Company Application No.149 of 2016

RAJIV SHAKDHER, J.

1.This is a joint application filed by four applicants, who seek to purchase the land, plant and machinery located thereon, situate at : Door No.47/20, Railway Station Road, Mettupalayam, Coimbatore District.

2. On the previous date of hearing i.e., on 07.03.2016, this Court had noticed that the applicants had offered a sum of Rs.2,50,00,000/- as consideration for purchasing the land as well as plant and machinery (collectively referred to as assets). The Court, on that date, however, felt that the property needed to be revalued, as it would have to be sold by way of a public auction.

3. Accordingly, a direction was issued for obtaining valuation of the aforementioned assets of the company in liquidation. Consequently, a valuer was appointed, who has filed valuation report in a sealed cover. The valuation, evidently, was conducted by ITCOT Consultancy and Services Limited.

3.1 The sealed cover was placed before me and, accordingly, opened today.

4. As per the valuation report (May 2016), as on 29.04.2016, the guideline value and the market value of the assets of the company in liquidation, are as follows:

S.No.	***Assets***	***Guideline value of land in Rs. Lakhs***	***Fair Market Value in Rs. Lakhs***
1.	Land (37800 sq.ft. i.e. 86.78 Cents)	567.00	293.40
2.	Plant and Machinery and other Movable Items	--	0.25
	Total	--	293.65

5. Mr.P.Atchuta Ramaiah, the learned Official Liquidator, informs me that the previous valuation was got done in 2015. Learned Official Liquidator further states that at that point in time, the value of the land, plant and machinery was pegged at Rs.367.63 lakhs.

5.1 Mr.P.Atchuta Ramaiah, further informs me that four attempts have been made, in effect, to sell the assets of the company in liquidation.

5.2 He further says, having regard to the aforesaid circumstances, that the public auction would be conducted if ordered, based on the fair market value given in the valuation report – May 2016, notwithstanding the fact that there is a difference, insofar as the guideline value and the fair market value of the land owned by the company in liquidation is concerned.

6. I am inclined to accept the submissions of Mr.P.Atchutha Ramaiah, for the reason, as this would be, as informed by him, the fifth attempt at selling the assets of the company in liquidation.

7. Accordingly, it is directed that auction would indicate the upset price in terms of the fair market value of the assets, as reflected in paragraph No.4 above.

8. In view of the above, no further directions are called in in the captioned application, the same is accordingly disposed of.

06.06.2016

kj

RAJIV SHAKDHER,J.

Kj

Comp.A.No.149 of 2016

06.06.2016

1/2