDB/2017

**CERTIFIED TO BE TRUE COPY
OF THE ORIGINAL**

Date of Order: 10.02.2017



**IN THE MATTER OF SECTIONS 230 TO 232 OF
THE COMPANIES ACT, 2013**

AND

**IN THE MATTER OF
CARE INSTITUTE OF MEDICAL SCIENCES LIMITED
("TRANSFEROR COMPANY")**

AND

**QUALITY CARE INDIA LIMITED
("TRANSFeree COMPANY")**

AND

THEIR RESPECTIVE SHAREHOLDERS

Counsel for the Applicants : Mr. A Nagaraj Kumar

CORAM

Mr. RAJESWARA RAO VITTANALA, MEMBER (JUDL)

ORDER**(As per Rajeswara Rao Vittanala, Member (Judl))**

1. The present Company Application bearing CA(CAA) No.8/230/HDB/2017, is filed under Section 230 to 232 of the Companies Act, 2013 by Care Institute of Medical Sciences Limited & Quality Care India Limited (herein after referred to as Applicants), by inter alia seeking the following reliefs from this Tribunal:

- (a) Dispense with convening and conducting the meeting of the Creditors of the Transferor Company for the purpose of considering the proposed Scheme of Arrangement between Care Institute of Medical Sciences Limited (Transferor Company) with Quality Care India Limited (Transferee Company)
- (b) Order for convening and conducting Shareholders Meeting of the Transferor Company for the purpose of considering the proposed Scheme of Arrangement between Care Institute of Medical Sciences Limited (Transferor Company) with Quality Care India Limited (Transferee Company)
- (c) Order for convening and conducting Creditors Meeting of the Transferee Company for the purpose of considering the proposed Scheme of Arrangement between the Care Institute of Medical Sciences Limited (Transferor Company) with Quality Care India Limited (Transferee Company); and



- (d) **Order for convening and conducting Shareholders Meeting of the Transferor Company for the purpose of considering the proposed Scheme of Arrangement between Care Institute of Medical Sciences Limited (Transferor Company) with Quality Care India Limited (Transferee Company)**
- (e) **Order for publication of the notice of convening shareholders meeting of Transferor Company in Hyderabad Editions of "Financial Express" English Daily News Paper and "Nava Telangana" Telugu Daily News Paper;**
- (f) **Order for publication of the notice of convening creditors and shareholders meetings of Transferee Company in Hyderabad Editions of "Financial Express" English Daily News Paper and "Nava Telangana" Telugu Daily News Paper.**
2. **I have heard Sri A Nagaraj Kumar, the learned counsel for Applicants, perused all the documents filed in support of the Application.**
3. **The Learned counsel submit that Care Institute of Medical Science Limited (Transferor Company) was originally incorporated as Venkataramana Hotels Limited on 17th day of April, 1984 in the State of Telangana bearing Certificate of Incorporation No.01-004626 of 1984-85. And the name of the Transferor Company was changed from Venkataramana Hotels Limited to Care Institute of**



Medical Sciences Limited vide fresh certificate of incorporation issued by the Registrar of Companies on 4th day of November, 2004.

4. The authorized, issued, subscribed and paid up share capital of the Transferor Company is as under:-

Particulars	Amount in Rs.
<u>Authorised Share Capital</u>	
1,32,50,000 equity shares of INR 10 each	13,25,00,000
75,000 preference shares of INR 100 each	75,00,000
Total	14,00,00,000
<u>Issued, Subscribed & Fully Paid-up Share Capital</u>	
1,21,00,000 equity shares of INR 10 each	12,10,00,000
Total	12,10,00,000



5. The Learned counsel submit that Quality Care India Limited (Transferee Company) was originally incorporated as A.K. Diagnostics Limited on 7th September, 1992 in the State of Telangana bearing Certificate of Incorporation No.01-14728 of 1992-93. Subsequently, the name of the Transferee Company was changed from A.K. Diagnostics Limited to Quality Care India Limited and the Registrar of Companies, Andhra Pradesh issued fresh certificate of incorporation on 03rd December, 1999.

