

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD**R/OFFICIAL LIQUIDATOR REPORT NO. 9 of 2025****In R/OFFICIAL LIQUIDATOR REPORT NO. 59 of 2019**

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OFFICIAL LIQUIDATOR OF M/S. THE PATEL MILLS CO. LTD. (IN LIQN)

Versus

RAMESHCHANDRA LAJPATRAI AGRAWAL & ORS.
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Appearance:

BHOO MI M THAKORE(6237) for the Applicant(s) No. 1

MR PAVAN S GODIAWALA(2936) for the Respondent(s) No. 1,3

MR SUDHIR M MEHTA(2058) for the Respondent(s) No. 2

MS SHAILEE S MEHTA(5873) for the Respondent(s) No. 2
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CORAM: HONOURABLE MRS. JUSTICE MAUNA M. BHATT**Date : 25/04/2025****ORAL ORDER**

1) Heard Ld. advocate Ms. Bhoomi Thakor for the applicant and Mr. Pawan Godiawala and Mr. Sudhir Mehta for the respondents in the matter.

2) The Official Liquidator has filed the present report with the following prayers:-

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a) This Hon'ble Court may be pleased to permit the Official Liquidator to disburse an amount of Rs. 3,95,29,900/- [calculated as 3170 equity shares (1850+1320=3170) x Rs. 12,470/- (9360+3310=12,470/- pers share)] in favour of Mr. Rameshchandra Lajpatrai Agarwal, Mr. Surendrakumar

Lajpatrai Agarwal and Mr. Agamprasad Lajpatrai Agarwal against 1850 equity shares and 1320 equity shares of M/s. Patel Mills Co. Ltd. (In Liquidation), which were held by their parents namely Shri Lajpatrai Chartrabhuj Agrawal and Smt. Shobhadevi Lajpatrai Agarwal, in equal portions (i.e. 1/3rd of total amount to each claimant amounting to Rs. 1,31,76,633/- per claimant).

- b) This Hon'ble Court may be pleased to direct Mr. Rameshchandra Lajpatrai Agarwal, Mr. Surendrakumar Lajpatrai Agarwal and Mr. Agamprasad Lajpatrai Agarwal to submit indemnity bonds and undertaking as deemed appropriate in the matter to ensure compliance and safeguard against any further claims.
 - c) This Hon'ble Court may permit Official Liquidator to encash the FDR from the Bank to facilitate the disbursement of funds as mentioned herein above.
 - d) Such other and further order and direction as may be considered just and appropriate by this Hon'ble Court may please be passed.”
- 3) The Official Liquidator filed present report dated being Official Liquidator's Report No. 9 of 2025 seeking praying to disbursement to the legal heirs of the shareholders namely Late Shri Lajpatrai C. Agrawal and Late Smt. Shobhadevi L. Agrawal

- 4) The report indicates that the by order dated 22-01-1996 passed by this Hon'ble Court in Company Petition No. 130 of 1995, the Company has been ordered to be wound up and the Official Liquidator attached to this Hon'ble Court has been appointed as Liquidator of the said Company with directions to take possession of the properties, movables and immovable and the books of accounts. Accordingly, the Official Liquidator had taken possession of the properties, movables and immovable and the books of accounts of the Company.
- 5) After following due procedure for sale of assets and properties of the Company, the Official Liquidator had filed his Reports for confirmation of sale of movables and immovable assets and properties of the Company from time to time. That, by orders passed by this Hon'ble Court in reports of the Official Liquidator, the sale of movables and immovable assets and properties of the company were confirmed in favour of the successful highest bidders.
- 6) After making full payment to workers, secured creditors, preferential creditors, unsecured creditors u/s. 529, 529A and 530 of the Companies Act, 1956, the Official Liquidator had filed his report being

Official Liquidator's Report No. 64 of 2015 before this Court to permit the Official Liquidator to issue the advertisement to settle the list of contributories by inviting claim. In this connection, this Court vide order dated 10-07-2015 permitted the Official Liquidator to settle the list of contributories by inviting claim and to publish advertisement in the leading English and vernacular newspapers in the prescribed form with all consequential and incidental orders as per the prescribed rules and in accordance with law.

- 7) In terms of order dated 10-07-2015, the Official Liquidator published advertisement for Notice for inviting claim of Shareholders/Contributories/Depositors to prove their claim, in newspapers namely "Gujarat Samachar" Gujarati daily in all Gujarat Editions and "Times of India" English daily in Ahmedabad Editions on 09-10-2015. In response to the said advertisement, the Official Liquidator has received various claims of shareholders/contributors of the company in liquidation.
- 8) The Official Liquidator appointed M/s. Kajrekar & Shah, Chartered Accountant for verification of claims received from shareholders/contributors of the company in liquidation. After verification of claims of

Shareholders/ Contributories of the Company in liquidation, M/s. Kajrekar & Shah, Chartered Accountant has submitted their report dated 27/09/2017 in the office of the Official Liquidator.

