

**Appln.No.151 of 2019**  
**in I.P.No.106 of 2005**

**PUSHPA SATHYANARAYANA, J.**

This application is filed by the applicant/insolvent seeking to annul the order of adjudication dated 21.11.2005 in I.P.No.106 of 2005.

2. Heard the learned counsel for the applicant and the learned Official Assignee.

3. The learned Official Assignee has filed the report dated 20.09.2019. In the report, it is stated that the Debtor/applicant, viz., S.Krishnamoorthy was adjudicated as an insolvent, by order dated 21.11.2005. The cause of insolvency arose on the ground of non payment of award amount of Rs.2,94,182/- together with interest passed by the learned Arbitrator in Arbitration Case No.SJ/SF/08 of 2003 dated 21.07.2003. After adjudication, the learned Official Assignee has sent a notice to the insolvent on 16.05.2019 in the address furnished in the petition (both residence and office), calling upon him to appear before her Office. In spite of the same, the insolvent has not appeared before the learned Official Assignee. But the counsel for the insolvent has appeared before the learned Official Assignee on 19.06.2019 and sought for adjournment stating that he is negotiating with the petitioning creditor, namely, Sundaram Finance

Limited to settle the dues. Thereafter, on 06.08.2019, the counsel for the insolvent appeared before the learned Official Assignee and stated that the petitioning creditor, namely, Sundaram Finance Limited, agreed for a sum of Rs.1,00,000/- towards full and final settlement. It is also stated in the report that so far, no other claims have been received for the estate of the insolvent. The petitioning creditor also not filed claim petition before the learned Official Assignee. Till date, the insolvent has not filed the schedule of affairs disclosing his liability before this Court.

4. The learned Official Assignee also stated that the insolvent had remitted a sum of Rs.7,000/- towards 7% Government Commission for the amount of Rs.1,00,000/- which is settled with the petitioning creditor vide receipt No.13559 dated 20.09.2019. The counsel for insolvent has been informed to remit the amount towards the administrative charges, which he is yet to comply with.

5. The learned Official Assignee had also sought for deposit of reasonable amount by the insolvent for effecting paper publication intimating the general public about the order of annulment in one issue of English and Tamil Daily and also the gazette notification, for which it is stated that the insolvent has deposited the amount. An affidavit also filed by the insolvent to that effect.

6. As a sum of Rs.1,00,000/- has been paid to the petitioner creditor for full quit satisfaction, the insolvent has sought to annul the order of adjudication dated 21.11.2005.

7. In view of the above report submitted by the learned Official Assignee and taking into account the fact that the claimant has received and accepted the available amount in the estate and had given full and final satisfaction towards the insolvency proceedings, the order of adjudication dated 21.11.2005 passed against the insolvent is hereby annulled in accordance with Section 21 of the Presidency Towns Insolvency Act, 1909.

8. This application is ordered accordingly, on condition that the applicant shall file an undertaking/indemnity bond to settle claims, if any, in future from any quarter during the period when the order of adjudication was force before the Official Assignee. The learned Official Assignee is directed to make the payment to the petitioning creditor.

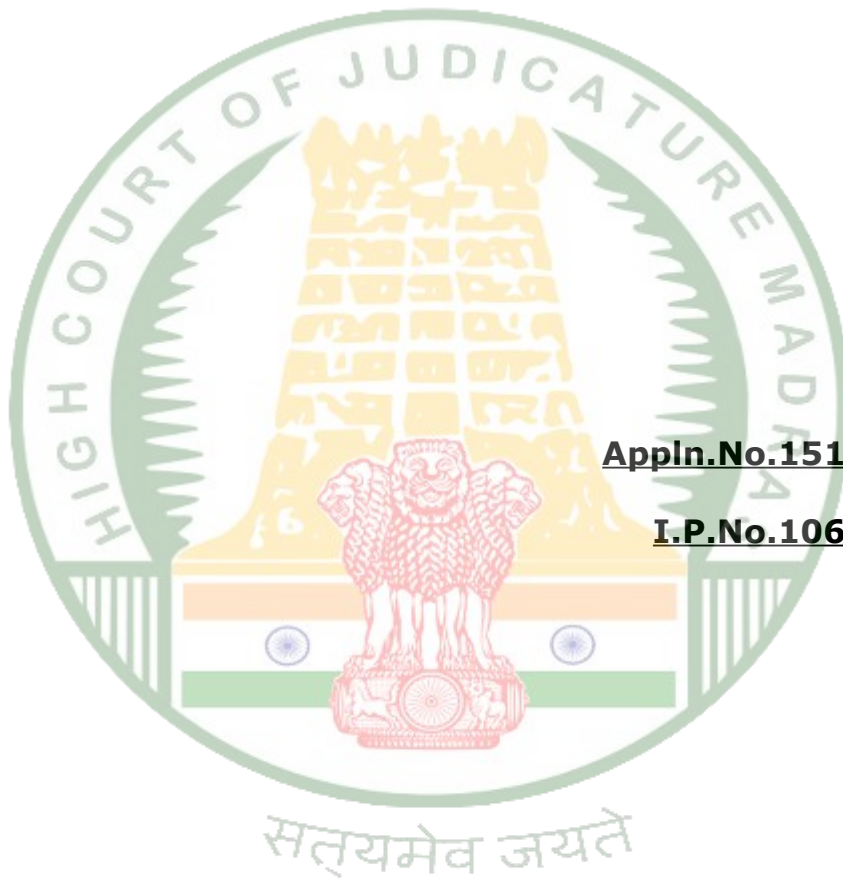
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**PUSHPA SATHYANARAYANA, J.**

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