



Appln. No.43 of 2025
in
I.P.No.153 of 1997

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The Official Assignee

... Applicant

Vs.

M.Balu

... Respondent

ABDUL QUDDHOSE.J.,

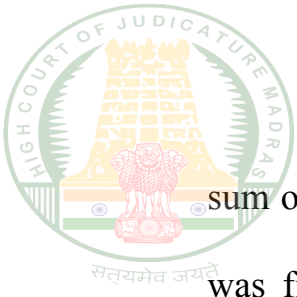
This application has been filed under Section 21 of the Presidency Towns Insolvency Act, 1909 by the Official Assignee, seeking to annul the order of adjudication dated 30.06.1998 to adjudicate the debtor M.Balu as insolvent.

2. In support of this application, a detailed report has been filed by the Official Assignee, which reveals the following:

a) M.Balu was adjudicated as an insolvent, on a creditor petition, by order of this Court dated 30.06.1998;

b) Claim notice have been sent to all the 21 unsecured creditors of M.Balu, which includes two petitioning creditors viz., (a) S. Dayalan and (b) M.E. Allauddin by the Office of the Official Assignee on 04.12.2002;

c) The two petitioning creditors filed two separate claim petitions before the Office of the Official Assignee in the year 2003. Claim No.45 of 2003 was filed for a sum of Rs.4,17,034/-. The said claim was admitted for a



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sum of Rs.3,32,466/- on 20.04.2017. Another claim in claim No.46 of 2003

was filed for a sum of Rs.5,86,572/- and the same was admitted by the

Official Assignee for a sum of Rs.4,53,252/- on 20.08.2018;

d) According to the Official Assignee, in the above said two unsecured claims, filed by the petitioning creditors, no claims have been received by the Office of the Official Assignee in so far as the estate of M.Balu is concerned;

e) Since sufficient funds were available for disbursement of dividend to the petitioning creditors, Appln. Nos.93 to 95 of 2021 in I.P.No.153 of 1997 was filed by the Official Assignee; By order dated 15.11.2021, the prayers sought for by the Official Assignee in Appln. Nos.93 to 95 of 2021 in I.P.No.153 of 1997 referred to supra were granted by this Court and the applications were allowed as prayed for. The Official Assignee has also disbursed to the petitioning creditor, S.Dayalan, a sum of Rs.4,08,219/- as directed by this Court in its order dated 15.11.2021;

f) The entire sum of Rs.5,65,847/- payable to the legal heirs of deceased M.E. Allauddin was kept in the personal deposit account by the Official Assignee. As on date, the Official Assignee has stated that a sum of Rs.6,68,252/- is available in the estate of M.Balu. According to her, after



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deducting a sum of Rs.5,65,847/-, which has to be paid to the legal heirs of the deceased M.E. Allauddin (another petitioning creditor), which has been kept in a personal deposit account of the Official Assignee maintained with RBI, Chennai as per the directions of this Court passed in Appln. No.95 of 2021 and a balance of Rs.1,02,405/- is available in the estates of M.Balu.

g) The insolvent has not so far submitted himself for Public Examination under Section 27 of the Presidency Towns Insolvency Act, 1909 by serving notice to all his creditors;

h) The insolvent has neither filed any application to set aside the order of adjudication, nor filed any application for discharge, within the stipulated period of 18 months as directed by this Court;

i) As on date, there is no claim to be settled in the estate of M.Balu.

3. This Court is satisfied with the report of the Official Assignee dated 29.11.2022 in support of this application. Accordingly, the Official Assignee has satisfied the requirements of Section 21 of the Presidency Towns Insolvency Act, 1909 for allowing this application. Accordingly, this application is allowed as prayed for by annulling the order of attachment dated 30.06.1998 under which M.Balu was adjudicated as an insolvent.



ABDUL QUDDHOSE.J.,

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4. The Official Assignee is directed to transfer the amount of Rs.5,65,847/- which has to be paid to the legal heirs of the deceased, M.E. Allauddin by creating a fixed deposit in a nationalized bank in the name of the Official Assignee to the credit of I.P.No.153 of 1997 within a period of one week from the date of receipt of a copy of this order.

21.02.2025

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