

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED:28.08.2020

CORAM:

THE HONOURABLE M-r.JUSTICE M.SUNDAR

Company Application No.543 of 2018

in

C.P.No.39 of 2001

&

C.P.No.39 of 2001

The Official Liquidator
High Court, Madras as the
Liquidator of M/s.Dutch Rama Agro Foods
Limited (in liquidation)

... Applicant

Company Application filed under Section 481 of the Companies Act, 1956 read with Rules 9 and 11 (b) of the Companies (Court) Rules, 1959 to take the report on file of the Court, to permit the Official Liquidator to transfer an amount of Rs.1,00,000/- out of the funds of the company in liquidation to the infrastructure fund of the Official Liquidator, to take up the application pending in C.A.No.2788 of 2007 and close the same as nothing survives in the company in liquidation, to permit the official liquidator to transfer the balance fund after transferring the funds as stated in prayer (b) supra, to the undistributed assets account of the Companies liquidation account as envisaged under

Section 555 of the Companies Act, 1956 after meeting all the incidental expenses including the present application, to permit the Official Liquidator to file the final account without audit of the same as there will not further transactions in the accounts of the company under liquidation; to form an opinion that the Official Liquidator could not proceed further with the liquidation of the company in liquidation and it is just and reasonable to dissolve the company under liquidation as envisaged under Section 481 of the Companies Act, 1956.

For Applicant : Mr.Bavisetty Sridhar
Deputy Official Liquidator

ORDER

Captioned application has been taken out by 'Official Liquidator attached to this Court' ('OL' for the sake of brevity) with the following prayers:

- a) To take this report on file of the Hon'ble Court;*
- b) To permit the Official Liquidator to transfer an amount of Rs.1,00,000/- out of the funds of the company in liquidation to the infrastructure fund of the Official Liquidator;*
- c) To take up the application pending in C.A.No.2788 of 2007 and close the same as nothing survives in the company in liquidation;*
- d) To permit the official liquidator to transfer the balance*

fund after transferring the funds as stated in prayer (b) supra, to the undistributed assets account of the Companies liquidation account as envisaged under Section 555 of the Companies Act, 1956 after meeting all the incidental expenses including the present application;

e) To permit the Official Liquidator to file the final account without audit of the same as there will not further transactions in the accounts of the company under liquidation;

f) To form an opinion that the Official Liquidator could not proceed further with the liquidation of the company in liquidation and it is just and reasonable to dissolve the company under liquidation as envisaged under Section 481 of the Companies Act, 1956;

and

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

2. In the virtual hearing on a video-conferencing platform today, Mr.Bavisetty Sridhar, learned 'Deputy Official Liquidator' ('Deputy OL' for the sake of brevity) representing the OL is before me. Learned Deputy OL draws the attention of this Court to a 'report of OL dated 05.09.2018' (hereinafter 'said report' for the sake of brevity) and submits that captioned application has been taken out under Section 481 of 'The Companies Act, 1956' (hereinafter 'said Act' for the sake of brevity) and Section 555 of said Act *inter alia* with prayers for dissolution of

Company under liquidation and for paying balance funds into the appropriate account in the Reserve Bank of India.

3. Adverting to said report, learned Deputy OL submits that 'Dutch Rama Agro foods Limited' (hereinafter 'said company' for the sake of brevity) is the company under liquidation at the instance of a petitioning creditor. With regard to pending applications, the details are articulated in Paragraph 7 of said report, which reads as follows:

'7.It is submitted that the Official Liquidator has filed an application in CA.No.2788 of 2007 for misfeasance under Section 542 and 543 of the Companies Act, 1956 against the Ex-Directors of the company in liquidation and it is pending before the Hon'ble Court for disposal. Since nothing survives in the company the said application has to be called along with the present application and it is to be closed.'

4. Adverting to Paragraph 7 of said Report, learned Deputy OL submits that aforementioned application is being withdrawn as not pressed. This submission is recorded.

