THE HON'BLE SRI JUSTICE CHALLA KODANDA RAM

I.A.Nos. 1 & 2 OF 2019
AND
COMPANY APPLICATION No. 34 OF 2019

ORDER:

This Application has been taken out under Sections 457(1) (e) and 460(4) of the Companies Act, 1956 read with Rules 9, 11, 167 of the Companies (Court) Rules,1959 for the following relief:

i) permit the Official Liquidator to declare a dividend @ 100% amount to Rs.1,81,068/- to one preferential creditor viz. Employees Provident Fund Organization as detailed in statement marked as Annexure-B.

ii) permit the Official Liquidator to declare a dividend @ 62% in a rupee to 43 unsecured/ordinary creditors of their admitted amounts which works out to a sum of Rs.1,60,79,982/- as detailed in statement marked as Annexure-C.

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

iv) dispense with the publication of notice of declaration of dividend in newspapers.

v) authorise the Official Liquidator to send individual notices of dividend in Form No. 138.

vi) authorise the Official Liquidator to fix the schedule for making payment.

vii) authorise the Official Liquidator to pay the dividend due to any deceased creditor to his legal heirs upon production of such legal heirs, a family member certificate or such other certificate instead of producing a succession certificate and also upon furnishing personal indemnity bond in terms of Rule 280 of the Companies (Court) Rules, 1959.

viii) permit the Official Liquidator to incur incidental charges from and out of the available funds of the company (in liqn.).

ix) order that the costs of this Application do come out of the funds of the Company (in Liqn.).

In this Application, I.A. Nos. 1 and 2 of 2019 have also been taken out to condone the delay of 1175 days (approx.) in filing the Certificate in Form No. 71 of the 1959 rules and to take the Certificate in Form No.71 filed as Annexure-A on record in respect of M/s Sree Pujitha Chit Fund (P) Limited, company under liquidation relating to the claims of creditors of the company and to direct the Registrar to notify the said Form No. 71 on the notice board of this Court in terms of Rule 169 of the Rules.

The Official Liquidator contends that a sum of Rs. 1,64,53,085/- is available to the credit of the company in liquidation out of which provision of Rs. 1,92,035/- has been made towards Central Government Fee, liquidation expenses, leaving the balance amount of Rs. 1,62,61,050/- to be utilised for declaration of dividend and that the Official Liquidator is now proposing to declare and disburse the dividend to one preferential creditor viz. Employees Provident Fund Organization @ 100% in a rupee amounting to Rs.1,81,068/- and @ 62 paise in a rupee amounting to Rs.1,60,79,982/- to 43 unsecured creditors / chit holders.

In view of the said submission, Form No. 71 filed as Annexure-A in support of the company in liquidation is taken on record. Since the unsecured creditors have filed individual claims and their claims were adjudicated issuing respective Form No. 69/70, the Official Liquidator is directed to issue individual notices of dividend in Form No. 138 in the name of one preferential creditor and 43 unsecured creditors of the company in liquidation, dispensing with publication of notice of dividend in newspapers as required under Rule 276 of the Companies (Court) Rules, 1959. The Official Liquidator is authorized to open a separate dividend account in Punjab National Bank and pay the dividend to unsecured creditors out of the said account in terms of Rule 290 of the Companies (Court) Rules, 1959. He is also authorised to fix the schedule for making payment and also to pay the dividend due to any deceased creditor to his legal heirs upon production of a family member certificate or such other certificate other than a succession certificate and upon furnishing a personal indemnity in terms of Rule 280 of the 1959 Rules and to incur incidental charges from and out of the available funds of the company in liquidation.

In view of the above, I.A.Nos. 1 and 2 of 2019 are ordered and consequently, Company Application No. 34 of 2019 is allowed.

CHALLA KODANDA RAM, J

18th June 2019

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