Company Application No.224 of 2020
in
CP.No.109 of 1987

M.SUNDAR, J

'Leo Finance & Chit Funds Limited' [hereinafter 'said company' for the sake of brevity and clarity] is the company which has gone into liquidation at the instance of a petitioning creditor in aforementioned 'Company Petition No.109 of 1987' (hereinafter 'main CP' for the sake of convenience and clarity).

2. Captioned application has been taken out by 'Official Liquidator attached to this Court' [hereinafter 'OL' for the sake of brevity and clarity] and Mr.Bavisetty Sridhar, learned 'Deputy Official Liquidator' (hereinafter 'Deputy OL' for the sake of brevity and clarity) is before this Company Court on behalf of OL.

3. A 'report of OL dated 03.08.2020' [hereinafter 'said report' for the sake of brevity] has been filed in support of captioned application.

4. Adverting to said report, learned Deputy OL submits that main CP is more than three decades and three years or in other words 33 years old in this Court. It is further submitted by learned Deputy OL that said Company

was ordered to be wound up in and by an order dated 11.08.1989 made by this Company Court in main CP. Post winding up order, what unfurled has been captured in paragraphs 4 to 8 of said report, which read as follows:

'4. That in compliance of the orders of the Hon'ble High Court, Madras dated 23.02.2007 and 06.09.2007, the Official Liquidator caused publication in "News Today" (English) "Daily Thanthi" (Tamil) "Andhra Jyothi" (Telugu) and "Prajavani" (Kannada) inviting claims from the creditors of the company in liquidation under Rule 147 of the Companies (Court) Rules, 1959.

5. That in response to the publication, 357 claimants submitted claims as ordinary creditors, out of which, 204 claims were admitted and remaining 153 claims were rejected for non-submission of documentary evidence.

6. That on receipt of claims from the creditors, the Official Liquidator adjudicated all the claims of ordinary and preferential creditors. The Hon'ble High Court, Madras by the order dated 08.06.2009 passed in C.A.No.675/2009 directed the Official Liquidator to disburse dividend @ 100 paise in a rupee to preferential creditors and @ 60 paise in a rupee to the ordinary creditors and the same was complied with. It is also submitted that the Official Liquidator disbursed further dividend @ 40 paise in a rupee along with 4% interest from *the date of winding up i.e., 11.08.1989 to 30.09.2018, as per the orders of Hon'ble Court dated 20.09.2018 passed in C.A.No.561/2018.*

7. That this Hon'ble Court sold all the assets of the company in liquidation, through public auction.

8. That the present fund position of the company as on 22.07.2020 is as follows:

Cash	:	*Nil*
Bank	:	*Rs. Nil*
Investment	:	*Rs.19,48,845.13*
		Rs.19,48,845.13

5. After adverting to aforesaid paragraphs, learned Deputy OL submits that as all the creditors of said Company have been settled, it would now be appropriate to disburse the balance available in the hands of OL amongst the contributories. It is submitted that for doing this, it is necessary to make an appropriate paper publication and that has necessitated the captioned application.

6. Prayer in captioned application as can be culled out from Judge's Summons reads as follows:

'*a) To take this report on record,*

b) To permit the Official Liquidator to publish Notice in Block letters/Bold Letters inviting contributories to prove their claim/extent of interest held by the contributories in the company in liquidation, in the prescribed form in the Newspapers, viz., "The New Indian Express" (English), "Dina Mani" (Tamil), "Prajavani" (Kannada) and "Sakshi" (Telugu),

c) To permit the Official Liquidator to incur the expenses in connection with publication of Notice from and out of the funds of the company in liquidation, and

d) To pass such order or other orders as this Hon'ble Court may deem fit and proper in the circumstances of the case.'

7. This Company Court, having heard learned Deputy OL, having perused said report, having noticed the specific and pointed submission of Deputy OL that all the creditors have been paid and therefore, it would now be appropriate to disburse the balance in the hands of OL amongst the contributories, considers it appropriate to accede to prayer in the captioned application in terms of limbs (b) and (c).

8. Captioned application allowed acceding to prayer limbs (b) and (c). There shall be no order as to Costs. The publication shall be effected at the earliest and in any event, within four (4) weeks from the date of this order.

09.10.2020

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M.SUNDAR. J

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