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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

\+ CO.PET. 429/2003 & CO.APPL. 676/2024
OLR 224/2016

RE-PRIME RESINS PVT. LTD. .....Petitioner

Through:

versus

....Respondent

Through: Ms. Prema Priyadarshini, ASC & Mr. Priyansh Kanwar, Advocate for OL.
Mr. M.P. Sahay, Ms. Khusboo & Ms. Yaman Verma, Advocates for UPFC through VC.

CORAM:
HON'BLE MS. JUSTICE NEENA BANSAL KRISHNA

O R D E R

% **13.12.2024**

CO.APPL. 1069/2024 *(u/S 151 of CPC, 1908)*

1. By way of present Application, the Official Liquidator seeks condonation of 5 days' delay in filing the Additional Affidavit.

2. For the reasons and grounds stated in the present Application, the Application is allowed. The delay of 5 days' in filing the Additional Affidavit is hereby condoned. The Additional Affidavit is taken on record.

3. The Application is disposed of.

CO.APPL. 1002/2024 *(u/S 481 of Companies Act, 1956)*

4. The detailed Affidavit dated 25.11.2024 has been filed on behalf of the Official Liquidator explaining that the entire details of the money

received and its disbursement. It is indicated in the said Affidavit that after settling all the credits and debits, Rs. 7,22,338.10/- is left, for which permission has been sought to release the same towards the Claim of Uttar Pradesh Financial Corporation.

5. By way of present Application, the Official Liquidator seeks the following reliefs: -

> *"(ii) Official Liquidator be permitted to adjust INR 7,22,338/- into claim of UPFC Rs. 4,59,74,581/- and be permitted to pay INR 7,22,338/- to UPFC;*
>
> *(iii) The Official Liquidator be permitted to transfer Rs. 11,55,000/- to common pool fund as Admin and liquidation expenses and permission to close the books of accounts of the Company;*
>
> *(iv) The Company may be dissolved under Section 481 of the Companies Act, 1956 and the Official Liquidator may be discharged as the Liquidator;*
>
> *(v) The Official Liquidator be permitted to close the books of accounts of the Company."*

6. It is submitted that this Court *vide* Order dated 25.02.2005 wound up the Company i.e., Prime Resins Pvt. Ltd. and appointed the Official Liquidator, with the directions to take charge of all the assets/Books of Accounts/records of the Company (In Liqn.).

7. As per record of the Registrar of Companies, the following persons were shown as directors of the Company: -

(i) Shri Sushil Kumar Trivedi, S/o Shri C.P. Trivedi
R/o B-2/3, Phase IInd,
Ashok Vihar, New Delhi-110052

(ii) Smt. Rajkumari Arora, W/o Shri Desh Raj Arora
R/o B-2/3, Phase IInd,

Ashok Vihar, New Delhi-110052

(iii) Sh. Desh Raj Arora, So Late Shri Parmanand Arora
R/o B-2/3, Phase IInd,
Ashok Vihar, New Delhi-110052

(iv) Smt. Nirmala Trivedi Ashok Vihar, New Delhi-110052
R/o B-2/3, Phase IInd,
Ashok Vihar, New Delhi-110052

(v) Sh. Sunil Arora, S/o Shri Desh Raj Arora
R/o B-2/3, Phase IInd,
Ashok Vihar, New Delhi-110052

(vi) Sh. Tapas Sen, S/o Late Shri H.K. Sen
B-12/8, Inderlok Estate, Paikpara,
Kolkata-700002

(vii) Sh. A.V.Joshi, S/o Shri V.S. Joshi,
56, Motilal Nehru Road,
Kolkata-700029

(viii) Sh.Ashwani Dhingra, S/o Shri S.N. Dhingra,
C-143, Deepali, Pitampura,
New Delhi-110034.

(ix) Sh. Ratnesh Mahajan, S/o Shri K.L. Gopta,
KP-76, Pitampura,
New Delhi-110034.

(x) Sh.Hari Prakash Dujari, S/o Late Shri D.D. Dujari,
Purbanchal Phase-II, Flat No. 4RA,
2/8, Salt Lake City, Kolkata.

(xi) Sh. Pawan Bansal, S/o Shri Devi Dayal Bansal,

478/34, Krishna Colony, Kathmandi,
Rohtak, Haryana

(xii) Smt. Poonam Dujari, W/o Shri C.L.Dujari,
K-10C, Shekhsarai, Phase-II,
New Delhi-110017

8. Notices were issued to all concerned Departments as well as the Ex. Directors of the Company on 18.05.2005. Some of the Ex. Directors had their statement recorded, details of which are as under: -

S.No.	**Name of Directors**	**S.O.A. Filed on**	**Statement u/R 130 recorded on**	**Remarks**
1	Sh. Sushil Kumar Trivedi	-	-	-
2	Sh. Nirmala Trivedi	-	-	-
3	Sh. Tapas Sen	13.06.2005	03.11.2008	SOA found defective. He requested to inspect record lying at factory premises but not turned up.
4	Sh. A.V. Joshi	-	-	-
5	Sh. Pawan Bansal	-	26.05.2005	-
6	Ms. Poonam Dujari	-	26.05.2005	-

9. The remaining Ex-Directors never appeared before the Official Liquidator nor did they furnish their Statement of Affairs or have their Statement under *Rule 130 of Companies (Court) Rules, 1959* recorded.

