

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

OFFICIAL LIQUIDATOR'S REPORT NO. 266 OF 2016 / Various
Companies

In the matter of the Companies Act,
I of 1956

And

In the matter of Various Companies
(In Liqn.)

Mr.Vinod Sharma, OL with Ms.Yogini Chauhan, Dy.OL.

CORAM : S.C. GUPTE, J.

17 NOVEMBER 2016

P.C. :

This report seeks directions concerning investments to be made by the Official Liquidator of the funds of over Rs.127 crores, which are available with the Official Liquidator, in one or more Nationalised banks.

2 The Official Liquidator had asked for presentations from different Nationalised banks. Two presentations have been received from the banks, one from Central Bank of India and the other from Vijaya Bank, who are willing to accept deposits from the Official Liquidator. Whereas Central Bank of India has submitted a comparative chart of domestic term deposit rates as of 11 September 2016, no chart is presented by M/s.Vijaya Bank. However, it appears from the interest rates offered by Vijaya Bank on its website that for deposits of less than Rs.1 crore and for a term of one year, the bank offers the rate of interest of 7% per annum. On the other hand, the rate of interest offered by Central Bank of India for domestic term deposits below Rs.1 crore for one year and upto less than two years is 7.40% per annum.

3 The Official Liquidator is, accordingly, permitted to invest the funds available with him in fixed deposit of less than Rs.1 crore each with Central Bank of India for a period of one year. The deposits will be subject to further orders that may be passed by the Company Court. *The OLR is disposed of accordingly.*

S.C. Gupte
(S.C. Gupte, J.)