



IN THE HIGH COURT OF JUDICATURE AT MADRAS

**DATED: 26-09-2025**

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**THE HONOURABLE MR JUSTICE N. ANAND VENKATESH**

**APPLN No. 250 of 2023**

**AND**

**IP NO. 11 OF 2019**

1. Kumbakonam Mutual Benefit  
Fund Nidhi Limited  
Dharmaraja Koil Street, Saidapet,  
Opp To VGP Office,  
Chennai - 600 015. Rep. By Its  
Manager, V.Sridhar

2.Kumbakonam Mutual Benefit  
Fund Nidhi Limited  
No.1, Nachiyappan Street,  
Mylapore, Chennai-600 004.  
Rep. By Its Manager R.Uma  
Sankar.

3.Kumbakonam Mutual Benefit  
Fund Nidhi Limited  
No.10, Doraisamy Road, T.Nagar  
Branch, Chennai-600 017.  
Rep. By Its Manager  
G.Mahendran.

Applicant(s)

Vs

1. Syed Hifzur Rahman Biyabani  
S/o.Syed Ataul Rahman Biyabani,  
No.49/10, Easwaran Koil Street,  
West Mambalam,  
Chennai-600 003.



2.The Official Assignee  
High Court, Madras.

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Respondent(s)

**PRAYER**

To permit Applicants 1 to 3 (KMBF) to withhold the payment of dividends to the erring shareholders, the details of whom are more fully described in the Schedule to the Judges Summons, in light of the criminal complaints filed against them and till the time the Applicants are parties to the proceedings under the present Insolvency Petition No.11 of 2019.

For Applicant(s): Mr.M.S.Krishnan  
Senior Counsel for  
Mr.C.Arun Kumar  
For Respondent: Mr.Gowtham, Official  
Assignee for R2

**ORDER**

This application has been filed to permit the applicant to withhold the payment of dividends to the erring shareholders.

2. It is seen from the earlier order passed by this Court on 02.01.2024 wherein this Court had directed the applicant not to disburse the dividend to the shareholders. According to the learned Senior counsel appearing on behalf of the applicant, this order confines itself only to the dividend declared for the year 2022 – 2023



at the Annual General meeting of the applicant held on 29.09.2023.

The learned Senior counsel submitted that the order passed by this Court on 02.01.2024 must be extended for the subsequent years also, since the applicant has to comply with certain statutory requirements.

3. Considering the earlier order passed by this Court on 02.01.2024, it is made clear that the said order will extend for all the subsequent years also, until further orders are passed by this Court.

4. This application is disposed of in the above terms. No costs.

**26-09-2025**

rka

Index:Yes/No

Speaking/Non-speaking order

Internet:Yes

Neutral Citation:Yes/No



APPLN No. 250 of 2023



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1.Syed Hifzur Rahman Biyabani  
S/o.Syed Ataul Rahman Biyabani,  
No.49/10, Easwaran Koil Street,  
West Mambalam, Chennai-600  
003.

2.The Official Assignee  
High Court, Madras.



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**N.ANAND VENKATESH J.**  
**rka**

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**26-09-2025**