

Comp.A.No.795 of 2016
in C.P.No.17 of 2004

RAJIV SHAKDHER, J.

1. This is an application moved by the Official Liquidator for distribution of claims, the details in respect of which, are given in the tabular chart, which is incorporated in paragraph 9 of the report dated 19.08.2016, accompanying the application.

2. The Official Liquidator, however, has adverted to the fact that an appeal has been filed by LIC in respect of rejection of its claim by the Official Liquidator vide order dated 15.3.2016, to the extent of Rs.4,02,11,959/-, in which, LIC's share is pegged at Rs.3,71,42,466/-. The Official Liquidator says that he has, in his report, recommended distribution of dividend both with and without the claim set forth in LIC's appeal.

2.1 According to the learned Official Liquidator, if LIC's appeal is dismissed, then, dividend can be distributed at the rate of 12.5% and, in case, the appeal is allowed, dividend can be distributed at the rate of 11.5%.

3. Having regard to the aforesaid, for the moment, the Official Liquidator is permitted to distribute the dividend at the rate of 11.5% to the entities/persons including Smt.Vedavali, as indicated in the table set out in paragraph 9 of the report.

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4. Insofar as UTI Limited, IDBI Trusteeship Services Limited, ICICI Bank Limited and LIC are concerned, pro rata distribution of dividend will be made subject to undertaking being furnished them. The undertaking furnished will state that in case, the amount disbursed, is found, in any proceedings, to be in excess of what they are rightfully entitled to, they will reimburse the amount to the Official Liquidator.

5. The application is allowed in the aforesaid terms.

6. In addition, the Official Liquidator is permitted to recoup the expenses incurred whilst carrying out the aforesaid exercise, from and out of the funds of the company in liquidation.

7. Accordingly, the report is accepted. No further orders are called for in the application.

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31.08.2016

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