10. Since the remaining Ex-Directors failed to appear before the Official Liquidator, the Official Liquidator filed CRL.O.(CO) No. 2/2007 seeking initiation of criminal proceedings against the Ex-Directors because of their non-cooperation, which was subsequently disposed of *vide* Order dated 07.08.2023.

11. That pursuant to the Order dated 25.02.2005, the Official Liquidator took possession of factory premises of the Comp. (In Liqn.) situated at B-15, Sector-21, UPSIDC, Industrial Area Jagdishpur, Sultanpur, Uttar Pradesh *(hereinafter referred to as* "Sultanpur Property"*)*. The Sultanpur Property was found to be the sole asset of the Company.

12. The Official Liquidator thereafter filed CA No. 1204/2018 seeking permission to invite Claims from Creditors and also seeking approval for a Draft Sale Notice for the Sultanpur Property. This Court *vide* Order dated 05.10.2018 allowed the said Application.

13. In terms of the Order dated 05.10.2018, the Official Liquidator published a Notice inviting Claims in the Newspapers, namely, The Hindustan Times (English), Delhi Edition and The Dainik Jagran (Hindi), Lucknow Edition on 06.01.2019. As per the Notice, the last date of submission of Claims was fixed as 28.01.2019.

14. In response to the Claim Notice, the Official Liquidator received one Claim from Uttar Pradesh Financial Corporation (in short *"UPFC"*) for the sum of Rs. 49,94,77,980.65/- on 28.12.2018. The Claim of UPFC was scrutinised and subsequently admitted for a sum of Rs. 4,59,74,581/- as a Secured Creditor.

15. An amount of Rs.15,60,975/- was incurred and admitted towards liquidation expenses by the UPFC, during the course of the liquidation

proceedings.

16. The Official Liquidator published the Sale Notice for the Sultanpur Property. However, as recorded in the Order dated 14.02.2019, the sale was unsuccessful. By way of the Order dated 14.02.2019, this Court directed the Official Liquidator to once again publish a Sale Notice for the Sultanpur Property.

17. In compliance of Order dated 14.02.2019, a Sale Notice for the Sultanpur Property was once again published. However, as recorded in the Order dated 09.05.2019, no Bids were received. *Vide* Order dated 09.05.2019, this Court once again directed the Sultanpur Property to be put for Auction.

18. Pursuant to the Order dated 14.02.2019, a Sale Notice for the Sultanpur Property was published for the second time. However, as recorded *vide* Order dated 29.08.2019, no Bids were received. *Vide* Order dated 29.08.2019, this Court once again directed the Sultanpur Property to be put for Auction with a 10% decrease in the reserve price. However, even this Auction was not successful.

19. The Official Liquidator thereafter filed CA No. 144/2020 with a prayer to re-attempt the sale of the Sultanpur Property with a further 10% decrease in the reserve price. This Court taking note of the 3 rounds of unsuccessful Auction for the said property, allowed the publication of a fresh Sale Notice for the Sultanpur Property *vide* Order dated 03.03.2020. However, even this sale remained unsuccessful.

20. This Court *vide* its Order dated 16.03.2022, once again approved a Draft Sale Notice submitted by the Official Liquidator for the Sultanpur Property. After taking note of the fact that the property had been put to

Auction thrice before, approved the Draft Sale Notice. This Court appointed Railtel Corporation Limited as the e-Auction Agency. Furthermore, this Court directed that the cost of the Auction be deferred from the Common Pool Fund, subject to being replenished from the sale of the Sultanpur Property.

21. The Auction conducted pursuant to the Order dated 16.03.2022 was successful. Sultanpur Property was sold to M/s Krishanadham Enterprises Private Limited for a sum of INR 44,73,580/- (INR forty four lakhs seventy three thousand five hundred and eighty). The Official Liquidator thereafter filed CA No. 347/2022 to confirm the sale in favour of the Auction Purchaser, the said Application was allowed *vide* Order dated 31.05.2022.

22. After the receipt of complete payment from M/s Krishanadham Enterprises Private Limited, the Official Liquidator on 14.0.2022 handed over possession of the Sultanpur Property to M/s Krishanadham Enterprises Private Limited.

