THE HON'BLE SRI JUSTICE S.V. BHATT

Company Application Nos.1844, 1845, 1846, 1847, 1848, 1849, 1850, 1851, 1852, 1853, 1854, 1855, 1856, 1857, 1858, 1859, 1860, 1861, 1862, 1863, 1864, 1865, 1866, 1867, 1868, 1869, 1870, 1871, 1872, 1873 and 1874 of 2015

in

Company Petition No.57 of 1999

COMMON ORDER:

Heard Sri Pushyam Kiran, learned counsel for the applicants and Sri M.Anil Kumar, learned counsel for the Official Liquidator.

2. The applications have been filed by former employees of M/s.Sirsilk Limited, a company under liquidation for appropriate directions to the Official Liquidator to sell the quarters under their occupation for a sum equivalent to the annual rental value capitalized in accordance with Schedule III of the Wealth Tax Act, 1957. On 31.12.2015 at request of learned counsel, matters were adjourned to 18.02.2016 and again time was extended till date to file the report by the Official Liquidator.

3. At the time of hearing, the learned counsel appearing for the parties have relied upon the orders of this Court in Company Application No.140 of 2007 and batch dated 26.03.2009. The operative portion of the order reads as follows:

> "I consider the request made by the workmen for acquiring the quarters under their occupation for the value determined by the Chartered Valuer appears to be a fair and reasonable one. They have been maintaining these quarters for the last few years on their own. It will not be unreasonable to assume that they would have also spent considerable money for their upkeep. I, therefore, consider it appropriate to dispense with the normal method of disposing the assets of the company under liquidation by way of public auction and instead, offer these 338 quarters, the list of which has been appropriately updated and submitted to the Official Liquidator, to the workmen at the rate fixed by the Valuer.
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> The Official Liquidator is, therefore, directed and authorized to transfer the ownership and title over the respective quarters under the occupation of these 338 workmen in their favour for the same value as determined by the Chartered Valuer, in his report. In case, the balance money of their dues is more than the valuation of the quarters under their occupation, the Official Liquidator shall treat the occupant to have paid up the value completely. In case, there is any shortfall, he shall, by a notice, demand the balance payment to be made, which the respective workmen/employees shall pay within 60 days from the date of receipt of such notice. This exercise be completed on or before 15th April 2009 by the Official Liquidator.

It would also be open to the Official Liquidator to entertain any such similar claims, if received by him by 15th April 2009 from any of the workmen, who are in occupation of the quarters of Sirsilk Township and move the Court for appropriate directions. The Official Liquidator shall take necessary steps for liquidating the rest of the assets of the company for whom the valuation report has already been submitted."

4. The report of the Official Liquidator is appended by Annexures C and D. The summary of Annexures C and D reads thus:

Annexure C:

Sl. No	C.A.NO. /2015	Applicant Name	Qrt. No.	Value of the Quarter	Amt. yet to be paid including now admitted (+) balance payable	After adjustment, amount to be paid by O.L
1	1844	O.P. Somani	C-36/A	35,000.00	170,760.01	135,760.01
2	1846	K. Surya Narayana	TRT-54/B	14,500.00	164,309.53	149,809.53
3	1849	I.B. Krishna Chind	TRT-130	29,000.00	97,148.51	68,148.51
4	1855	E. Kanakaiah	D-53	15,000.00	122,238.16	107,238.16
5	1856	Naval Singh	OE-21	7,050.00	88,439.88	81,389.88
6	1857	Naresh Kumar	OE-64/A	4,025.00	13,638.55	9,613.55
7	1858	Pedduri Meera Bai	OE-124	7,050.00	21,114.09	14,064.09
8	1859	J. Malaiah	OE-125/B	4,025.00	101,339.88	97,314.88
9	1860	M. Siva Rajam	NE-88	5,050.00	120,753.10	115,703.10
10	1862	Prameela Devi	F-303	7,200.00	17,669.50	10,469.50
11	1863	Kapil Devi Singh	F-304	7,200.00	15,542.84	8,342.84
12	1864	V. Mariyamma	F-325	7,200.00	8,397.69	1,197.69
13	1866	P. Ram Narasaiah	F-416	7,200.00	9,051.69	1,851.69
Sl. No	C.A.NO. /2015	Applicant Name	Qrt. No.	Value of the Quarter	Amt. yet to be paid including now admitted (+) balance payable	After adjustment, amount to be paid by O.L
14	1867	M.D. Ghouse	F-426	7,200.00	86,675.27	79,475.27
15	1868	Niaz Ahmed Khan	F-482	7,200.00	8,474.89	1,274.89
16	1869	V. Venu Gopal	F-500	7,200.00	14,341.77	7,141.77
17	1870	V. Rajeswari	F-504	7,200.00	15,429.36	8,229.36
18	1871	Eswar Singh	F-593	7,200.00	16,718.53	9,518.53

19	1872	E. Venkaty	F-614	7,200.00	101,675.60	94,475.60
20	1873	Nampally Laxmi	F-609	7,200.00	98,498.94	91,298.94

Annexure D:

Sl. No.	C.A.NO. /2015	Applicant Name	Qrt. No.	Value of the quarter.	Amt. yet to be paid including now admitted (+) balance payable	After adjustment, amount to be paid to O.L by the applicant
1	1845	P. Thomas	TRT-113	29,000.00	22,061.53	- 6,938.47
2	1847	Safjit Kour Saggu	C-30	65,000.00	20,602.71	- 44,397.29
3	1848	Sai Kumar	TRT-326	29,000.00	16,785.83	-12,214.17
4	1850	N.K. Sinha	TRT-305	29,000.00	14,169.20	- 14,830.80
5	1851	U. Kanakamma	TRT-238/60	24,000.00	17,623.41	- 6,376.59
6	1852	Prasad Jammi	C-42/B	35,000.00	-	- 35,000.00
7	1853	G. Viswanadam	D-18	17,500.00	16,980.33	- 519.67
8	1854	N. Rama Devi	D-49	15,000.00	9,589.15	- 5,410.85
9	1861	G. Balaram	F-168	7,200.00	6,753.65	- 446.35
10	1865	B. Arul Dass	F-395	7,200.00	6,806.55	- 393.45
11	1874	Udaybhan Singh	TRT-165/B	24,000.00	12,019.61	- 11,980.39

5. From the report of the Official Liquidator, it is evident that insofar as applicants covered by Annexure C are concerned, after adjustment, the amount has to be paid by Official Liquidator to the respective workmen. Insofar as Annexure D is concerned, after adjusting the amounts payable and receivable, the employee is yet to pay amount to the Official Liquidator towards sale consideration for completing the transaction. The report further says that having regard to the earlier orders, Official Liquidator does not have any objection to execute sale deeds in favour of the applicants.

6. Hence, the Company Applications are ordered in the following terms by following the order dated 26.03.2009.

> The Official Liquidator is, therefore, directed and authorized to transfer the ownership and title over the respective quarters under the occupation of the workmen in their favour for the same value as determined by the Chartered Valuer, in his report. In case, the

balance money of their dues is more than the valuation of the quarters under their occupation, the Official Liquidator shall treat the occupant to have paid up the value completely. In case, there is any shortfall, he shall, by a notice, demand the balance payment to be made, which the respective workmen/employees shall pay within 60 days from the date of receipt of such notice. This exercise be completed on or before 30th May, 2016 by the Official Liquidator.

S.V. BHATT, J

Date: 24.02.2016
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