

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

OFFICIAL LIQUIDATOR'S REPORT NO.83 OF 2024

Official Liquidator of Various
companies (in liquidation)

... Petitioner

Vs.

NA

... Respondent

Mr. Ranjeev Carvalho, Advocate for the Official Liquidator.
Mr. Chandan Kumar, Official Liquidator is present.

CORAM : ABHAY AHUJA, J.
DATE : 12 JULY, 2024.

PC. :

1. This Official Liquidators' Report has been filed seeking dissolution of 30 companies (in liquidation) where no liquidation proceedings could be carried out.

2. Mr. Ranjeev Carvalho, learned counsel appearing for the Official Liquidator would submit that since January, 2016 the office of the Official Liquidator has been endeavouring to organize and streamline its operations which included categorizing and packaging old records that were not immediately required, the task of updating the mandatory

registers and accounts, identifying, segregating and disposing of unused items and goods etc. That the records were relocated to the designated storage facilities and as a result, an optimal and suitable workspace was created for the employees and empanelled accountants. These initiatives aided in expediting the pending work in the office of the Official Liquidator and accordingly with the availability of records, a special drive to dissolve the companies (in liquidation) with no assets and litigations was undertaken.

3. Mr. Carvalho would submit that pursuant to the implementation of the Insolvency and Bankruptcy Code, 2016 the Ministry of Corporate Affairs of the Government of India has been actively reviewing and expediting the pending cases of the companies in liquidation in collaboration with the office of the Official Liquidator. That in line with the above initiatives, the Official Liquidator constituted a Committee vide Office Order No.26 OL/PA/OFFICE ORDER/2024 dated dated 25th April, 2024 to examine the pendency of the litigation, assets (movable and immovable) and liabilities of the companies (in liquidation) to consider the appropriateness for dissolution of such companies (in liquidation) under Section 481(1) of the Companies Act, 1956. That the

Committee after due verification of records has submitted report dated 25th June, 2024 unanimously recommending that the said 30 companies listed in table A at pages 37 to 39 be dissolved.

4. Mr. Carvalho would submit that the Official Liquidator has accepted the report of the Committee and therefore, this report has been filed seeking the following directions:

“a. In view of submission made in para (8) supra of this report, whether this Hon’ble Court may be pleased to permit the Official Liquidator to invite comments, claims, objections from the creditors, workers, stakeholders and shareholders of the said Companies (in liquidation) of this report by giving 14 days’ notice against dissolution of the companies under Section 481(1) of the Companies act, 1956 by publishing a Dissolution Notice as per Exhibit -”E” in “Fress Press Journal” and “Navshakti” circulated in Mumbai, Maharashtra;

b. In view of the submission made in para (9) supra of the report, whether this Hon’ble Court may be pleased to permit the Official Liquidator to make payment of the said advertisement expenses out of Common Pool Office Expenses Account maintained by the Official Liquidator;

c. If prayer clauses (a) and (b) are affirmative, pursuant to the said advertisement, if no proper comments, claims, objections are received from the creditors, workers, stakeholders and shareholders of the said Companies (in Liquidation) by the Office of Official Liquidator whether this Hon’ble Court may be pleased to dissolve the said thirty (30) Companies (in

Liquidation), where no liquidation Proceedings could be carried out under Section 481(1) of the Companies Act, 1956;

d. If prayer clause (c) is affirmative, whether this Hon'ble Court may be pleased to permit the Official Liquidator to transfer the amount of Rs.5,89,584.27 (rupees five lakhs eighty nine thousand five hundred and eighty four only) lying to the credit of the said Companies (in Liquidation) to the "Companies Liquidation Account" i.e. the Public Account of India in the Reserve Bank of India in terms of section 555 of the Companies Act, 1956 read with Rule 283 of the Companies (Court) Rules, 1959;

e. If prayer clause (d) is affirmative, whether this Hon'ble Court be pleased to dispense with the filing of half-yearly and yearly accounts (as per rules 298 and 311 of the Companies (Court) Rules, 1959) as required under section 462 of the Companies Act, 1956 as the same will not be feasible due to the insufficient funds in the credit of said Companies (in liquidation)/ minimal transactions in Companies (in Liquidation)."

5. At this stage, Mr. Carvalho presses for directions in terms of prayer clauses (a) and (b) as above. Mr. Carvalho submits that the Official Liquidator proposes to invite the comments/claims/objections from the creditors/workers/stakeholders/shareholders of the said companies(in liquidation) by giving 14 days' notice in newspapers circulating in Maharashtra and that if this Court permits the Official Liquidator to advertise and if no proper comments, claims and objections are received, that then this Court may consider dissolving the companies.

6. Mr. Carvalho submits that the consequential relief for payment of the advertisement expenses out of the common pool of the expenses account of the Official Liquidator may also be granted.

7. It is observed from the report that the Official Liquidator is seeking publication of the notice inviting claims in Free Press Journal and Navshakti which are not financial papers. This Court therefore made a suggestion to learned counsel for the Official Liquidator if the Official Liquidator could consider publishing the notice in English in financial newspapers such as Economic Times.

8. Mr. Carvalho has taken instructions from the Official Liquidator who is present in Court and submits that the publication in the English language can be considered by the publishing the notice in the Economic Times.

9. Accordingly, this Court allows the report in terms of prayer clauses (a) and (b) except to the extent that in place of “Free Press Journal” the name of the newspaper “Economic Times” be inserted.

10. List on 16th August, 2024 for further directions.

(ABHAY AHUJA, J.)