

**THE HON'BLE SRI JUSTICE CHALLA KODANDA RAM**

**COMPANY APPLICATION No. 230 OF 2018**

**IN**

**COMPANY PETITION No. 57 OF 2016**

**ORDER :**

This Application is filed by the Official Liquidator stating that the Company in liquidation pursuant to the orders made on 29.11.2017 in Company Petition No.57 of 2016 the Company M/s. Venkata Balaji Jute Mills Private Limited was wound up, thereafter the Official Liquidator has taken the possession of the properties of the company in liquidation on 28.02.2018 in the presence of Sri P. Satyanarayana Gupta, Ex-Director of the Company (in liquidation).

The respondent Bank is a secured creditor and they were also informed about the proposal to take into custody of the property by the Official Liquidator. In spite of the notice to the officials of the respondent-Andhra Bank, none were present. Therefore, the Official Liquidator had locked the premises and put seals on the main gate and sheds and appointed one security guard viz., Sri Duvvala Suraiah, who was entrusted by the Ex-Director of the Company, to safeguard the properties of the Company (in liquidation).

In the present application the Official Liquidator seeks permission of the Court to appoint four security guards of 24 hours whistle. Considering the Company (in liquidation) situated in six acres, appointment of four security guards would be justified. However, the remuneration proposed is Rs.5,000/- per month, per security guard appears to be low, particularly considering the fact that even in the rural areas agriculture daily wage workers are earning about Rs.300/- to Rs. 400/- per day. In

those circumstances, the Official Liquidator is permitted to appoint four security guards, on payment of Rs.6,000/- per month to each security guard, which costs shall be reimbursed by the respondent-secured creditor. The respondent-Andhra Bank shall ensure timely payment of the salaries to the security guards.

Accordingly, the Company Application is allowed.

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**CHALLA KODANDA RAM, J**

Date: 27.04.2018.

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