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Comp. A.No.335 of 2021 in

C.P.No.23 of 1986

SENTHILKUMAR RAMAMOORTHY, J

This application is filed by the Official Liquidator seeking dissolution of Asian Travels India Private Limited, i.e. the company in liquidation (the Company), under Section 481 of the Companies Act, 1956 (CA 1956).

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 Official Liquidator was initially appointed as Provisional Liquidator on 18.04.1986. Subsequently, by order dated 08.11.2000, the Official Liquidator was appointed as Liquidator of the Company. After taking charge of the assets and affairs of the Company, it is stated that the movable assets of the Company were sold through public auction, and a sum of Rs.1,93,055/- was realized through that process. In addition, it is stated that a sum of Rs.43,75,912.18 was realized from the sale of shares held by the Company in ICICI Bank Limited. The Official Liquidator also states that a cash balance of Rs.16,143.75 is available.

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3. Upon inviting claims from creditors pursuant to the orders of this Court, it is stated that three claims were received from ordinary creditors of the Company. All these claims were either rejected or could not be adjudicated for want of documentary evidence.

4. The Official Liquidator states that the ex-directors of the Company did not file the statement of affairs until 07.01.2007. Eventually, pursuant to an application taken out by the Official Liquidator in such regard, the statement of affairs was filed albeit without necessary information. Subsequently, an application was filed under Sections 542 and 543 of CA 1956 alleging misfeasance against the ex-directors of the Company. Pursuant thereto, by order dated 12.03.2012, the application was disposed of and a penalty of Rs.41,18,796.56 was imposed on the ex-directors. It is also stated the said order was not complied with.

5. Pursuant to an invitation to contributories to submit their claims, it is stated that no claims were received from contributories. As regards the funds position of the company as on 30.11.2021, it is stated that a total sum of Rs.81,93,720.05 is available.

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6. The Official Liquidator states that on account of the limited funds available to the credit of the Company, and in view of the fact that there are no other assets available, the Official Liquidator is not in a position to continue with the winding up of the Company. The present application is filed in these facts and circumstances.

7. The dissolution of a company may be ordered by the Court if the affairs of the company have been fully wound up or if it is not possible to continue with the winding up on account of lack of funds or assets or for any other reason.

8.The Official Liquidator has filed the final accounts of the Company. Such final accounts are supported by an auditor's certificate dated 14.12.2021 issued by M/s.Sarathy & Vasu LLP, Chartered Accountants, in terms of Rule 281 of the Companies (Court) Rules, 1959.

9.In the case at hand, the available assets were brought to sale and the sale proceeds thereof realized. Given the fact that the statement of affairs did not contain requisite information, the Official Liquidator was unable to identify any further assets. As regards the funds position of the company, only a

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sum of Rs.81,93,720/- is available. No claims were received from contributories and the three claims received from ordinary creditors were rejected. The winding up process has continued for about 35 years. In these circumstances, this Court is of the opinion that no useful purpose would be served by continuing with the winding up. Therefore, it is just and reasonable to dissolve the Company.

10. The Official Liquidator has also requested that permission be granted to transfer a sum of Rs.5,00,000 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.

11. For reasons set out above, this application is allowed by issuing the following directions:-

(i) Asian Travels India Private Limited (under liquidation) is hereby dissolved.

(ii) The Official Liquidator is permitted to transfer a sum of Rs.5,00,000/- from the funds of the company in liquidation to the infrastructure account of the Common Pool Fund in order to

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meet the liquidation expenses of other companies for which funds are unavailable. This permission is granted subject to the condition that the Official Liquidator submits audited accounts in such regard to this Court once every six months.

(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 statutory 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 Asian Travels India Private Limited and C.P.No.23 of 1986 is closed.

17.12.2021

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