HON'BLE SRI JUSTICE A.RAJASHEKER REDDY

Company Application No.863 OF 2017
In
RCC No.18 of 1998

ORDER:

This Company Application is filed by the Official Liquidator under Section 457 (1)(e) and 460(4) of the Companies Act, 1956 (for short 'the Act of 1956') r/w Rules 275, 276 & 290 of the Companies (Court) Rules, 1959 (for short 'the Rules of 1959') to permit the Official Liquidator (OL) to declare and disburse final dividend @ 4.05 paisa in a rupee to IDBI, IFCI and Kotak Mahindra Bank Ltd., entitled secured creditors after adjusting the interim payments amounting to Rs.54,163/- to IDBI, Rs.53,479/- to IFCI and Rs.13,24,977/- to Kotak Mahindra Bank Ltd.,; to authorize the OL to open a separate dividend account in a Punjab National Bank and pay the dividend out of the said account, in terms of Rule 290 of the Rules of 1959; to dispense with the publication of notice of dividend in newspapers as the same is in respect of only three creditors; to authorize the OL to send individual notice of dividend in Form No.138 along with proforma of receipt to IDBI, IFCI and Kotak Mahindra Bank Ltd., and also to authorize the OL to fix the schedule for making payment.

In the affidavit, the Official Liquidator stated that by an order dated 22.07.1999 made in R.C.C.No.18/1998, this Court ordered for winding up of M/s.Sri Katragadda Electronics Ltd., and appointed OL as its Liquidator; that during the course of winding up proceedings, as per the directions of this Court, the company's assets comprising of Land and Buildings, Plant and Machinery situated at Bibinagar Village and Mandal, Nalgonda District were sold by the OL for a consideration of Rs.86,00,000/- during the month of January, 2007; that consequent to the sale of assets, as per the directions of this Court, the OL as made interim payments on two occasions to the secured creditors i.e, IDBI, IFCI and Kotak Mahindra Bank (ICICI); that the ICICI has assigned loans in the captioned company in favour of Kotak Mahindra Bank in the year 2004. This Court, by orders in C.A No.885/2006 in RCC No.18/1998 substituted Kotak Mahindra Bank in the place of ICICI; that the office of OL had reimbursed amounts/expenses incurred by the secured creditors in priority; that subsequently OL invited claims from the creditors of the company as per the orders of this Court dated 25.08.2009 in C.A.No.754/2009 by publishing a notice in 'Deccan Chronicle' & 'Andhra Bhoomi' on 01.10.2009 fixing the last date for receipt of claims as 20.10.2009 and in response to the same, the OL has received 3 claims form secured creditors of the company which were adjudicated and notices in Form No.69/70 were issued; that after adjudication of claims, the secured creditors namely IDBI and IFCI has returned an amount of Rs.3,97,260/- and Rs.98,726.50 PS respectively, being excessive interim amount received by them; that out of the amount of rs.14,55,623/- available to the credit of the company in liquidation, a sum of Rs.23,004/- has to be kept separately to meet the expenses on account of Central Government fee, audit fee and liquidation expenses.

Heard learned Standing Counsel for Official Liquidator.

In view of above facts and circumstances, this application is ordered.

A.RAJASHEKER REDDY,J

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