6. The authorized, issued, subscribed and paid up share capital of the Transferee Company is as under:-

Particulars	Amount in Rs.
<u>Authorised Share Capital</u>	
6,50,00,000 equity shares of INR 10 each	65,00,00,000
Total	65,00,00,000
<u>Issued, Subscribed & Fully Paid-up Share Capital</u>	
3,96,78,180 equity shares of INR 10 each	39,67,81,800
Total	39,67,81,800

7. The Learned Counsel for the Applicant submits that the Registered office of both the Applicants are situated at 6-3-248/2, Road No.1, Banjara Hills, Hyderabad-500 034, in the State of Telangana.

8. The Learned Counsel for the Applicants submits that as of 31.03.2016 the Transferee Company holds 83.73% equity share capital of Transferor Company and also provide unsecured loan of an amount of Rs.22,00,00,000/- to Transferor Company which stands 87.28% of total amount due to creditors of Transferor Company which amounts to Rs.25,20,66,640/-. There are no secured creditors in the Transferor Company.



9. The Learned Counsel for the Applicants submits that Transferee Company is the unsecured creditor of Transferor Company for an amount of Rs.24,00,00,000/- as on 30.09.2016. And other Current Liabilities amounting to Rs.86,98,641/- as on 31.03.2016 and Rs.1,16,68,641/- as on 30.09.2016. Since more than 90% of creditors agreed and confirmed the Scheme of Arrangement, Dr. N. Krishna Reddy, Director of Quality Care India Limited in the form of Affidavit dated 03.02.2017 (as stated at Annexure-11A to the Application) has consented for dispensation with holding of the meeting of creditors of the company under section 230(9) of the Companies Act, 2013.

10. In view of the above facts and circumstances of the cases and in the interest of justice I thought it fit to dispose of the present CA (CAA) No.8/230/HDB/2017 with the following directions:-

- (a) The requirement of convening the meeting of the unsecured creditors of the Transferor Company is dispensed with.
- (b) The meeting of the Shareholders of the Transferor Company shall be convened on 18.03.2017 at 12:00 Noon.
- (c) The meeting of Shareholders of the Transferee Company shall be convened on 18.03.2017 at 10:00 AM.
- (d) The meeting of Secured Creditor and Unsecured Creditor of the Transferee Company shall be convened on 18.03.2017 at 02:00 PM.



(e) Appoint Mr. K Suryanarayana, practising Advocate, residing at 171, Ritesh Premier Tower, Ground Floor, Vasavinagar, Opposite Karkhana Police Station, Secunderabad-500 015, as the Chairperson for conducting the meeting of shareholders of the Transferor Company and meeting of Shareholders, Secured Creditor and Unsecured Creditors of the Transferee Company.

(f) The quorum for the meeting of the shareholders shall be as stipulated in the Articles of Association of the Transferor Company and Transferee Company.

(g) Notice of the meeting of the shareholder of the Transferor Company and Transferee Company shall be published in an English daily of "Business Standard" (Hyderabad Edition) and in Telugu Daily "Andhra Bhoomi" (Hyderabad Edition).

(h) The Equity Shareholders of the Transferor and Transferee Company shall vote in the meeting either themselves or through proxies or by way of e-voting.

(i) The remuneration of the Chairperson is fixed at Rs.1,00,000/- (Rupees One Lakh Only). In addition thereto, the Chairperson shall be reimbursed the expenses incurred by him in connection with the holding of the meeting, details of which shall be furnished in the Chairperson's report to be submitted to this Tribunal.



(j) Notice shall be published in the newspapers, advertisement, shall be sent to each individual member of the Company as on the record date, i.e. 14.03.2017.

11. I hereby dispense with the requirement of convening a meeting of the Unsecured Creditors of Transferor Company and the Transferor Company & Transferee Company are directed to strictly adhere to the terms and conditions of the Scheme, without any deviations.

12. The Chairperson is directed to submit his report on or before 05.04.2017 to this Tribunal.

13. No order as to costs.



प्रमाणित प्रति
CERTIFIED TRUE COPY
केस संख्या 8/230/408/2017
निर्णय या तारीख
DATE OF JUDGEMENT 10/2/17
प्रति तैयार किया गया तारीख
COPY MADE READY ON 14/2/17

Sd/-
RAJESWARA RAO VITTANALA
MEMBER (JUDICIAL)

V. Annapoorna
V. ANNA POORNA
Asst. DIRECTOR
NCLT, HYDERABAD - 68