Comp.A.No.406 of 2019
in
C.P.No.44 of 1996

SENTHILKUMAR RAMAMOORTHY,J.

This application is filed for permission to declare and disburse dividend and 4% interest to creditors of the company in liquidation and for ancillary orders in this regard.

2.I heard the Deputy Official Liquidator. The Deputy Official Liquidator submitted that the funds position of the company in liquidation as on 15.10.2019 is an aggregate sum of Rs.2,30,55,044.11. He further submitted that the claims of 3 secured creditors had been adjudicated previously and that payments were disbursed to the said 3 secured creditors pursuant to the order dated 09.03.2016 in Comp. A.No.260 of 2016. Nevertheless, he submitted that 4% interest is due and payable to the said 3 secured creditors which is proposed to be paid now along with 100% payment to two other secured creditors, namely, the Commercial Tax Officer, Chennai and Allahabad Bank, Chennai. Accordingly, he requested that necessary permission be granted as prayed for in this application. A report dated 25.10.2019 has been filed by the Assistant Official Liquidator in support of this application.

WEB COPY

3.The report of the Assistant Official Liquidator and the annexure thereto were examined and the oral submissions were considered.

4.Upon considering the above, it is evident that a sum of Rs.2,30,55,044.11 is available in the accounts of company in liquidation as on 15.10.2019. The certified list of proofs in Form-71 has also been annexed to the report, for an over all sum of Rs.6,19,98,811/-. It is also seen that the claims of three ordinary/unsecured creditors were rejected on account of not being satisfied with the proof submitted by the said creditors. Consequently, the permission requested by the Official Liquidator is liable to be granted. Therefore, the following directions are issued:

(i)The Official Liquidator is permitted to declare and disburse 4% interest for 102 months(8 years and 6 months) on the admitted amount to 3 secured creditors mentioned in Paragraph 4 of the report aggregating to a sum of Rs.2,05,83,823/-.

(ii)The Official Liquidator is permitted to declare and disburse dividend of 100 paise in a rupee along with 4% interest on the admitted amount for 102 months(8 years and 6 months) to Allahabad Bank, Chennai amounting to Rs.4,24,780/-.

WEB COPY

(iii)The Official Liquidator is permitted to declare and disburse 100 paise in a rupee along with 4% interest on the admitted amount for 102 months(8 years and 6 months) to the Commercial Tax Offivcer, Chennai – 31 amounting to Rs.15,29,146/-.

(iv)The Official Liquidator is permitted to open a separate dividend account with Punjab National Bank, NSC Bose Road, Chennai – 600 003 and to transfer a sum of Rs.2,25,37,749/- from the funds of the company in liquidation exclusively for the purpose of making payment of dividend to the creditors specified herein.

(v)The Official Liquidator is permitted to keep the dividend account open for 3 months from the date of opening and thereafter to remit the unclaimed amount, if any, to the Registrar of Companies, Chennai as per Section 555(1) and (3) of the Companies Act,1956.

(vi)Publication in news papers regarding declaration /disbursement of dividend and interest is dispensed with in view of the fact that the disbursement is to be made to 5 creditors only.

(vii)The Official Liquidator is permitted to incur the expenses in connection with declaration/disbursement of dividend as well as payment of 4% interest from the funds available in the company in liquidation.

WEB COPY

5.This Application is disposed of on the above terms.

15.11.2019

rrg

HIGH COURT OF JUDICATURE MADRAS
सत्यमेव जयते
WEB COPY

SENTHILKUMAR RAMAMOORTHY,J.

rrg

Comp.A.No.406 of 2019
in
C.P.No.44 of 1996

WEB COPY

15.11.2019