

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 11.09.2020

CORAM:

THE HONOURABLE Mr.JUSTICE M.SUNDAR

Company Application No.184 of 2020

in

CP.No.88 of 1989

and

CP.No.88 of 1989

The Official Liquidator,
High Court, Madras as
The Provisional Liquidator of
M/s. Dhanalakshmi Funds (India) Limited

... Applicant

Company Application filed under Section 481 of the Companies Act, 1956 read with rules 9, 11(b) of the Companies (Court) Rules, 1959), praying to a) To take this report on record of the Hon'ble Court; b) To pass an order that it is just and reasonable to dissolve M/s.Dhanalakshmi Funds (India) Limited (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 pass an order permitting the Official Liquidator to transfer the balance amount lying in the Company's credit after meeting all incidental expenses of the winding up process including the present application to the Undistributed Assets account as envisaged under Section 555 of the Companies Act, 1956; e) To take the application pending in C.A.No.621 of 2001 with this application and close the same in view of the facts and circumstances of the case; and f) To pass any such order/orders that the Hon'ble Court deem fit and proper in the circumstances of the case.

For Applicant : Mr.Bavisetty Sridhar
Deputy Official Liquidator.

ORDER

'Dhanalakshmi Funds (India) Limited' (hereinafter 'said Company' for the sake of brevity) is the company under liquidation in captioned main Company Petition.

2. Captioned main Company Petition is clearly vintage as the same is of the year 1989 and it has been pending in this Court for more than three decades. To be noted, captioned main company petition is for liquidation of said Company at the instance of a petitioning creditor.

3. Be that as it may, captioned application has been taken out by 'Official Liquidator attached to this Court' (hereinafter 'OL' for the sake of brevity) and 'Deputy Official Liquidator' (hereinafter 'Deputy OL' for the sake of brevity) Mr.Bavisetty Sridhar is before me (on behalf of OL) in this web hearing on a video conferencing platform on behalf of OL.

4. Learned Deputy OL, advertng to a 'report of OL dated 06.01.2020' (hereinafter 'said report' for the sake of brevity) submits that OL was appointed

as Liquidator qua said Company in and by order dated 16.11.1990 made by Company Court with a further direction to take charge of the assets and effects of said Company.

5. Thereafter, the process of liquidation unfurled. Learned Deputy OL draws the attention of this Court to paragraphs 8 to 10 of said report and submits that the same are *inter-alia* most relevant for the multi-limbed prayer in captioned application. Paragraphs 8 to 10 of said report read as follows:

'8. It is submitted that the funds position of the Company as on date of filing of the present application is furnished in the final accounts attached herewith. Since, there will not further receipts and payments to be received or made, the Official Liquidator is to be permitted to file the final accounts without audit of the same and audit is to be dispensed with. The copy of the final accounts is attached herewith and marked as Annexure-B.

9. It is submitted that the Official Liquidator is to transfer the amount lying in the credit of the Company in liquidation to the undistributed assets account as envisaged under Section 555 of the Companies Act, 1956.

10. It is submitted that the company under liquidation was ordered to be wound up in the year 1990 and after expiry

of 29 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 this Company under liquidation to continue as a company under liquidation. Hence this application.'

6. Before this Court proceeds further, it is to be noted that according to Annexure-B to the said report, balance in the hands of OL is Rs.2,85,773.95/- (Rupees Two Lakhs Eighty five thousands seven hundred and seventy three and ninety five paise only) and this Court also notices that one limb of prayer in captioned application is for transferring this balance also into the appropriate public account in the Reserve Bank of India in accordance with Section 555 of 'The Companies Act, 1956' (hereinafter 'said Company' for the sake of brevity).

7. Captioned application has been taken out *inter alia* under Section 481 of said Act by OL and the multi-limbed prayer therein reads as follows:

'a) To take this report on record of the Hon'ble Court;

b) To pass an order that it is just and reasonable to

dissolve M/s.Dhanalakshmi Funds (India) Limited (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 pass an order permitting the Official Liquidator to transfer the balance amount lying in the Company's credit after meeting all incidental expenses of the winding up process including the present application to the Undistributed Assets account as envisaged under Section 555 of the Companies Act, 1956;

e) To take the application pending in C.A.No.621 of 2001 with this application and close the same in view of the facts and circumstances of the case; and

f) To pass any such order/orders that the Hon'ble Court deem fit and proper in the circumstances of the case.'

8. This Court, having perused said report, having heard learned Deputy OL, having noticed the trajectory of winding up proceedings qua said Company, is left with the considered opinion that it is just and reasonable in the circumstances of this case to pass an order of dissolution of said Company.

9. With regard to multi-limbed prayer in captioned application, learned Deputy OL submits that C.A.No.621 of 2001 being an application taken out by OL, has already been disposed of on 17.01.2002 and the matter has attained finality. Therefore, limb e) of multi-limbed prayer becomes redundant.

10. In the light of the narrative thus far, captioned application and captioned main Company Petition are ordered by acceding to prayer limbs (b), (c) and (d) in captioned application. Said Company shall stand dissolved from the date of this order. There shall be no order as to costs.

11. Captioned application and captioned main Company Petition ordered on above terms.

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M.SUNDAR. J

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