

Directors of holding company: power of court to assess damages against them

613. (1) Subsection (2) applies if, in the course of winding up a company which is a subsidiary of another company, it appears that any director of the subsidiary's holding company has—

(a) misapplied or retained or become liable or accountable for any money or property of the subsidiary, or

(b) been guilty of any misfeasance or other breach of duty or trust in relation to the subsidiary.

(2) The court may, on the application of the liquidator or any creditor, contributory or member of the subsidiary, examine into the conduct of the director concerned and compel him or her—

(a) to repay or restore the money or property or any part of it respectively with interest at such rate as the court thinks just, or

(b) to contribute such sum to the assets of the subsidiary by way of compensation in respect of the misapplication, retainer, misfeasance or other breach of duty or trust as the court thinks just.

(3) This section—

(a) shall have effect notwithstanding that the person in respect of whom an order has been sought under it may be criminally liable in respect of the matters on the ground of which the order is to be made, and

(b) is without prejudice to any other basis for imposing liability on any person (whether related to the company or not) in respect of the person's acts or defaults in relation to the company or its property.