- 9) After receiving report of M/s. Kajrekar & Shah, Chartered Accountants, the Official Liquidator called meeting of the shareholders/contributors on 13-11-2017 in the office of the Official Liquidator. In said meeting, after detailed discussion on the report of the Chartered Accountant, it was decided that report of the Chartered Accountants may be placed before the Hon'ble High Court of Gujarat by way of Official Liquidator's Report to sought permission of disbursement.
- 10) The Official Liquidator has filed its report being Official Liquidator's Report No. 148 of 2017 seeking permission to disburse the amount to I, II and III categories excluding 1850 Equity Shares held by Shri Lajpatrai Chartrabhuj Agrawal and 1320 Equity Shares held by Smt. Shobhadevi Lajpatrai Agrawal shareholders/ contributories as was unanimously decided in the meeting held on 13-11-2017. In this connection, after hearing the matter this Court vide order dated 11-12-2017 permitted the Official Liquidator to disburse the amount to Category I, II

and III shareholders excluding 1850 Equity Shares held by Shri Lajpatrai Chartrabhuj Agrawal and 1320 Equity Shares held by Smt. Shobhadevi Lajpatrai Agrawal. Accordingly, in compliance of the above order, the Official Liquidator has disbursed the amount to Category I, II & III shareholders of the company in liquidation (excluding 1850 Equity Shares held by Shri Lajpatrai Chartrabhuj Agrawal and 1320 Equity Shares held by Smt. Shobhadevi Lajpatrai Agrawal).

- 11) The Official Liquidator called further meeting of the shareholders/contributories on 20-12-2018 in the office of the Official Liquidator to discuss and decide the further course of action regarding disbursement of Category-IV, V and VI shareholders/ contributories of Rs. 12,81,51,140/- which was set aside by the office of the Official Liquidator as per order dated 11-12-2017 of this Court. Further, it was observed that an additional amount of Rs. 10 Crores was available for disbursement from the surplus fund available in the account of the company in liquidation. Consequently, an agenda was introduced to deliberate on the fresh disbursement of Rs. 10 Crores of the Company in liquidation among beneficiaries of Category-I, II, III, IV, V & VI as per the report dated 27-9-2017 of M/s. Kajarekar & Shah,

Chartered Accountants and in accordance with law. Accordingly, the meeting was convened on 20-12-2018 in the office of the Official Liquidator. During the said meeting, all pending issues and further disbursements were thoroughly deliberated upon, and it was unanimously resolved to recommend further disbursement as per report dated 27-09-2017 of M/s. Kajrekar & Shah, Chartered Accountants.

- 12) The Official Liquidator has filed its report, being Official Liquidator's Report No. 59 of 2019, seeking permission to disburse to undisputed categories shareholders. After hearing the said matter, this Court vide order dated 01-07-2019 permitted the Official Liquidator to disburse an amount of Rs. 9,44,55,140/- and Rs. 8,86,86,980/- to Table-A and Table-B Category Shareholders (Undisputed I to VI Shareholders) of said order.
- 13) That, the Official Liquidator has disbursed the amount of @Rs. 9360/- per share in first round and @Rs. 3110/- per shares in second round to Undisputed Shareholders of the Company in liquidation on the basis of report of the Chartered Accountant and in terms of orders dated 11-12-2017 and 01-07-2019 passed by this Hon'ble Court

respectively for payment to the shareholders of the company in liquidation in the matter.

- 14) The report indicates that payments to Three (3) Shareholders namely (1) 2000 Equity Shares held by M/s. CTM Syntex (I) Ltd. (2) 1600 Equity Shares held by M/s. Shobhashree Spinners Pvt. Ltd. (3) 1850 Equity Shares held by Shri Lajpatrai Chartrabhuj Agrawal and 1320 Equity Shares held by Smt. Shobhadevi Lajpatrai Agrawal mentioned in Category-IV and III in report dated 27-09-2017 of M/s. Kajrekar & Shah, Chartered Accountants were not made by the Official Liquidator as there were certain internal disputes between the shareholders. Owing to those disputes, no order related to their disbursement were passed for Hon'ble High Court of Gujarat.
- 15) In respect to M/s. CTM Syntex (I) Ltd., a Company Application No. 55 of 2022 was filed by M/s. CTM Syntex (I) Ltd. before this Court praying for direction to Official Liquidator distribute the payment of Rs. 2,49,40,000/- in their favour as legal shareholders of M/s. The Patel Mills Co. Ltd. After hearing the matter, this Court vide order dated 04-10-2024 permitted the Official Liquidator to disburse the amount of Rs. 2,49,40,000/- [2000 equity shares x @ Rs.12,470

(9360+3110) = Rs. 2,49,40,000] in favour of M/s. CTM Syntex (India) Ltd. Accordingly, the Official Liquidator has made payment of Rs. 2,49,40,000/- to M/s. CTM Syntex (India) Ltd.

