IN THE HIGH COURT OF JUDICATURE AT MADRAS

(IN INSOLVENCY)

MONDAY, THE 20TH DAY OF DECEMBER 2021

THE HON'BLE MR.JUSTICE SENTHILKUMAR RAMAMOORTHY

APPLN. Nos. 119 TO 125 of 2021
IN
IP. No.60 OF 2008

In the matter of Presidency Towns and Insolvency Act III of 1909
and
In the matter of S.Sathyanarayanan.
....Debtor

The matter of the petition and schedule of the insolvent above named coming on this day to be further heard for declaring the first and final dividend of the said insolvent's estate and for hearing all objections to the said schedule of the said insolvent and to the accounts of the Official Assignee of this court and as much the assignee of the estate and effects of the said insolvent, and for hearing all claims of any creditors not previously heard and none of the creditors of the said insolvent appearing to make any objections to the said schedule or to the accounts to the said Official Assignee, or to make or prefer, any claim not previously heard and determined, and it appearing to the court from the proportion account, filed on the 19th day of November 2021, that after deducting the 7% Government commission payable to the said Official Assignee, namely Rs.1,42,183/-

(Rupees One lakh forty two thousand one hundred and eighty three only) and Rs.3,95,303/- (Rupees Three lakhs ninety five thousand three hundred and three only) being the Secured Claim paid and Rs.77,167/-(Rupees Seventy seven thousand one hundred and sixty seven only) being the cost of administration and Rs.11,624/- (Rupees Eleven thousand six hundred and twenty four only) being the Interest on FDR 2% to be paid and Rs.1,44,072/- (Rupees One lakh forty four thousand and seventy two only) being the Interest for 12 unsecured claims at 6% p.a. and Rs.7,038/-(Rupees Seven thousand and thirty eight only) being the amount reserved for future expenses and the Surplus amount of Rs.2,30,000/- (Rupees Two lakhs and thirty thousand only) available after payment of dividend at the rate of 100 p in a rupee along with interest, a clear balance of Rs.16,05,000/-(Rupees Sixteen lakhs and five thousand only) which is sufficient to declare the first and final dividend herein. THIS COURT DOTH HEREBY SANCTION the payment to the said Official Assignee of the said commission of Rs.1,42,183/- (Rupees One lakh forty two thousand one hundred and eighty three only) AND DOTH DECLARE THE first and final dividend among the 12 proved unsecured creditors of the said insolvent S.Sathyanarayanan of the sum of Rs.16,05,000/- (Rupees Sixteen lakhs and five thousand only) at the rate of 100 Paise in the rupee on the amount of the admitted debts

Rs.16,05,000/-(Rupees Sixteen lakhs and five thousand only) due to them respectively.

2. That the Official Assignee be and is hereby permitted to disburse the sum of Rs.17,49,072/- (Rupees Seventeen lakhs forty nine thousand and seventy two only) to the 12 proved unsecured creditors.

3. That the Application Nos.121 to 125 of 2021 in I.P.No.60 of 2008 be and are hereby dismissed as infructuous.

WITNESS, THE HON'BLE MR.JUSTICE MUNISHWAR NATH BHANDARI, ACTING CHIEF JUSTICE, HIGH COURT AT MADRAS, AFORESAID THIS THE 20TH DAY OF DECEMBER 2021.

Sd./-
ASSISTANT REGISTRAR
Original Side – I

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DATED THIS THE DAY OF 2022.

MANAGER
INSOLVENCY OFFICE

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PK
29/12/2021

HIGH COURT, MADRAS.

APPLN.Nos.119 to 125 of 2021
in
I.P. No. 60 of 2008

FIRST AND FINAL
DIVIDEND DECLARATION

ORDER DATED : 20/12/2021

THE HON'BLE MR.JUSTICE
SENTHILKUMAR RAMAMOORTHY

FOR APPROVAL:11/01/2022

APPROVED ON : 12/01/2022

COPY TO:-

THE OFFICIAL ASSIGNEE
HIGH COURT, MADRAS.

