

HON'BLE SRI JUSTICE S.V.BHATT

Company Application No.201 OF2018

In

R.C.C. No.5 OF1997

ORDER:

Heard Mr.Anil Kumar for Official Liquidator.

This Company Application is filed by the Official Liquidator under Sections 460 (4) and 555 of the Companies Act, 1956 r/w Rules 275, 276, 277, 280, 290 and 9 of the Companies (Court) Rules, 1959 to permit the Official Liquidator to declare and disburse dividend @ 100% in a rupee amounting to Rs.34,75,617-10 ps to Telangana State Industrial Development Corporation Limited (TSIDC) whose claim has been adjudicated and admitted as secured debt after declaring dividend to other creditors and Rs.57,50,000/- to Syndicate Bank @ 3.322% of the admitted amount; that to authorise the Official Liquidator to open a separate dividend account in Punjab National Bank and pay the dividend to TSIDC and Syndicate Bank; that to dispense with the publication of notice of dividend in newspapers; that to authorise the Official Liquidator to send individual notices of dividend in Form No.138 along with proforma of receipt to TSIDC and Syndicate Bank; that to authorise the Official Liquidator to fix six (6) months time for making payment of the declared dividend etc.

In the affidavit, the Official Liquidator stated that by an order dated 29.04.1998 made in RCC No.5 of 1997, this Court ordered for winding up of M/s. Republic Forge Company Limited and appointed Official Liquidator as its Liquidator. During the course of

winding up proceedings, as per the orders of this Court, the Official Liquidator sold the available assets of the company in liquidation and the Official Liquidator had disbursed an amount of Rs.4.00 crores, Rs.2.00 crores, Rs.2.00 crores to IDBI, IFCI, ICICI respectively in September,2002, and an amount of Rs.1.45 crores was paid to Syndicate Bank in December,2002 towards interim payment out of the sale proceeds realized. As per the orders of this Court dated 02.01.2002 in CA. No.45 of 2002, the Official Liquidator invited the claims from the creditors of the company in liquidation and published notice in Form No.63 in newspapers fixing the last date for receipt of claims as 23.03.2002. In response to publication, the Official Liquidator had received various claims from creditors including that of secured creditors and workmen of the company in liquidation. The Official Liquidator had started the process of adjudication and completed the same. The Official Liquidator filed Form No.71 and this Court has taken the same on record. Subsequently, the Official Liquidator filed Form No.71 as varied in various occasions and the latest, which was taken on record by this Court vide CA Nos.1530 and 1531 of 2010 dated 18.01.2011.

This Court vide its order dated 25.03.2003 in C.A.No.289 of 2003 permitted the Official Liquidator to declare 1st dividend to workmen and PF Commissioner @ 50% and accordingly the same was disbursed. Thereafter, this Court sanctioned 2nd dividend @ 27.01% to the workmen vide common order dated 10.08.2006 in C.A.No.516 of 2006 in C.P. No.21 of 2002. After such distribution, the Official Liquidator adjudicated 4 individual workmen claims and

filed Form No.71 which was taken on record vide CA S.No.662 of 2008 in CA.No.2067 of 2007 dated 08.04.2008 and sanctioned 1st dividend to 4 individual workmen @ 77.01%. This Court vide order dated 26.09.2008 in CA No.1033 of 2008 allowed dividend to eligible creditors of the company and accordingly the same was disbursed to secured creditors and workmen of the company in liquidation. Subsequently, the claims filed by 7 individual workmen were adjudicated and filed Form No.71 as varied which was taken on record vide order dated 18.01.2011 in CA. Nos.1530 of 2010 and 1531 of 2010 while allowing dividend to those 7 individual workmen, which was accordingly paid to them.

The Telangana State Industrial Development Corporation Limited (TSIDC) had filed a claim for an amount of Rs.1,69,78,818/- towards dues paid by it to Bombay Port Trust with regard to release of consignment of the subject company in liquidation and the said claim was duly adjudicated by the Official Liquidator by admitting an amount of Rs.34,75,617-10 ps as secured debt while rejecting the balance claim of Rs.1,35,03,200-90 ps vide Form No.69 dated 07.11.2017. In view of the said development, it is prayed that this Court may be pleased to take Form No.71 as varied and include the name of TSIDC therein.

At present an amount of Rs.92,40,348/- is available to the credit of the company in liquidation and the Official Liquidator may be permitted to declare and disburse the dividend @ 100% to TSIDC amounting to Rs.34,75,617-10 ps whose claim was admitted as secured debt. The Syndicate Bank holds 2nd charge and were paid

only Rs.1,54,21,260/- out of admitted amount of Rs.17,30,74,491-50 ps and hence the Official Liquidator intends to declare dividend @ 3.322% of the balance available amount of Rs.57,50,000/- to Syndicate Bank after declaring dividend to TSIDC. The Official Liquidator prays the Court to permit to vary the list of creditors of the company submitted before this Court in Form No.71 and include the name of TSIDC, whose claim was adjudicated and take the Form No.71 as varied on record.

In view of the facts and circumstances, the Company Application is ordered.

Date:12.03.2018
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S.V.BHATT, J