IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY APPLICATION NO.639 OF 2017
IN
COMPANY PETITION NO.454 OF 1998
ALONGWITH
OFFICIAL LIQUIDATOR REPORT NO.276 OF 2017
(NOT ON BOARD)

J.K. Credit and Finance Limited ... Petitioner
Versus
The Official Liquidator of
Parasrampuria Industries Limited ... Respondent
And
Deutsche Bank AG ... Applicant

.....

Mr. Rohit Gupta a/w Ms. Pallavi Dhok I/b Manilal Kher Ambalal & Co. for the Applicant.
Mr. Pola Raghunath, Deputy Official Liquidator present.

....

CORAM : S.C.GUPTE, J.

DATE : 9 FEBRUARY 2018

P.C. :

. The Company Application seeks directions to the Official Liquidator to implement the order passed by this Court on 4 May 2016. The Applicant is an assignee of financial assets due to it from the Respondent-company, which is in liquidation. The Applicant claims to be a creditor of the company to the extent of over Rs.1290 crores. The property of the company in liquidation was sold by the Official Liquidator and sale proceeds to the tune of Rs.16.30 crores were realized. Pending the declaration of dividend/distribution of sale proceeds, the amount was invested by the Official Liquidator in a fixed deposit of a nationalized bank. By a fraud committed in respect of this fixed deposit, the amount of deposit was misappropriated by some fraudsters. Investigation in respect of this offence has been underway by Economic Offence Wing, Mumbai ('EOU') and an FIR has been registered against known and unknown individuals which also include an employee from the Official Liquidator's Office. It is, however, case of the liquidator that an amount of Rs.6,03,30,626/- was still lying with the Liquidator to the account of company in liquidation. An amount of Rs.49,55,044/- from out of this amount was appropriated by the Official Liquidator towards the liquidation expenses. After such appropriation, a sum of Rs.5,53,75,582/- was available with the Official Liquidator. By an order dated 31 March 2016 passed by the Recovery Officer, DRT-I, Mumbai, the Official Liquidator was directed to deposit this amount with DRT-I, Mumbai. The Official Liquidator admits that this amount is still available with him for compliance with order passed by the Recovery Officer. The liquidator has even proceeded to seek directions from this Court for permitting him to deposit this amount along with accrued interest with DRT-I, Mumbai, so as to comply with the order dated 31 March 2016, passed by the Recovery Officer, DRT-I, Mumbai. This Court, by order dated 4 May 2016, allowed the liquidator's prayer. The Liquidator has not still complied with the direction. So far, there is no reply filed by the Official Liquidator to the present company application. The representative of the Official Liquidator accepts that the Liquidator has no reason not to comply with the order passed this Court on 4 May 2016. He submits that there is an OLR pending before the Company Court, wherein appropriate directions have been sought in this behalf.

2 OLR No.276 of 2017, which is not on board today is called out by consent of parties and taken on Board. This OLR seeks directions for transfer of the amount realized out of sale of some other properties of the company in liquidation along with accrued interest to DRT-I, Mumbai. It really has nothing to do with the sum of Rs.5,53,75,582/- held by the Official Liquidator as recounted above.

3 The Official Liquidator is directed to comply with the directions passed by this Court on 4 May 2016 in OLR No.117 of 2016. The amount together with accrued interest thereon shall be deposited with DRT-I, Mumbai in accordance with the order within a period of three weeks from today.

4 The other prayers of the application concern steps to be taken for bringing back the amount belonging to the company in liquidation and seized by the police, from the custody of Court/Police and depositing the same in the account of the company in liquidation. The liquidator informs the Court that appropriate steps are being taken in this behalf and that the amount will be brought back. The statement is accepted. Learned Counsel for the Applicant states that his client shall co-operate with, and assist, the Official Liquidator in taking these steps and in recovering this amount. In view of these reciprocal statements, which are accepted by the Court, no particular order needs to be passed in this behalf.

5 The Applicant is permitted to make such submissions, as his client is advised, at the hearing of OLR No.276 of 2017, as far as other prayers in the present Company Application are concerned. In view of this liberty, the

Applicant does not press its other prayers in the Company Application.

6 Company Application No.639 of 2017 is disposed of.

(S.C. GUPTE, J.)