

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD**R/OFFICIAL LIQUIDATOR REPORT NO. 24 of 2023**

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O.L. OF VARIOUS COMPANIES (IN LIQUIDATION)

Versus

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Appearance:

BHOOMI M THAKORE(6237) for the Applicant(s) No. 1
for the Respondent(s) No. 1

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CORAM:HONOURABLE MR. JUSTICE NIKHIL S. KARIEL

Date : 09/06/2023

ORAL ORDER

1. Heard learned Advocate Ms.Bhoomi Thakore with the Official Liquidator Mr.Dip Narayan Chowdhury.
2. By way of this Official Liquidator Report, the Official Liquidator has requested the Court to increase the consolidated remuneration, which is being paid to the Company Secretary attached with the office of the Official Liquidator in line with the monthly remuneration as being paid to young professionals like Company Secretaries, Chartered Accountants, etc., as per the terms of the Circular of Ministry of Corporate Affairs being OM No.A-45011/15/2018-Ad.I dated 30.11.2018.
3. It is submitted that as per the above referred Office Memorandum, young professionals in Category-I i.e. having 3 to 5 years' experience in

the relevant category would be entitled to remuneration in the range of Rs.40,000/- – Rs.50,000/- per month and whereas young professionals in Category-II i.e. having experience between 5 to 10 years would be entitled to remuneration at the rate of Rs.60,000/- - Rs.70,000/- per month. The young professionals in Category-I would also be entitled to Conveyance Allowance at the rate of Rs.1,000/- per month and whereas young professionals in Category-II would be entitled to Conveyance Allowance at the rate of Rs.1,500/- per month. It is submitted by the learned Advocate Ms.Thakore as well as the Official Liquidator that young professional with the office of the OL covers work on a large number of issues, more particularly as enumerated at paragraph No.10 of the application, which is reproduced herein below for benefit:-

“Work related to Companies (In Liquidation

- a) Preparation of draft reply/representation of the Official Liquidator to be filed in the proceedings pending before the Hon’ble National Company Law Tribunal under the provisions of the Companies Act, 2013.
- b) Preparation of draft reply to be filed in DRT matters as well as matters pending before the Hon’ble Lower Courts.
- c) Preparation of draft minutes of the meeting held with the members of the Secured Creditors and workers union of the Companies (In Liquidation).
- d) Search Reports of ROC records from O/o. ROC in Document files in respect of Companies (In Liquidation), since records of the Companies (In Liquidation) prior to digitalization are not available on MCA Portal.
- e) Scrutiny of Statement of Affairs filed by the Ex-Directors of the company under the provisions of Section 454 of the Companies Act, 1956 and to find out debtors of the companies and issue notices to them in supervision of the Officers.

- f) Assisting in recording of the Statement of the Ex-Directors of the Companies under Rule 130 of the Companies (Court) Rules, 1959.
- g) Income Tax related matters of the Companies (In Liquidation)
- h) Compliance of the orders passed by the Hon'ble National Company Law Tribunal under the provisions of the Companies Act, 2013.
- i) Cash Section along with reconciliation of accounts.
- j) Such other technical issues relating to the Companies (In Liquidation) as may be assigned to them from time to time.
- k) Handling the process of dissolution of the company i.e. issue letter for NOC to various authorities, preparation of Dissolution Report, issuing letter to Chartered Accountants for Audit Certificate etc. and letter for intimation to ROC after dissolution.
- l) Assisting in process of sale of asses and properties of the companies (In Liquidation) i.e. conducting Asset Sales Committee Meeting, preparation of Minutes of the said meeting, publishing sale proclamation in newspaper, conduct auction etc. every month.
- m) Assisting in filing of report before the Hon'ble High Court for order of Disbursement to workers, secured creditors and other class of creditors in respect of companies in Liquidation as and when required.
- n) Assisting in filing of report before the Hon'ble High Court for permission of invitation of claims from workers, secured creditors and other class of creditors under section 529, 529A and 530 of the Companies Act, 1956 in respect of the companies in liquidation and other claimants by publishing advertisement in newspapers.

Work related to Cash Section:

- a) Updating entries in accounting software for all companies in liquidation with the OL office (Tally ERP 9/Cash Book) as a part of digitalization of OL Office.

- b) Work of timely filing of Half Yearly Accounts and their Audit for all the Companies in liquidation.
- c) Calculation and remittance of Central Government Fees every year.
- d) Daily updating entries of Common Pool Fund Account, manual cash book and PD Account Cash Book.
- e) Maintaining around 10 Registers of Receipts, Payments, TDS, EMD Account, Government Challans etc. and daily updating of entries in the same.
- f) Timely compliance of TDS matter and GST TDS matter and filing of returns for the same.
- g) Liasoning with Panel Chartered Accountants for accounting and audit related matters.
- h) Processing of payments and preparation of cheques for the vouchers received and preparing receipt challans and submitting it to the Bank.
- i) Compliance of filing of Quarterly TDS Returns and Monthly GST TDS Returns.
- j) Any such other accounting and banking work related to the Office of the Official Liquidator.

Work related to FDR Section :

- a) Updating entries in fixed Deposit Receipt software in respect of around 1900 F05 maintained by the OL Office.
- b) Work of Fixed Deposit Receipt audit in respect of total 415 companies in liquidation which is to be submitted before the Hon'ble High Court.
- c) In fixed Deposit Receipt Section, work related to new investments, encashment as well as every month renewal of around 150 Fixed Deposits of the companies in liquidation from time to time.
- d) Maintaining FRD log on day to day basis.
- e) Preparing inventory of FDR files of total companies in liquidation.

f) To comply the orders/directions of the Hon'ble High Court of Gujarat regarding FDR and its audit from time to time.”

4. It is further submitted that at present, there is only one Company Secretary working with the office of the OL since 1.5.2018, earning a consolidated salary at the rate of Rs.30,000/- and whereas such remuneration is being paid from the funds available with the OL under the head of “Common Pool Account”. Learned Advocate Ms.Thakore as well as the OL would also inform this Court that the Company Secretary attached with the office of the OL for High Court of Karnataka is also being paid remuneration as per the terms of the OM referred to herein above and whereas the CS also is being paid increment at the rate of Rs.5,000/- per year. It is also submitted that the Company Secretary attached with the office of the OL for this Court has, vide an application, requested considering the increment of the remuneration in terms of the OM dated 30.11.2018.
5. Considering the submissions made by the learned Advocate Ms.Thakore as well as the OL Mr.Chowdhury and having regard to the averments on record and also considering the OM dated 30.11.2018, it appears that the request made by the OL appears to be justified and in line with the Policy of the Government of India for paying remuneration to young professionals engaged with the Ministry of Corporate Affairs. Having regard to such a situation and also considering the fact that the same practice is being followed in the High Court of Karnataka, this Court deems it appropriate to direct allowing of this Report and whereas it is further directed that the Company Secretary attached with the office of the OL shall be henceforth entitled to be paid remuneration in terms of the OM dated 30.11.2018. It is further clarified that in case any revision made by the Government of India in the above referred OM, then it would be open for the office of the OL to move an appropriate Report

for revision as framed in the revised policy.

6. With the above observations and directions, the present OLR is disposed of as allowed.

V.V.P. PODUVAL

(NIKHIL S. KARIEL,J)