5. From the Accounts Statement filed as annexure to said report, it comes to light that Rs.9,65,911.41 is the balance in the hands of the OL

qua said Company. Most relevant paragraphs in said report are Paragraphs 8 and 9, which read as follows:

'8.It is submitted that as on date Rs.9,17,275.41 is lying at the credit of the company in liquidation in the account of the company in liquidation. total number of equity shares in the company in liquidation are 37, 47, 747 and even if we calculate 1 Rs. Per share the total amount required is Rs.37,47,747. Therefore, the amount available is Rs.9,17,275.41 will not be sufficient to declare further dividend.

9. It is submitted that the office of the Official Liquidator functions in its own building and considerable amount is being paid for the maintenance of the said building. If an amount of Rs.1,00,000/- is transferred to the infrastructure fund of the Official Liquidator, the same will be utilized for maintaining and developing the infrastructure facilities in his office. The balance amount lying in the account of the company in liquidation could be transferred to the undistributed assets of company in liquidation account as envisaged under section 555 of the Companies Act, 1956.'

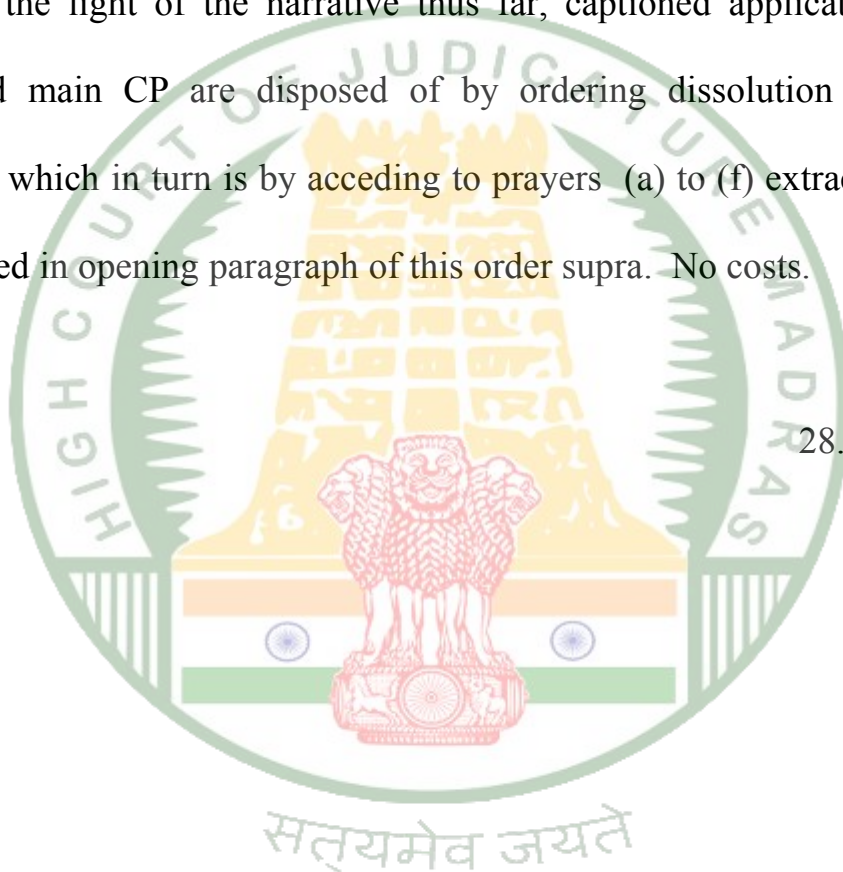
6. Having perused said report together with annexures, having heard learned Deputy OL, noticing that this Company Petition is nearly 20 years old, this Court is of the considered opinion that it would be just and reasonable in the circumstances of the case to order dissolution of said company. This is more so owing to the trajectory the matter has

taken. Prayer in captioned application consists of 7 limbs, namely (a) to (g), the same has been extracted and reproduced supra.

In the light of the narrative thus far, captioned application and captioned main CP are disposed of by ordering dissolution of said company which in turn is by acceding to prayers (a) to (f) extracted and reproduced in opening paragraph of this order supra. No costs.

28.08.2020

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M.SUNDAR.J.,

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