COMP.A.Nos.229 of 2020 and 240 to 243 of 2020
in
CP.No.245 of 2013

P.T.ASHA, J.

A.No.229 of 2020 *is filed to stay the sale transaction which has been approved by the Official Liquidator in respect of the 'A' Schedule Property of the company in liquidation and to direct for appropriate valuation.*

2. This application has been filed by the Director of the company in liquidation. The said application is filed on the basis that the Official Liquidator has grossly undervalued the immovable properties of the company in liquidation compared to the market value.

3. The applicant would further contend that being Director of the company, they have to be kept informed about the prospective sale through the communication of the Official Liquidator. It is their case that on earlier occasions, the Official Liquidator was keeping them informed but however

the bid submitted by the 4th respondent herein was not informed to the applicant.

4. The applicant have further submitted that they suspect collusion between the successful bidder and the other directors of the company in liquidation and the unsuccessful attempts at auctioning the property is a clear evidence of this collusion.

5. The learned counsel appearing for the applicant would submit that they have got an offer for Rs.2,15,00,000/- in respect of property and that the offer made by the 4th respondent was only for a sum of Rs.2,00,00,000/-. The Official Liquidator has submitted his report dated 26.11.2020 wherein he has contended that despite his best attempts to sell the property by public auction, the same did not fructify. Therefore, pursuant to the orders of this Court, a hoarding was placed at the premises and in response to this hoarding, the fourth respondent has submitted his bid for Rs.2,00,00,000/-.

6. This Court by order dated 24.02.2020 was pleased to confirm the bid and the bidder was directed to pay the entire amount on or before 10.04.2020. In view of the lockdown, since he was unable to deposit the amount in time, A.No. 242 of 2020 had been taken for extending the time. When the matter had come up on 27.01.2021, the Official Liquidator had brought to the notice of this Court that after the sale, he has received an offer for a sum of Rs.2,20,00,000/-. I had therefore directed the auction purchaser to seek instructions from his client as to whether his client was ready to equal this bid.

7. Today, when the matter was called, the 4th respondent would submit that he is ready to pay a sum of Rs.2,21,00,000/- and the same would be paid in the course of the week.

8. The Official Liquidator has been trying to get the best offer for the property, for which, he had taken out a sale notice, after fixing the reserved price for the land after obtaining its valuation from the recognised official

valuers. The first bid on public auction was conducted on 13.12.2019, where there were bids only for the movable property and in respect of the immovable property, there was no bids Since there was not a single bid with reference to the immovable property, the Official Liquidator was directed to erect hoardings in the premises and it is in compliance to this, the 4th respondent submitted his bid and at no point of time, the applicant had come forward to bring a prospective purchaser. It is only when the 4th respondent has submitted his bid and the Court has confirmed the same, that the applicant have come forward with the present application.

8. It is seen that the applicant had been aware about the auction sale and also the value that was fixed by M/s. ITCOT. Even on that, they have not raised objection to the value arrived at by M/s. ITCOT. For the first time in this application, such an objection has been taken. The Court doubts the bonafides of the applicant.

9. Considering the fact that the 4th respondent has enhanced his offer, this Court accepts the same and directs the 4th defendant to pay the entire money within the course of this week i.e., 18.02.2021 and report compliance. Consequently A.No.242 of 2020 is ordered and A.Nos.229, 240, 241 and 243 are dismissed. No costs.

10. Post the matter on 18.02.2021 for reporting compliance.

09.02.2021

mrn

P.T.ASHA, J.

mrn

COMP. A.Nos.229 of 2020 and 240 to 243 of 2020
in
CP.No.245 of 2013

09.02.2021