23. Subsequently, UPFC filed CA No. 14/2023 seeking recall of the Order dated 16.03.2022 approving the sale of the Sultanpur Property in favour of M/s Krishanadham Enterprises Private Limited on the ground that the sale of the property was conducted at a much lower value. This Court *vide* Order dated 07.08.2023 issued Notice in the said Application.

24. *Vide* the said Order dated 07.08.2023, this Court disposed of criminal proceedings initiated by the Official Liquidator being CRL.O.(CO) No. 2/2007 after observing that the property of the Company had been sold.

25. The Official Liquidator *vide* Admission Notice dated 10.10.2023 admitted UPFC's Claim as a Secured Creditor to an extent of Rs. 4,59,74,581/-.

26. This Court *vide* Order dated 07.03.2024dismissed CA No. 14/2023 filed by UPFC noting that the said Application was without merit.

27. During the course of the winding-up process, the expenses were incurred by UPFC for appointing and maintaining Security Guards at the Sultanpur Property and also by the Official Liquidator for the appointment of a Valuer for the Sultanpur Property. The Official Liquidator admitted an amount INR 15,60,975/- as liquidation expenses due to UPFC and an amount INR 91,410/- towards payment of the Valuer. The Official Liquidator in this context filed CA No. 524/2024 seeking permission to pay the liquidation costs.

28. *Vide* Order dated 21.05.2024, this Court had allowed the Official Liquidator to pay Rs. 15,60,975/- to UPFC as post liquidation expenses and pay Rs. 91,410/- to the Valuer Contex Associates on account of professional fee with respect to valuation of the Sultanpur Property. Accordingly, Official Liquidator made payments mentioned above in compliance of Order dated 21.05.2024.

29. The fund position of the Company (In Liqn.) as on 07.09.2024 is Rs. 21,21,403.10/-.

30. The Official Liquidator filed Affidavit dated 25.11.2024 pursuant to the directions of this Court issued *vide* Order dated 14.11.2024 with all the details of the expenses which are mentioned in the Paragraph Nos. 26 of the CO.APPL. No. 1002/2024 filed by the Official Liquidator under Section 481 of the Companies Act, 1956.

31. The Official Liquidator has calculated the liquidation expenses detailed in Affidavit dated 25.11.2024 stated as under: -

S. No.	Description	Amount (in INR)
1.	Cash Balance	(-)10,803.00
2.	Bank Balance	1,69,896.10
3.	Investment	19,62,310.00
	Total (A)	**21,21,403.10**
	Less Deductions from Total:	
4.	Audit Fee	21,120.00
5.	Government Fee	74,355.00
6.	Tax Liability	1,36,790.00
7.	Professional Fee	11,800.00
8.	Liquidation Expenses @ 5000 /- p.a. for 19 Years and three months.	11,55,000.00
	Total (B)	**13,99,065.00**
	Remaining Balance Expenses (A-B) 21,21,403.10- 13,99,065= 7,22,338.10 after deduction of all expenses.	**7,22,338.10**

32. It is submitted by the Official Liquidator that *Rule 108 of the Companies (Court) Rules, 1959* provides for the various costs/charges/expenses/fees incurred by the Office of the Official Liquidator as may be payable to the Central Government, shall be paid to the Central Government out of the assets of the company under liquidation.

33. As stated above, the Claim of UPFC was admitted for a sum of Rs. 4,59,74,581/- as a Secured Creditor and Rs.15,60,975/- was admitted towards liquidation expenses. the liquidation expenses have already been

paid *vide* Order dated 21.05.2024 and after deduction of all expenses incurred by the Official Liquidator, funds available in the account of Company (In Liqn.) is Rs. 7,22,338/-. The Official Liquidator is permitted to adjust Rs. 7,22,338/- into claim of UPFC of Rs. 4,59,74,581/- and directed to pay Rs. 7,22,338/- to UPFC.

34. The Official Liquidator has no further asset either moveable or immoveable from which any money may be realized for the Company (In Liqn.) and, therefore, no useful purpose would be served by keeping this matter pending.

35. In view of the aforesaid facts and circumstances, the liquidation proceedings shall be terminated.

36. This Court directs the Respondent Company in liquidation, namely, M/s Prime Resins (Pvt.) Ltd. to be dissolved.

37. This Court further permits the Official Liquidator to close the books of account of the Company and directs that a copy of this Order be communicated to the Registrar of Companies within 30 days by the Official Liquidator.

38. Accordingly, the Official Liquidator stands discharged.

39. The present Application is disposed of in the above terms.

CO.PET. 429/2003

40. In view of the observations made in the Application bearing on CO. APPL. 1002/2024, nothing further survives for adjudication in the present Petition. Accordingly, the Petition along with pending applications, if any, stands disposed of.

NEENA BANSAL KRISHNA, J

DECEMBER 13, 2024/*S.Sharma*