Comp.A.No.220 of 2020
in
C.P.No.60 of 1997

M.SUNDAR.J.,

'GNS NIDHI LIMITED' (hereinafter 'said Company' for the sake of convenience and clarity) is a company which has gone into liquidation in the aforementioned Company Petition, namely 'Company Petition No.60 of 1997' (hereinafter 'main CP' for the sake of convenience and clarity) at the instance of a petitioning creditor.

2.Captioned application has been taken out by 'Official Liquidator attached to this Court' ('OL' for the sake of brevity) and Mr.Bavisetty Sridhar, learned 'Deputy Official Liquidator' ('Deputy OL' for the sake of brevity) is before this Company Court on behalf of OL. Learned Deputy OL submits that captioned application has been taken out inter alia under Section 529, 529A, 530 and 460(4) of 'The Companies Act, 1956' (hereinafter 'said Act' for the sake of brevity) with a multi-limbed prayer which, as culled out from the judge's summons reads as follows:

'a) To take this report on record.

*b) To approve the second supplementary list of Form No.71 enclosed as "**Annexure-A**" as required under Rule 167 of the Companies Court (Rules) 1959.*

c) To permit the Official Liquidator to declare and pay dividend @ 64 paise in a rupee on the admitted amount of Rs.2,14,000/- to 4 claimants amounting to Rs.1,36,960/- (Rupees One Lakh Thirty Six Thousand Nine Hundred and Sixty only).

d) To permit the Official Liquidator to open a separate dividend account with Punjab National Bank, NSC Bose Road, Chennai for Rs.1,36,960/- exclusively for disbursement to 4 claimants to keep the account open for a period of 3 months and to remit the unclaimed amount, if any, to The Registrar of Companies, Tamilnadu, Chennai as required under Section 555(1) and (3) of the Companies Act, 1956.

e) To dispense with publication of notice of declaration of dividend as the disbursement is to be made to 4 claimants only.

f) To incur the expenses in connection with disbursement of dividend from and out of the funds of the company in liquidation, and

g) To pass such further or other order/s as this Hon'ble

Court may deem fit and proper in the circumstances of the case.'

3. Learned Deputy OL submits that a 'report of the OL dated 03.08.2020' (hereinafter 'said report' for the sake of convenience and clarity) has been filed in support of captioned application.

4. Adverting to said report, learned Deputy OL submits that this Company Court vide order dated 18.10.1997 made in main CP directed said Company to be wound up, appointed OL as provisional liquidator qua said Company with further directions *inter alia* to take charge of all the assets and effects of said Company. It is also submitted that thereafter vide separate order dated 17.12.1999 made in main CP, provisional Liquidator was made Liquidator of said Company. Thereafter, the manner in which the liquidation process unfurled in accordance with said Act and rules thereunder has been captured in said report. Most relevant paragraphs qua prayer in captioned application are Paragraphs 8 to 10 of said report which read as follows:

'8. That subsequently 4 new claimants submitted their claims along with condonation of delay order on various dates. The said claims were adjudicated and admitted as ordinary claims and the details of adjudication made are as follows:

SI.No.	*Claim No.*	*Name*	*Amount Claimed Rs.*	*Amount Admitted Rs.*	*Amount Rejected Rs.*
1	*9346*	*S.Neelavathy*	*30,450*	*30,000*	*450.00*
2	*9347*	*K.Viayalakshmy*	*40,000*	*40,000*	*-*
3	*9348*	*R.Narayanan*	*1,00,000*	*1,00,000*	*-*
4	*9349*	*D.S.Parahasarathy*	*44,750*	*44,000*	*750.00*
		TOTAL	*2,15,200*	*2,14,000*	*1,200.00*

9. That the funds available to the credit of the company in liquidation as on 07.07.2020 are as follows:

		(in Rs.)
Cash	-	*NIL*
Bank	-	*(1,33,444.15)*
Investment	-	*7,00,000.00*

TOTAL	-	*5,66,555.85*
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10. That subject to approval of this Hon'ble Court, it is proposed to disburse the dividend @ 64 paise in a rupee on the *admitted amount of Rs.2,14,000/- to the above said 4 depositors totally amounting Rs.1,36,960/- (Rupees One lakh Thirty Six Thousand Nine Hundred and Sixty only) as furnished in Second supplementary list of Form No.71 enclosed as "Annexure-A" as required under Rule 167 of the Companies Court (Rules), 1959, for the kind approved of this Hon'ble Court.'*

5. This Court, having perused the said report, having heard learned Deputy OL, being convinced that acceding to the prayer in captioned application would further the process of liquidation, deems it appropriate to order captioned application by acceding to prayer limbs (b) to (f).

Captioned company application ordered on above terms. There shall be no order as to costs.

25.09.2020

gpa

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