IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY APPLICATION (L) NO.581 OF 2014
IN
COMPANY PETITION NO.198 OF 2013

Mr. Viswanath Krishnamurthy ...Applicant

In the matter between :

Mr. Viswanath Krishnamurthy ...Petitioner
vs.
M/s. Global Publishers' Services Pvt. Ltd. & Ors. ...Respondents
.....
Mr. Satyaprakash Sharma, i/b. Abdi & Co., for the Applicant/Petitioner.

Mr. Sudhan Amare, for Respondent No.2.

Ms. Yogini Chauhan, Assistant Official Liquidator present.
.....
CORAM: S.C. GUPTE, J.

DATE : 9 JULY, 2015.

P. C. :-

. The Company Application is opposed by the Official Liquidator as well as one of the shareholders of the Company in liquidation. The application seeks payment of bills of provisional fees of the Company Secretaries for work done in connection with the winding up of the Respondent Company and distribution of the balance monies held by the Company in liquidation amongst the contributories of the Company. These orders have been claimed in pursuance of an order passed by this Court on 2 January 2014 for winding up of the Company in terms of minutes of settlement drawn up between three contributories of the Respondent Company. Having regard to the objections of the legal heirs of Respondent No.2, who is one of the three contributories of the Company in liquidation, to the provisional fees claimed by the Company Secretaries for the documentation made by M/s. Current Technical Literature Company Pvt. Ltd., the Applicant does not press for any payment towards this work. The Applicant restricts his claim for payment to the Company Secretaries in the sum of Rs.6742 (for the 2 bills of provisional services rendered by the Company Secretaries in connection with the winding up of the Respondent Company for Rs.3371 each). Neither the Official Liquidator nor the contesting Respondents (legal heirs of deceased Respondent No.2) have any objection to this payment. The first prayer, accordingly, (as modified) will have to be allowed.

2. The second prayer concerns distribution of monies held by Company in liquidation in the current account of the Company with Standard Chartered Bank. The winding up order dated 2 January 2014 was passed on an application of the shareholders. The Applicant is one of the three shareholders of the Respondent Company. Respondent Nos. 2 and 3 are the other shareholders. The winding up order was passed by consent of all shareholders. The minutes of settlement drawn up between the parties and taken on record by this Court *inter alia* provide for distribution of the remaining balance in the current account of the Respondent Company with Standard Chartered Bank, after payment of all expenses and charges, amongst the contributories in the ratio of their respective capital, i.e. 42:20:38. None of the Respondents has any objection to this distribution. It is, however, submitted on behalf of the Official Liquidator that though the statement of affairs filed by the

Applicant in pursuance of the winding up order shows the balance held by the Company in liquidation with standard Chartered Bank at Rs.1,87,223, and nil cash in hand, nil loans and advances as also nil amount on account of furnitures and fixtures and current liability, the balance sheet of the Company in liquidation on December 2011 discloses different figures. Whereas the balance held with Standard Chartered Bank is shown in the balance sheet as Rs. 2,18,798, there is some cash in hand as well as loans and advances and furniture and fixtures and current liabilities are shown in the balance sheets. The winding up order was passed on 2 January 2014. It is admitted between the contributories that the balance lying with Standard Chartered Bank was Rs.1,87,223 as at the date of the winding up order. So also, the agreed position as between the contributories as at the date of the winding up order showed nil cash in hand or loans and advances. The figures of these two accounts in the balance sheet of 31 March 2011 is thus of no relevance. So also, the statement of affairs submitted in pursuance of the winding up order makes a provision for depreciation of Rs.39,289 towards furnitures and fixtures and after making an allowance for this depreciation, the value of furniture and fixtures is shown as nil. This again is an admitted position as between the contributories. So also, it is an admitted position that there are no current liabilities as of the date of the winding up order. The winding up order merely shows two assets held by the Respondent Company, namely, the balance with Standard Chartered Bank, as noted above, and the shares of M/s. Current Technical Literature Pvt. Ltd.. The investment reflected in the statement of affairs pertains to these shares. Having regard to the order passed by this Court on 2 January 2014, in terms of the minutes of order signed by the contributories, there cannot possibly be any objection to the distribution of the balance amount held by the Company in liquidation with Standard Chartered Bank amongst the contributories in accordance with the ratio indicated in the minutes of settlement. Accordingly, the Official Liquidator is directed to distribute the amount lying in the current account of the Respondent Company with Standard Chartered Bank amongst the contributories in the ratio indicated in the minutes of settlement after deducting the costs, charges and expenses of the Official Liquidator. The Company Application is disposed of accordingly. The costs, charges and expenses of the Liquidator are quantified at Rs.25,000/-. After the distribution of the balance amount as noted above, the Official Liquidator shall file a report of dissolution of the Company. Such dissolution shall be accomplished within a period of 3 weeks from today. The company application is disposed of in these terms.

(S. C. GUPTE, J.)