

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

COMP A No.820 of 2017

O R D E R:

M/s Godavari Ceramics Ltd., a Company registered under the provisions of Companies Act, 1956, was directed to be wound up by this Court by order dt.29.01.1998 in CP No.36 of 1992 and RCC No.2 of 1997. The assets of the Company in Liquidation were sold for Rs.1,15,98,080/- by the Official Liquidator and a sum of Rs.79,10,000/- was paid to IDBI, IFCI and ICICI as interim payments since they were secured creditors. Later claims of other creditors were invited and adjudicated.

2. The Official Liquidator states that a sum of Rs.84,79,655/- is available to the credit of the Company in Liquidation for declaration of dividend to IDBI, IFCI, Kotak Mahindra Bank(ICICI), SBI, Income Tax Department, Commercial Tax Officer, and M/s Banik Iron and Steel Company and he seeks permission to declare and disburse dividend @ 6.3246748 paise in a rupee to secured creditors of the admitted claim after adjusting the interim payments and to declare and pay dividend @ 0.9823736 paise in a rupee to unsecured creditors as mentioned in Annexure-E.

3. In view of the said report of the Official Liquidator, the Official Liquidator is permitted to declare dividend to the secured and unsecured creditors, as mentioned in Annexure-E. He is also authorized to open a separate

dividend account in Punjab National Bank and pay the dividend as stated above in terms of Rule 290 of the Companies (Court) Rules, 1959. Since publication of notice of payment of dividend in newspapers involves huge expenditure and the addresses of the secured creditors were known, the same is dispensed with and the Official Liquidator is authorized to send individual notices of dividend in Form No.138 along with receipt to the secured and unsecured creditors and fix schedule for making payment. He is also permitted to recover costs of this application from and out of the assets of the Company in Liquidation.

4. Accordingly, this application is allowed.

05th October, 2017.
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M.S.RAMACHANDRA RAO, J

