

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

OFFICIAL LIQUIDATOR REPORT NO. 153 OF 2025

IN

COMPANY PETITION NO. 234 OF 2010

In the matter of Companies Act, 1
of 1956;

And

1) In the matter of City Limouzines
(India) Ltd. (In Liqn.)

2) In the matter of City Realcom Ltd.
(In Liqn.)

Prasad Mhatre & Anr.

..Petitioners

Ms. Akanksha Agrawal, for the Official Liquidator.

Mr. Satyajit Roul, Official Liquidator, present.

CORAM : ARIF S. DOCTOR, J.

DATE : 19th DECEMBER 2025

P.C.

1. The present Official Liquidator's Report seeks the following reliefs:

- "a) *In view of paragraph (10) supra, whether this Hon'ble Court may be pleased to confirm the sale in favour of Umang Ramesh Mehta being highest bidder for bid of Rs.2,80,00,000/- (Rupees Two Crores Eighty Lakhs Only) in respect of Flat No(s) 113, 114 & 115 Bldg. No. 23 Samarth Nagar III, Oshiwara, Andheri (W) Mumbai -400 053;*
- b) *In view of paragraph (11) supra, if the sale is confirmed in favour of Umang Ramesh Mehta, whether this Hon'ble Court may be pleased to permit the Official Liquidator to handover the possession of Flat NO(s) 113, 114 & 115 Bldg. No. 23 Samarth Nagar III, Oshiwara, Andheri (W) Mumbai-400 053 to Umang Ramesh Mehta after receipt of entire sale consideration as prescribed in terms and condition, as approved by this Hon'ble Court vide order dated 24/01/2025 in OLR No.34 of 2024;*

- c) *In view of the para (12) of this report whether this Hon'ble Court may be pleased to permit the Official Liquidator to credit and retain the sale proceeds of the Andheri Property in the account of M/s. City Limouzines (India) Ltd. (in Liquidation);*
- d) *In view of the para (13) of this report whether this Hon'ble Court may be pleased to direct the Sub-Registrar to permit the Official Liquidator to execute the sale deed/agreement in favour of the H-1 bidder in respect of flat No(s) 113, 114 & 115 Bldg. No. 23 Samarth Nagar III, Oshiwara, Andheri (W) Mumbai-400 053;"*

2. Heard Ms. Agrawal, learned counsel for the Official Liquidator, who points out that this is the 4th attempt to auction of three flats standing in the name of the Ex-Director of the company (in liquidation). She points out that the reserve price for the said flats which were sold as a lot including movables in the said flat was Rs.2,80,00,000/-. She submits that at the auction was held and though seven persons inspected the flat, only one bid was received. The said bid was for an amount of Rs.2,80,00,000/- and was received from one Umang Ramesh Mehta Learned counsel submits that since this bid amount is above the reserved price and also given that this was the 4th attempt by the Official Liquidator to sale the flats she prays that the Official Liquidator Report the sale be confirmed.

3. Having due regard to submissions made and for the reasons set out in paragraph no.12 and 13 which reads thus:-

"12. That the Official Liquidator submits that in paragraph 10 of the order dated 24/01/2025, the said OLR itself has been disposed of in terms of prayer clauses (a), (b), (c), (d), (e) and (f), with liberty granted to the Official Liquidator to approach this Hon'ble Court again for appropriate directions in terms of prayer clause (g). A copy of Order dated 24/01/2025 along with OLR NO.34 of 2024 (without exhibit) are annexed hereto and mark as "Exhibit"G"

In this connection, the Official Liquidator submits that the "Andheri Property" put to sale stands in the name of the Ex-Director of the Company (in Liquidation), as the said Ex-Director failed before the Hon'ble MPID Court to

establish that he had purchased the said property from his personal earnings and not from the funds of the companies, namely M/s. City Limouzines (India) Ltd. (in Liquidation) and M/s. City Realcom Ltd. (in Liquidation).

The Official Liquidator further submits that both the aforesaid companies are separate legal entities, and accordingly, this office maintains separate accounts for each company in respect of the funds received. However, now if this OLR has to be allowed/confirmed by this Hon'ble Court, the sale proceeds received from the Andheri Property are required to be credited to the account of one of the companies (in Liquidation).

Out of the above two companies, M/s. City Limouzines (India) Ltd. was incorporated on 02/04/2002, whereas M/s. City Realcom Ltd. was incorporated on 27/04/2007. The property in question was purchased by the Ex-Director by forwarding the first cheque bearing No. 474169 for an amount of 1,00,000/- dated 18/08/2007, which was merely three and a half months after the incorporation of M/s. City Realcom Ltd.

Further, as per the provisions of the Companies Act, 1956, M/s. City Realcom Ltd. was required to obtain a Certificate of Commencement of Business before commencing business on exercising borrowing powers. However, as per the records of the Registrar of Companies, no such certificate was ever obtained by M/s. City Realcom Ltd.

In view of the above facts and circumstances, it may reasonably be presumed that the Ex-Director might have purchased the said Andheri Property from the funds of M/s. City Limouzines (India) Ltd. (in Liquidation). Therefore, this Hon'ble Court may be pleased to permit the Official Liquidator to credit and retain the sale proceeds of the Andheri Property in the account of M/s. City Limouzines (India) Ltd. (in Liquidation).

13. *That the Official Liquidator submits that, vide letter dated 30/10/2025, a copy of the agreement in respect of Flat Nos. 113, 114 and 115 of the subject property was received from the Sub-Registrar, Mumbai No. 10. Upon perusal of the said agreement, it is observed that the same was executed between Samartha Development Corporation, the developer, and Mr. Sayed Mohamed Masood, Ex-Director of the Company (in liquidation), as the other party.*

In view thereof, and in light of the submissions made in paragraph 3 of this Report, this Hon'ble Court may be pleased to permit the Official Liquidator to execute the sale deed/agreement in favour of the H-1 bidder in place of Mr. Sayed

Mohamed Masood, and further direct the Sub-Registrar to register the said sale deed/agreement and update the mutation entries in the relevant records. "

4. The Official Liquidators Report is permitted in terms of prayer clause (c), to credit and retain the sale proceeds in the account of the company in liquidation i.e. M/s. City Limouzines (India) Ltd.
5. The Official Liquidator's Report is disposed of in terms of prayer clauses (a) to (d).

[ARIF S. DOCTOR, J.]