IN THE HIGH COURT OF JUDICATURE AT MADRAS

(IN INSOLVENCY)

MONDAY, THE 20TH DAY OF DECEMBER 2021

THE HON'BLE MR.JUSTICE SENTHILKUMAR RAMAMOORTHY

APPLN. Nos. 119 TO 125 of 2021
IN
IP. No.60 OF 2008

In the matter of Presidency Towns and Insolvency Act III of 1909
and
In the matter of S.Sathyanarayanan.
....Debtor

IP.NO.60 OF 2008:

S.Sathyanarayanan,
S/o.P.Swaminathan,
No.205, T.V.Koil Street,
Thirumangalam,
Chennai – 600 040. ...Petitioner/Debtor

APPLN. Nos. 119 &120 of 2021:-

Official Assignee,
High Court, Madras. ...Applicant

-Vs-

S.Sathyanarayanan ...Respondent/Insolvent

Appln.Nos.121 to 125 of 2021:-

S.Lawrence Raj,
S/o. Savarimuthu,
No.134, 7th Street,
Sharma Nagar, Vyasarpadi,
Chennai – 600 039. ...Applicant in Appln No.121 of 2021

Sowri Selvaraj,
S/o. LourduSamy,
M.T.C, Vyasarpadi Depot,
Chennai – 600 038. ...Applicant in Appln.No.122 of 2021

E.Swert,
S/o.Y.Elias,
M.T.C Vyasarpadi Depot,
Vyasarpadi,
Chennai – 600 039. ...Applicant in Appln.No.123 of 2021

P.Kanchana,
W/o.Palani,
No.38/38, Guruvappa Street,
Ayanavaram,
Chennai – 600 023. ...Applicant in Appln.No,.124 of 2021

S.Gopal,
S/o. E.Sreenivasan,
No.S/1-B, Vivekananda Street,
Krishnamurthy Nagar,
Kodungaiyur,
Chennai – 600 118. ...Applicant in Appln.No.125 of 2021

-Vs-

1. S.Sathyanarayanan,
   S/o. P.Swaminathan,
   No.205, T.V.Koil Street,
   Tirumangalam,
   Chennai – 600 040. ...1st Respondent/Insolvent

2. The Official Assignee,
   High Court, Madras. ...2nd Respondent

APPLN. No. 119 of 2021:-

Application praying that this Hon'ble Court be pleased to pass

an order permitting the Official Assignee to declare first and final Dividend at the rate of 100 paise in a rupee to the tune of Rs.16,05,000/- along with interest at the rate of 6 percent per annum, amounting to Rs.1,44,072/- totalling to a sum of Rs.17,49,072/- to the 12 proved unsecured creditors.

APPLN. No.120 of 2021:-

Application praying that this Hon'ble Court be pleased to pass an order permitting the Official Assignee to disburse the sum of Rs.17,49,072/- to the 12 proved unsecured creditors.

APPLN. No.121 of 2021:-

Application praying that this Hon'ble Court be pleased to pass an order directing the Official Assignee to consider negotiations with regard to any reasonable amount as dividend to be paid to the applicant from the amounts received from the estate of the insolvent.

APPLN. No.122 of 2021:-

Application praying that this Hon'ble Court be pleased to pass an order directing the Official Assignee to consider negotiations with regard to any reasonable amount as dividend to be paid to the applicant from amounts received from the estate of the insolvent.

APPLN. No.123 of 2021:-

Application praying that this Hon'ble Court be pleased to pass an order directing the Official Assignee to consider negotiations with regard to

any reasonable amount as dividend to be paid to the applicant from the amounts received from the estate of the insolvent.

APPLN. No.124 of 2021:-

Application praying that this Hon'ble Court be pleased to pass an order directing the Official Assignee to consider negotiations with regard to any reasonable amount as dividend to be paid to the applicant from the amounts received from the estate of the insolvent.

APPLN. No.125 of 2021:-

Application praying that this Hon'ble Court be pleased to pass an order directing the Official Assignee to consider negotiations with regard to any reasonable amount as dividend to be paid to the applicant from the amounts received from the estate of the insolvent.

