

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated: 18.9.2018

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THE HONOURABLE MR.JUSTICE D.KRISHNAKUMAR

C.P.No.185 of 1995 & Comp. A.No.537 of 2018

G.Vishnugopal and Company
by Prop. Bharat Kumar ... Petitioner

Vs.

Venugopal Cotton Mills Pvt. Ltd.,
Rep. by the Managing Director ... Respondent

Company petition filed under Sec.433(e) and (f) read with Sec.434 and 439(1) (b) of the Companies Act, 1956 for winding up of the respondent company.

For Petitioner : No appearance

For Respondent : No appearance

Mr.Bavisetty Sridhar,

Official Liquidator

O R D E R

The learned Official Liquidator has filed an application Comp.A.No.537 of 2018 seeking the following reliefs:

- (a) to take the report on record,
- (b) To pass an order that it is just and reasonable to dissolve M/s.Venugopal Cotton Mills Private Ltd. (under liquidation) finally and accordingly to pass consequential and appropriate orders;
- (c) To pass an order permitting the Official Liquidator to file the final account without auditing as nothing survive in the company under liquidation;
- (d) To permit the Official Liquidator to transfer an amount of Rs.1,00,000/- to the Infrastructure Fund for the purpose of maintaining the infrastructure facility of the office;
- (e) To pass an order permitting the Official Liquidator to deposit the remaining unspent money excluding Rs.1,00,000/- mentioned supra, lying in the company's credit after meeting all incidental expenses of the winding up process, to the undistributed Assets account as envisaged under Section 555 of the Act, 1956.

2. Heard the learned Official Liquidator and perused the report filed by him.

3. The Official Liquidator has filed a report, wherein he has stated as under:

"7. It is submitted that as per the statement of affairs filed by the Ex-directors there were no trade debtors to the company in liquidation and in view of that the Official Liquidator has not filed any application for recovery as required under Section 454 of the Companies Act, 1956 and no such application is pending for disposal before the Hon'ble Court as on date of filing this report. It is also submitted that as per the Statement of Affairs filed by the ex-directors under Schedule III "Loans and advances", it was mentioned that a sum of Rs.4000/- said to be available with Sales Tax

department. Since they failed to furnish the correct details and documents pertaining to the said transactions, the Official Liquidator could not take any action in this regard.

8. It is submitted that as on date of filing of the present application the fund position of the company as follows:

1. Cash : Nil

2. Bank : Rs.61,219.02

3. Investment : Rs.5,10,000/-

----- Total : Rs.5,71,219.02

11. It is submitted that the Official Liquidator is to transfer the amount lying in the credit of the company in liquidation to the undisbursed assets account as envisaged under Section 555 of the Companies Act, 1956. It is submitted that the office of the Official Liquidator is functioning in its own building and the Official Liquidator spends for its maintenance. It is submitted that if any amount is transferred from the amount lying in the credit of the company to the Infrastructure Fund maintained by the Official Liquidator, the same would be utilized for the maintenance and other infrastructure facility of the office. Hence, a separate prayer is also made by the Official Liquidator.

12. It is submitted that the company under liquidation was ordered to be wound up in the year 2002 and after expiry of 16 years nothing survive in the affairs of the company and the Official Liquidator has no other option except filing the present application under section 481 of the Act for dissolving the company finally. It is also submitted that no fruitful purpose would be served by allowing the company under liquidation to continue as a company under liquidation. It is submitted further that no application whatsoever is pending before this Court for disposal as on this date. Hence, this application.

13. It is submitted that in view of the above submissions, the Hon'ble Court has to form an opinion that the Official Liquidator could not continue to proceed with the winding up of the company in liquidation and it would be just and reasonable in circumstances of the case to dissolve the company under liquidation as envisaged under Section 481 of the Act."

4. Therefore, the present application has been filed by the Official Liquidator under Section 481 of the Companies Act to dissolve the respondent company viz., Venugopal Cotton Mills Pvt. Ltd. (company under liquidation).

5. In view of the submission made by the learned Official Liquidator and on perusal of the report submitted before this Court, this Court is inclined to accept the report filed by the Official Liquidator for dissolution of the respondent company (under liquidation) in affirmative. Accordingly, the respondent company viz., Venugopal Cotton Mills Pvt. Ltd., is dissolved under Section 481 of the Companies Act and the application is allowed as prayed for.

6 In view of the report filed by the Official Liquidator, no useful purpose would be served in keep pending C.P.No.185 of 1995 . Hence, C.P.No.185 of 1995 is closed. The Official Liquidator is discharged from the Company petition.

18.9.2018

Speaking/Non Speaking order

Index : Yes/No

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D. KRISHNAKUMAR, J.
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