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

COMPA No.801 of 2017

O R D E R:

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

i) to declare final dividend of the amount of Rs.4,93,500/- available to the credit of the Company in Liquidation @ 0.0925% which was received on realization of secured assets i.e., land and buildings, plant and machinery of the Company in Liquidation to the secured creditors i.e., IDBI, IFCI, SCB, IOB, State Bank of Bikkner & Jaipur and Parijatha Business Solutions(P) Limited (ARCIL);

ii) to permit to open separate dividend account in Punjab National Bank and pay dividend to secured creditors out of the said account in terms of Rule 290 of the Companies (Court) Rules, 1959 through Electronic Clearance System(ECS) mode;

iii) to dispense with adjudication of claims of other creditors whose claims are not likely to yield any dividend;

iv) to dispense with publication of notice of dividend in newspapers in respect of secured creditors;

v) to permit him to send individual notices of declaration of dividend in Form No.138 along with receipt;

vi) to permit him to fix three months time to make payment of the declared dividend; and

vii) to meet the costs of this application out of the Estate of the Company in Liquidation.

2. By order dt.13.07.1999 in R.C.C.No.2 of 1999 this Court had ordered winding up of M/s. Shyam Vinyls Limited and appointed the Official Liquidator as its Liquidator.

3. The Official Liquidator took possession of the assets of the Company and sold them for Rs.5.02 Crores as per Court order dt.20.02.2007.

4. By order dt.08.02.2010 in COMP.A.Nos.1956 and 1921 of 2009 in RCC.No.2 of 1999 the Official Liquidator was directed to declare dividend @ 9.89% to the secured creditors of the Company in Liquidation.

5. According to the report of the Official Liquidator, a sum of Rs.4,99,94,627.11 paise was paid to the above named secured creditors. He states that as on date, a sum of Rs.4,96,500/- is available to the credit of the Company in Liquidation, out of which Rs.3,000/- is required to meet the future liquidation expenses and that the balance amount can be distributed as further dividend to the secured creditors @ 0.0925%.

6. In view of the said report, the Official Liquidator is directed to declare final dividend to the above named secured creditors @ 0.0925% of the sum of Rs.4,93,500/-.

7. 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 above named creditors in terms of Rule 290 of the Companies (Court) Rules, 1959.

8. 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.

9. Therefore, permission is accorded for 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. The Official Liquidator is also permitted to fix three months time to make payment of the declared dividend and meet the costs of this Application out of the Estate of the Company in Liquidation.

10. Accordingly, this Application is allowed.

M.S.RAMACHANDRA RAO, J

05th October, 2017.
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