Company Application No.421 of 2019
in
C.P.No.255 of 2014

M.SUNDAR.J.,

'First Leasing Company of India Limited' (hereinafter referred to as 'said company' for the sake of brevity and clarity) is the company under liquidation in the main Company Petition at the instance of one of its creditors, namely ICICI Bank Limited. That said company is under liquidation, that Official Liquidator attached to this Court ('OL' for the sake of brevity) has taken over said company; that the assets have also been taken over and that the proceeds have been distributed amongst the secured directors, are all not in dispute.

2. Today, Mr.Arun, learned counsel for State Bank of India has also joined the hearing.

3. What is of relevance is, an earlier order dated 26.03.2018 made by this Court in C.A.No.7 of 2018. This Court is informed that pursuant to this earlier order, a consortium of secured creditors with 'State Bank of India' ('SBI' for brevity), as lead bank, have been made payments, the details of which have been set out in a report of OL captioned 'Further Report' and dated 10.03.2020.

4. As far as instant application is concerned, the same is for disbursement of dividend at the rate of 0.75% on the admitted amount to the 14 secured

creditors, who constitute the consortium led by SBI. This Court is informed that this total sum is Rs.8,99,11,392/-.

5. To be noted, when this matter came up earlier before my predecessor Hon'ble Judge, learned Judge made proceedings dated 28.02.2020, which reads as follows:

> *'Though the report would state that the dividend sought to be given to fourteen secured creditors, the details as to how the disbursal is to be effected is not available in the said report.*
>
> *The Official Liquidator is directed to give a break of the amounts due to each of the 14 secured creditors.*
>
> *Post after three weeks.'*

6. Aforementioned further report has been filed pursuant to the aforesaid proceedings of the predecessor learned Judge.

7. Be that as it may, learned Deputy OL submits that it would be necessary for the lead Bank SBI to furnish an affidavit in the nature of indemnity, indemnifying OL/Office of OL against any claim, if made by any of the members of the consortium i.e., 14 entities. Learned Deputy OL submits that this request is made only as a matter of abundant caution. Responding to this, learned counsel for SBI, Mr.Arun submits that disbursement amongst the

members of consortium is being made pursuant to orders made by Debts Recovery Tribunal and if it is a matter of comfort for the office of OL, there is no difficulty in giving an affidavit of this nature to the OL.

8. In the light of the fact that other limbs of the prayers are incidental and collateral, instant application is ordered as prayed for subject to production of affidavit by SBI in the aforesaid manner.

17.07.2020

gpa/kmi

<u>M.SUNDAR.J.,</u>

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<u>in</u>
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