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

COMPANY APPLICATION No.685 of 2017

in

C.P.No.18 of 1993 & RCC No.7 of 1996

O R D E R:

This application is filed by the Official Liquidator seeking the following reliefs:

"i) permit the Official Liquidator to vary the list of creditors of M/s. Universal Ceramics Ltd (in Liqn.) by adding the names of all the Creditors as on date and take the varied Form No.71 filed as Annexure-"D" on record.

ii) Permit the Official Liquidator to reimburse the priority expenses viz., an amount of Rs.2,68,419.25 to ICICI, Begumpet, Hyderabad; and an amount of Rs.2,69,419.25 to SBI, Nacharam Branch, Hyderabad, aggregating to a total amount of Rs.5,37,838.50.

iii) Permit the Official Liquidator to declare the dividend @ 17.1182256% and also permit him to disburse the balance dividend of Rs.17,93,713.32 to the entitled creditors from and out of the realization of assets of the company (In Liqn.) after adjustment of interim dividends already paid to them in pursuance of orders of this Hon'ble High Court from time to time as detailed in Annexure-"C".

iv) authorise the Official Liquidator to open a separate dividend account in Punjab National Bank and pay the dividend to the secured creditors out of the said account, in terms of Rule 290 of the Companies(Court) Rules, 1959.

v) dispense with the publication of notice of dividend in newspapers.

vi) authorise the Official Liquidator to send notice of dividend in Form No.138 to the three secured creditors.

vii) authorise the Official Liquidator to take all necessary actions and steps which are incidental for declaration and payment of dividend and to effectively implement the orders of this Hon'ble Court in that regard.

viii) order that the costs of this application do come out of the Estate of the Company (In Liqn.)."

2. It is stated in the affidavit filed in support of this application that by order dt.08.08.1996 made in C.P.No.18 of 1993 and R.C.C.No.7 of 1996 this Court had ordered winding up of M/s. Universal Ceramics Ltd and appointed the Official Liquidator as its Liquidator and he had taken possession of all the available assets including land & buildings, and plant & machinery of the company as per the directions of this Court. It is stated that he sold the assets of the company in liquidation and realized an amount of Rs.80.50 lakhs. It is stated that as per records of the Company in Liquidation, IDBI, IFCI, ICICI and SBI are the secured creditors of the Company in Liquidation and shared the priority expenses such as initial expenses, watch and ward, advertisement charges, valuation fee, etc.

3. According to the Official Liquidator, he had reimbursed the priority expenses to IDBI Ltd., on 28.06.2005 of Rs.10,38,380/- and also to IFCI Ltd., on 29.01.2008 of Rs.2,68,419.25 paisa. It is now sought to reimburse the priority expenses provided by ICICI Ltd., Begumpet Hyderabad of Rs.2,68,419.25 Paisa and of the SBI, Nacharam Industrial Area Branch, Hyderabad of

Rs.2,69,419.25 paisa.

4. Permission is accorded to the Official Liquidator, since the amount sought to be reimbursed are not disputed by the said secured creditors.

5. It is also stated that the Official Liquidator had adjudicated all the claims of the Company in Liquidation and filed only the list of workmen under Form No.71 before this Court and subsequently, it was discovered that certain names of the creditors did not find place in it. Therefore, he prays that the said list be directed to be varied as on date.

6. Since this is in accordance with Rule 168 of the Company (Court) Rules 1959, permission is accorded to the Official Liquidator to vary the list of creditors and the enclosed list of creditors vide from No.71 is taken on record.

7. It is stated by the Official Liquidator that an amount of Rs.17,93,713-32 paisa is available to the credit of the Company in Liquidation for declaration and disbursement of dividend to eligible secured creditors including workmen of the Company in Liquidation and he seeks permission of the Court to declare dividend @ 17.1182256% and to permit him to disburse the balance dividend of Rs.17,93,713-32 paisa to the creditors entitled to the same, after adjustment of the interim dividends already paid to them in pursuance of the orders of this Court from time to time as detailed in Annexure-"C".

8. To carry out this action, this Court authorizes the Official Liquidator to open a separate dividend account in Punjab National Bank and pay the dividend to the creditors of the Company in Liquidation in terms of Rule 290 of the Companies (Court) Rules, 1959.

9. It is stated by the Official Liquidator that publication of notice of payment of dividend in newspapers involves huge expenditure and since the addresses of the secured creditors were known, it is prayed to dispense with the publication of notice of payment of dividend in newspapers.

10. Therefore, permission is accorded dispensing with publication of notice of dividend in newspapers and he is authorized to send individual notices of dividend in Form No.138 to the secured creditors and to take all necessary action and steps which are incidental for declaration and payment of dividend and to effectively implement the orders of this Court.

11. This Company Application is disposed of accordingly.

M.S.RAMACHANDRA RAO, J

10th August, 2017.

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