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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ **CO.APP. 1/2014 and CM No. 637/2014**

NAVNIT TALWAR

..... Appellant

Through: Mr Ashim Vachher, Adv.

versus

**REINZ TALBROS LIMITED THROUGH OFFICIAL
LIQUIDATOR & ORS.**

..... Respondents

Through: Mr Rajiv Bahl, Adv. for Official
Liquidator

CORAM:

HON'BLE MR. JUSTICE S. RAVINDRA BHAT

HON'BLE MS. JUSTICE DEEPA SHARMA

ORDER

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02.03.2016

The appeal is directed against an order of the Company Court dated 12.12.2013. The impugned order had noticed that in the course of winding up proceedings, the Official Liquidator (OL) had decided certain issues on 04.09.2008 which was subsequently set aside by order dated 01.06.2011. Thereafter, Bank of Baroda acting as trustee of debenture holders preferred its claim on 06.08.2012 and followed up with several reminders. The OL had earlier determined that Rs.8,34,04,285/- was payable to the debenture holders and released the sum of Rs.1,31,15,000/- on 21.05.2009 to the Bank of Baroda. The OL had stated before the Court that the said amount (Rs.1,31,15,000/-) would be released within four weeks. The Bank of Baroda stated that it had filed an affidavit which stated that it had

appropriated the said sum of Rs.1,31,15,000/- towards various expenses, remuneration to itself as trustee, etc. The learned Company Court by its order recorded these submissions and directed an affidavit to be filed before the next date, i.e.,17.02.2014. Counsel for the appellant (who are members of the erstwhile management of the Company under liquidation) submitted that scheme of compromise and arrangement was pending. It is submitted that if the Bank of Baroda is not directed to deposit back the amount to the Official Liquidator, prejudice would occur.

This Court is of the opinion that since the winding up proceedings have not been terminated, and a scheme of compromise and arrangement is pending, the question as to whether, and if so, to what extent, the Bank of Baroda can claim any amount and appropriate it towards its expenses, etc. would be gone into; there is no finality afforded to the statement made on its behalf; likewise the amounts held by it are concededly in the capacity as a trustee on behalf of the debenture holders which would have to be satisfied. Since all these aspects would be considered by the learned Single Judge either in winding up proceedings or in the application under Section 391/392, the Court sees no reason to interfere with the impugned order.

The appeal is accordingly dismissed.

S. RAVINDRA BHAT, J

DEEPA SHARMA, J

MARCH 02, 2016/bg