The above applications coming on this day before this court for hearing in the presence of the Deputy Official Assignee for Official Assignee, the applicant in Appln Nos.119 & 120 of 2021 and for 2nd Respondent in Appln Nos.121 to 125 of 2021 herein; and of Mr.Rajkumar Paul, advocate for the Applicant in Appln.Nos.121 to 125 of 2021 herein; and upon reading the Judges Summon and Report of the Official Assignee filed in Appln Nos 119 & 120 of 2021 herein; and Judges Summons and Affidavit of S.Lawrence Raj, Sowri Selvaraj, E.Swert, P.Kanchana, S.Gopal filed in Appln Nos. 121 to 125 of 2021 respectively and

the court made the following order:-

A. Nos.119 and 120 of 2021 have been filed by the Official Assignee seeking to declare and disburse dividend to the creditors of the insolvent. A.Nos.121 to 125 of 2021 have been filed by creditors seeking a direction to the Official Assignee for the declaration and disbursement of dividend. Since all these applications are interconnected, they are considered and disposed of by this common order.

2. In support of Application Nos.119 and 120 of 2021, the Official Assignee has filed a report dated 17.11.2021. In such report, it is stated that claim invitations were sent to the 38 creditors, whose names were mentioned in the schedule of affairs. Pursuant thereto, 17 unsecured creditors filed claim petitions before the Official Assignee for a total sum of Rs.37,15,000/-. Out of 17 claims, 5 claims were rejected and the remaining 12 claims were admitted for a total sum of Rs.16,05,000/-. In addition, one secured creditor namely, Corporation Bank filed Claim Petition No.277 of 2008 for a sum of Rs.4,07,190/- and the same was admitted for a sum of Rs.3,95,303/-.

3. The Official Assignee further states that the land and building of the insolvent was brought to sale and a sum of Rs.12,20,000/- was realized therefrom. From and out of the said sum, a sum of

Rs.3,95,303/-, which is the admitted claim of the secured creditor, was paid on 11.02.2010.

4. The Official Assignee states that totally a sum of Rs.26,12,387/- was realized from the estate of the insolvent. After paying the above mentioned sum of Rs.3,95,303/- to the secured creditor, it is stated that an aggregate sum of Rs.22,17,084/- is available. Out of this sum, Government Commission, administrative expenses, contingency charges and future expenses are liable to be defrayed. This would leave a sum of Rs.19,79,072/- for the purpose of disbursement of dividend. Since the admitted claim to unsecured creditors is a principal sum of Rs.16,05,000/-, it is stated that the funds are sufficient to disburse the dividend at the rate of 100 paise in a rupee. Moreover, since a surplus is available, interest at the rate of 6% p.a. may be paid thereon as per the second schedule of the Presidency Towns Insolvency Act, 1909. The present applications are filed in these facts and circumstances.

5. The Official Assignee has annexed details of: all claims received; amounts admitted against such claims; and the aggregate amount payable by way of interest.

6. Upon examining the report in support of these applications and the Annexures thereto, it is clear that the applications of the Official Assignee are liable to be allowed. Accordingly, the following

orders are passed:-

(i) A.Nos.119 and 120 of 2021 are allowed by permitting the Official Assignee to declare the first and final dividend at the rate of 100 paise in a rupee to the 12 unsecured creditors whose claims were proved in an aggregate sum of Rs.16,05,000/- along with interest at the rate of 6% p.a., i.e. Rs.17,49,072/-.

(ii) The Official Assignee is permitted to disburse the above mentioned sum of Rs.17,49,072/- to the 12 unsecured creditors in proportion to amounts proved by each of them..

(iii) As a consequence of A.Nos.119 and 120 of 2021 being allowed, nothing survives for adjudication in A.Nos.121 to 125 of 2021. Accordingly, the said applications are dismissed as infructuous.

WITNESS, THE HON'BLE MR.JUSTICE MUNISHWAR NATH BHANDARI, ACTING CHIEF JUSTICE, HIGH COURT AT MADRAS, AFORESAID THIS THE 20TH DAY OF DECEMBER 2021.

Sd./-
ASSISTANT REGISTRAR
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MANAGER
INSOLVENCY OFFICE

PK
10/01/2022

HIGH COURT, MADRAS.

APPLN.Nos.119 to 125 of 2021
in
I.P. No. 60 of 2008

ORDER DATED : 20/12/2021

THE HON'BLE MR.JUSTICE
SENTHILKUMAR RAMAMOORTHY

FOR APPROVAL:11/01/2022

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