

Comp.A.No.247 of 2020

in

C.P.No.115 of 2004

R.SUBRAMANIAN.J.,

The applicant Bank is aggrieved by the rejection of its claim for interest. The claim was made by the claimant Bank as against the Company under liquidation to the tune of Rs.66,82,21,871/-, of which a sum of Rs.61,82,21,871/- is interest allowed by the Debts Recovery Tribunal under its decree dated 23.09.2014.

2. It is also seen that a Recovery Certificate has been issued by the Debts Recovery Tribunal, Madurai on 11.11.2014. As per the Decree and Recovery Certificate, the applicant Bank is entitled to recover a sum of Rs.50,80,98,245.51/- together with interest at the rate of 17% per annum with quarterly rests from 19.02.2010 till the date of realisation.

3. In view of the above Decree granted by the Debts Recovery Tribunal, it is clear that the appellant Bank is entitled to interest on the amounts decreed by the Debts Recovery Tribunal. The order of the Official Liquidator rejecting the claim of interest is bereft of any reason. It only states that the amount claimed towards interest is rejected. The Official Liquidator is

bound to give reasons for rejecting the claim of the Bank which is based on a validly passed decree by the Debts Recovery Tribunal.

4. The learned Official Liquidator has filed a second report on 25.02.2021, wherein, the learned Official Liquidator has stated that the Office of the Official Liquidator is willing to re-adjudicate the claim.

5. In the light of the above statement made in the report, the rejection of the claim of the Bank by the Official Liquidator dated 25.02.2019 is set aside. The Official Liquidator is required to re-adjudicate the claim. The Bank is required to place all the documents in support of its claim in original or through certified copy obtained from the Debts Recovery Tribunal before the Official Liquidator.

6. Accordingly, this Company Application is **disposed of**.

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