

IN THE HIGH COURT OF JUDICATURE AT MADRAS

(ORIGINAL JURISDICTION)

FRIDAY, THE 09th DAY OF APRIL, 2021

THE HON'BLE MR.JUSTICE R.SUBRAMANIAN

COMP. APPLN. No.247 of 2020

in

COMP.PETN. No.115 of 2004

In the matter of the Companies Act, 1956

and

In the matter of M/s.Vijayakumar Mills
Limited (in Liquidation)

C.P.No.115/2004:

B.I.F.R.,

New Delhi,

.. Petitioner

Vs.

1. The Chairman and Managing Director
The Vijayakumar Mills Ltd.
Chinnakalayamputhur post,
Palani-624 615. Tamil Nadu.
2. The Secretary
Handicraft Handlooms Textiles and Khadi
Department, Govt. of Tamil Nadu,
Fort St. George, Chennai-600 009
3. The chairman & Managing Director
Canara Bank (B.I.F.R. Accounts Section)
Credit Wing, 112, J.C.Road,
Bangalore-2.
4. The Chairman & Managing Director
Bank of India, Express Tower,
Nariman Point, Mumbai-400 021.
5. The Chairman & Managing Director

- Indian Overseas Bank,
The Industrial Advisor &
Rehabilitation Department,
Central Office 762,
Anna Salai, Madras-600 002
6. The Chairman, I.D.B.I.
I.D.B.I. Tower, Cuffe Parade,
Mumbai.
 7. The Chairman & Managing Director I.I.B.I.
19, Netaji Subhash Road, Calcutta.
 8. The Chairman
I.C.I.C.I., No.163,
Backbay Reclamation,
Mumbai.
 9. The Chairman & Managing Director
SIPCOT No.19`A`
Marshall Road, Egmore,
P.B.No.7223, Madras.
 10. The Chairman
PNB Capital Services Ltd.,
Sudarshan Building,
3rd floor, 14 Whites Road,
Chennai- 14.
 11. National Textile Workers Union
1848 Trichy Road, Ramanathapuram
Coimbatore-45.
 12. Vijaykumar Mills & Thread
Thozhilalar Munnettra Sangam,
Opp. VK Mills, Kalaymputhur Post,
Palani - 624 615.
 13. Palani National Textile
Workers Union,
107 New Jail Road,
Madurai-625 010.

14. Mavatta Anna Panjalai
Thozhilalar Munnethra Sangam,
4D, Scheme Road, Sear Bus Stand,
Dindigul-624 001.
15. The Coimbatore District Textile
Workers Union Tyagi NGR Mahal,
2212 Trichy Road,
Coimbatore-641 005.
16. Dindigul-Anna District Mavatta
Panjalai Thozhilalar Munnethra Sangam,
55A, Thiruvalluvarnagar,
7th Cross Street,
Dindigul-624 003
17. Dravida Panjalai Thozhilalar
Munnethra Sangam , 39, New Agraharam,
Palani Road, Dindigul-624 001.
18. The Director General
ESIC, ESIC Building ,
Kotla Road Behind Foreign
Post Office, New Delhi.
19. The Central Provident Fund Commissioner,
Hudco Vishala, 14 Bhikaji Cama Place,
R.K.Puram, New Delhi-110 066.
20. The Chairman & Managing Director,
Tamil Nadu State Electricity Board.
Chennai.
21. The Principal Secretary
Industries Department, Govt. of Tamil Nadu,
Fort St. George, Chennai.
22. Sr. Vice President
ICICI (OA), Cheran Plaza,
1st Floor, 1619, Trichy Road,
Coimbatore-641 018.

23. Gujarat Lease Fiancing Ltd.
 Hasmbhai Chambers,
 Opp. Town Hall, Ellishbridge,
 Ahmedabad.

24. Kaushik S. Acharya ,
 402, Ashram Avenue,
 Opp. Bonny Travells ,
 B/H. Kocharab Ashram,
 Paldi, Ahmedabad-380 007.

.. Respondents

Comp.Appln.No.247/2020:

Canara Bank,
 Debenture Trustee Department
 Executor Trustee and Taxation Section
 No.51, Stock Exchange Towers
 1 Cross, J.C.Road, Bengaluru – 560 027
 Represented by its Senior Manager

... Applicant

Vs.

Vijaya Kumar Mills Limited
 (In Liquidation)
 Represented by The Official Liquidator
 High Court Madras.

The Company Application praying this Court to :

a) To set aside the notice of the Official Liquidator in Form 69 dated 25.02.2019 allow this present application and direct the official liquidator to admit the entire claim of the Applicant for Rs.66,82,21,871/-.

This Company Application coming on this day before this Court for hearing in the presence of Mr.Raghunathan for the applicant and Mrs.Latha Parimala Vadhana, Official Liquidator High Court, Madras for the respondent herein, and upon reading the Judge's Summons and

affidavit filed herein, **the court made the following order:**

“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*.”.

WITNESS, THE HON'BLE MR.JUSTICE SANJIB BANERJEE,
THE CHIEF JUSTICE OF MADRAS HIGH COURT, AS AFORESAID
THIS THE 09th DAY OF APRIL, 2021.

sd/-

JOINT REGISTRAR(O.S)

//Certified to be true copy//

Dated at Madras this the day of 2021.

COURT OFFICER(O.S.)

From 25th Day of September 2008 the Registry is issuing certified copies of the Orders/Judgments/Decrees in this format.

sm/29/07/2021

COMP.APPLN.NO.247 OF 2020
in
COMP.PETN.NO.115 OF 2004

ORDER DATED:09.04.2021

THE HON'BLE MR.JUSTICE
R.SUBRAMANIAN

FOR APPROVAL ON: 25/08/2021

APPROVED ON: 25/08/2021

Copy to:

The Official Liquidator,
High Court, Madras.