

THE HON'BLE SRI JUSTICE M.S.RAMACHANDRA RAO

COMPANY APPLICATION No.702 of 2017

O R D E R:

This application is filed under Section 457(1) (3) and 460(4) of the Companies Act, 1956 and Rule 9, 275 and 276 of the Companies (Court) Rules, 1959 by the Official Liquidator for the following reliefs:

- i. Permit the Official Liquidator to declare final dividend @ 1.02441% in a rupee to Secured Creditors and workmen of the company in all aggregating to a sum of Rs.10,25,340/- as detailed in the statement marked as Annexure-B.
- ii. Authorise the Official Liquidator to open a separate dividend account in Punjab National Bank and pay the dividend to workmen out of the said account, in terms of Rule 290 of the Companies (Court) Rules, 1959 through Electronic Clearance System (ECS) mode.
- iii. Dispense with the publication of notice of dividend in newspapers due to reasons stated in para 6.
- iv. Authorize Official Liquidator to send individual notices of declaration of dividend in Form No.138 along with receipt through workmen union who had preferred the claims with the Official Liquidator.
- v. Authorize Official Liquidator to fix six months time to make payment of the declared dividend.
- vi. Authorize Official Liquidator to transfer the un-paid dividend, if any remaining in the dividend account, after expiry of (six) 6 months period to Companies Liquidation Accounts, in terms of Section 555 of the Companies Act, 1956.
- vii. Authorize Official Liquidator to dispense with the production of succession certificate from the legal heirs of deceased creditors as required under Rule 280 of the Companies (Court) Rules 1959 on production by such legal heir, a Family Member Certificate or such other certificate from concerned authority along with personal indemnity bond and No Objection Certificate and upon satisfying the right of such legal heir.

- viii. Authorize Official Liquidator to take all necessary actions and steps which are incidental to declaration and payment of dividend and to effectively implement the orders of this Hon'ble Court in that regard.
- ix. Order that the costs of this application do come out of the Estate of the Company (In Liqn.)”

2. M/s. Armour Pharmaceuticals Limited was wound up by this Court by an order dt.16.07.2002 and the Official Liquidator was appointed as its Liquidator. He took possession of properties of the Company's factory units comprising Land, Building, Plant & Machinery situated at IDA Bollaram, Medak District and sold them for Rs.4.10 crores. After obtaining the permission of this Court, an amount of Rs.2,91,27,000/- was paid to three secured creditors i.e., IDBI Hyderabad, Cenara Bank and ARCIL(SBH).

3. Later by order dt.09.03.2007 made in C.A.No.431 of 2007 this Court had directed the Official Liquidator to invite claims from the creditors of the Company.

4. Pursuant to that, notice in Form 63 was published in newspapers fixing the last date of receiving the claims as 15.06.2007.

5. In response to the said notice, various claims have been received from the creditors of the company in liquidation. These claims were adjudicated and Form No.69/70 was issued to the respective creditors. Form 71 filed by the Official Liquidator was taken on record by this Court by its order dt.02.02.2011 C.A.No.1 of 2011.

6. By order dt.02.02.2011 in C.A.No.1 of 2011 in C.P.No.39 of 2002 this Court directed to declare a dividend @ 42.66% to secured creditors and @ 47.80% to workmen/employees of the admitted dues

amounting to Rs.1,22,33,682.55 paisa after adjusting the interim payment already made.

7. After making the above payment, the Official Liquidator is still left with Rs.10,30,340/- and intending to declare a second dividend @ 1.02441% to the secured creditors/workmen of the company, the Official Liquidator has filed this present application.

8. Having regards to the contents of the affidavit filed in support of this application and having been satisfied that the prayer sought by the Official Liquidator can be granted, this Company Application is allowed as prayed for.

17th August, 2017.
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M.S.RAMACHANDRA RAO, J

