Comp.A.No.338 of 2021

in

C.P.No.180 of 1999

SENTHILKUMAR RAMAMOORTHY, J.

This application is filed under Section 481 of the Companies Act, 1956, to dissolve Gummadi Industries Limited, the company in liquidation (the Company).

2. In support of this application, the Official Liquidator has filed a report dated 06.12.2021. In such report, it is stated that the Company was ordered to be wound up by order dated 05.11.2003. Thereafter, on the application of the ex-directors, the winding up was suspended. Eventually, by order dated 09.02.2007, the Official Liquidator was directed to take charge of the assets and affairs and further directed to proceed with the winding up. The Official Liquidator states that two units of the factory premises of the Company were brought for sale and that a sum of Rs.93,42,700/- was realized as sale proceeds. Upon inviting claims from creditors, it is stated that 10 claims were received from the workmen creditors of the Company. Upon adjudication thereof, 9 claims to the extent of Rs.17,85,363/- were admitted. Pursuant to an order dated 04.08.2017 in C.A.No.597 of 2017, it is stated that dividend was

disbursed to the workmen in respect of the admitted claims at 100 paise to a rupee. In addition, interest at 4% p.a. was also paid. The Official Liquidator states that no other creditors made claims. Upon inviting claims from contributories, it is stated that no claim was received from the contributories. The funds position of the Company has been indicated in paragraph 13 of the report. An aggregate sum of Rs.1,13,12,297.89 is said to be available to the credit of the Company.

3. The Official Liquidator states that the Company was ordered to be wound up in the year 2003 and that there are no further assets available. Therefore, it is stated that no purpose would be served by continuing with the winding up of the Company. The present application is filed in these facts and circumstances.

4. The Official Liquidator has annexed the final accounts of the Company. An auditor's certificate dated 14.12.2021 has been issued by M/s.Sarathy & Vasu LLP, Chartered Accountants, in accordance with Rule 281 of the Companies (Court) Rules, 1959.

5. The Company was ordered to be wound up on 05.11.2003. The available assets have been brought to sale and the sale proceeds realized therefrom. The admitted claims have been discharged in full, including interest. There are no claims from contributories. Therefore, the Court is of the opinion that no useful purpose would be served by continuing with the winding up and that it is just and reasonable to dissolve the Company.

6. The Official Liquidator has also requested that permission be granted to transfer a sum of Rs.10,00,000 from and out of the funds of the Company to the infrastructure account of the Common Pool Fund so as to defray liquidation expenses of companies with inadequate funds. This request is accepted subject to the condition that the Official Liquidator files audited accounts relating thereto into this Court once every six months.

7. Accordingly, this application is allowed by issuing the following directions:

(i) Gummadi Industries Limited (under liquidation) is dissolved under Section 481 of the Companies Act, 1956.

(ii) The Official Liquidator is permitted to transfer a sum of Rs.10,00,000/- (Rupees ten lakhs only) to the infrastructure account of the Common Pool Fund to meet expenses towards liquidation of other companies in which funds are unavailable. This permission is subject to the filing of audited accounts in this regard, every six months before this Court.

(iii) After meeting all incidental expenses of the winding up process, including this application, the Official Liquidator is directed to remit the remaining amount lying to the credit of the Company into the Companies Liquidation Account as undistributed assets in terms of Section 555 of the Companies Act, 1956.

(iv) All consequential compliances shall be carried out by the Official Liquidator.

(v) Subject to compliance with the above directions, the Official Liquidator is discharged as the Liquidator of Gummadi Industries Limited and C.P.No.180 of 1999 is closed.

17.12.2021

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SENTHILKUMAR RAMAMOORTHY J.

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