

Comp.A.No.241 of 2019

in

CP.No.255 of 2014

M.SUNDAR.J.,

Captioned application has been taken out by 'Official Liquidator attached to this Court' (hereinafter 'OL' for the sake of brevity), who is represented by the 'Deputy Official Liquidator Mr.Bhavishetty Sridhar' (hereinafter 'Deputy OL' for the sake of brevity).

2. Mr.S.R.Shanmugadoss, learned counsel for respondent 'Tamil Nadu Electricity Board' ['TNEB' for brevity] and Deputy OL are before me in this web-hearing on a video-conferencing platform.

3. 'First Leasing Company of India Limited' (hereinafter 'said company' for the sake of brevity) is a company under liquidation in the main company petition at the instance of petitioning creditor namely ICICI Bank Limited.

4. It is not in dispute that said company is being wound up, OL has taken possession of the books, records and movable assets of said company.

All this is articulated in paragraphs 2 to 4 of the report of OL filed in support of instant application and the same read as follows:

'2. That pursuant to the directions contained in the provisional winding up the Official Liquidator took possession of the book and records and movable assets available at the registered office and two godowns of the company in Provisional Liquidation.

3. The Official Liquidator submits that the Hon'ble High Court vide its order dated 06.02.2017 in C.A.No.791 of 2016 in C.P.No.255 of 2014 had directed the Official Liquidator to vacate the Registered Office Premises situated at No.749, Anna Salai, Chennai 600 002 to the new premises situated at No.21, Anna Salai, Chennai-600 002.

4. The Official Liquidator submit that as per the above said order the Official Liquidator had vacated the Registered Office of the subject Company in Liquidation and had issued letter dated 22.12.2017 to The Assistant Engineer, Tamil Nadu Electricity Board, DPI Compound, College Road, Nungambakkam, Chennai-600 014 to refund the E.B Deposit Amount of Service No.131-001-068 in favour of "The Official Liquidator, High Court, Madras" at the earliest and the same was acknowledged by them on 27.12.2017 but no reply or payment was received till date.'

5. Learned Deputy OL submits that OL has issued a reminder letter dated 11.12.2018 (reminder to 22.12.2017 letter) calling upon the respondent to refund the deposit amount for a service connection qua said company.

6. It is submitted by learned counsel for TNEB that a sum of Rs.3,00,000/- (Rupees Three Lakhs only) is lying in deposit. However, learned counsel submits that the prayer is for refund of the deposit with interest @ 18% per annum. Learned counsel for TNEB submits that the deposit can be refunded without interest.

7. In other words, the issue in the instant application is narrowed down to whether the deposit should be refunded with interest or not.

8. This Court carefully considered the fact setting of the instant matter. This Court has taken into account *inter alia* the fact that the deposit is not of a going concern, but of a company under liquidation; that the company under liquidation has collected deposits of varying amounts from various individuals and they are now in queue as creditors; that this Court is informed that such creditors qua said company are small depositors some of whom have put in their lifetime savings.

9. Owing to all that have been set out supra, this Court is of the considered view that it would be appropriate to direct the respondent-TNEB

to refund the deposit of Rs.3,00,000/- together with interest @ 7.5% per annum from 22.12.2017 to the date of realisation. To be noted, this Court has taken 7.5% to be reasonable as this Court is informed that prevailing Reserve Bank of India rates for deposits is pegged at a rate in this region.

10. Instant application is ordered on above terms.

14.08.2020

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