- 16) In respect of M/s. Shobhashree Spinners Pvt. Ltd., a Company Application No. 62 of 2023 was filed by M/s. Shobhashree Spinners Pvt. Ltd. and another Company Application No. 80 of 2023 filed by Mr. Rameshchandra L. Agarwal claiming their rights on disputed payments of 1600 Equity Shares of M/s. Patel Mills Ltd. held by M/s. Shobhashree Spinners Pvt. Ltd. Both the said applications are pending before the Court.
- 17) Mr. Surendrakumar Lajpatrai Agarwal, Mr. Rameshchandra Lajpatrai Agarwal and Mr. Agamprasad Lajpatrai Agarwal have submitted applications dated 01-03-2024 & 20-11-2024 and 15-03-2024 & 21-11-2024 respectively before the Official Liquidator. Through their submissions, they have conveyed that their internal disputes have been resolved and that they are ready to accept equal portions of the distributable amount. It has been agreed that total sum of Rs. 3,95,29,900/- shall be equally divided in to 1/3rd portions, amounting to Rs. 1,31,76,633/- for each claimant [3170 equity shares (1850+1320=3170) x Rs. 12,470

(9360+3310=12,470] per share against 1850 equity shares and 1320 equity shares of M/s. Patel Mills Co. Ltd. which were held by their parents namely Shri Lajpatrai Chartrabhuj Agrawal and Smt. Shobhadevi Lajpatrai Agrawal.

- 18) Mr. Rameshchandra Lajpatrai Agarwal, Mr. Surendrakumar Lajpatrai Agarwal and Mr. Agamprasad Lajpatrai Agarwal have stated that original share certificates for 1850 equity shares and 1320 equity shares of M/s. Patel Mills Co. Ltd. held by their father and mother namely Shri Lajpatrai Chartrabhuj Agrawal and Smt. Shobhadevi Lajpatrai Agrawal were lost/misplaced and physical equity share certificates are not available with them. In this regard, the applicants have stated that they have registered Police Complaint regarding the loss of the equity share certificates held by their late parents and issued public notice in newspapers to inform about the loss of equity shares. Furthermore, in their applications, the legal heirs have confirmed that their sisters have waived all rights over the said equity shares and have provided No Objection Certificate (NOC) through consent affidavits consenting to the distribution of the monetary value of the said equity shares equally among their brothers.

- 19) The present report filed on the basis of report of the documents received from legal heirs of Shri Lajpatrai Chartrabhuj Agrawal and Smt. Shobhadevi Lajpatrai Agrawal to disburse the payment against 1850 equity shares and 1320 equity shares of M/s. Patel Mills Co. Ltd. held by Shri Lajpatrai Chartrabhuj Agrawal and Smt. Shobhadevi Lajpatrai Agrawal respectively in favour of legal heirs namely Mr. Rameshchandra Lajpatrai Agarwal, Mr. Surendrakumar Lajpatrai Agarwal and Mr. Agamprasad Lajpatrai Agarwal in equal portion. This Court has allowed the Official Liquidator to distribute the amount of Rs. 9360/- per equity share and Rs. 3110/- per equity share vide orders dated 11-12-2017 and 01-07-2019 passed in Official Liquidator's Report No. 148 of 2016 and Official Liquidator's Report No. 59 of 2019 respectively. Accordingly, the Official Liquidator proposes to distribute the total amount of Rs. 3,95,29,900/- equivalent to 3170 equity shares of the company (in liquidation) (comprising 1850 equity shares and 1320 equity share) valued at Rs. 12,470/- per equity share (calculate as Rs. 9360/- + Rs. 3110/- = Rs. 12,470/-) among Mr. Rameshchandra Lajpatrai Agarwal, Mr. Surendrakumar Lajpatrai Agarwal and Mr. Agamprasad Lajpatrai Agarwal in equal proportion,

i.e. One third ($1/3^{\text{rd}}$) of the total amount for each claimant. The distribution would result in each claimant receiving Rs. 1,31,76,633/-, corresponding to their shares in the 3170 equity shares of the company (in liquidation), which were held by their parents namely Shri Lajpatrai Chartrabhuj Agrawal and Smt. Shobhadevi Lajpatrai Agrawal.

- 20) The report indicates that the fund of Rs. 8.27 Crores (approx.) is available in the Company's account.
- 21) Both advocates Mr. Pawan Godiawala and Mr. Sudhir Mehta of respondents have submitted that they do not have any objection, if the prayer made in the Official Liquidator is granted.
- 22) Looking to the facts narrated in the report, the Official Liquidator is permitted to disburse the amount of Rs. 1,31,76,633/ to each respondents namely Mr. Rameshchandra Lajpatrai Agarwal, Mr. Surendrakumar Lajpatrai Agarwal and Mr. Agamprasad Lajpatrai Agarwal as $1/3^{\text{rd}}$ of total amount of Rs. 3,95,29,900/- [calculated as 3170 equity shares ($1850+1320=3170$) x Rs. 12,470/- ($9360+3310=12,470$ /- pers share)] against 1850 equity shares and 1320 equity shares of M/s. Patel Mills Co. Ltd. (In Liquidation), which were held by their parents namely Shri Lajpatrai Chartrabhuj

Agrawal and Smt. Shobhadevi Lajpatrai Agarwal.

- 23) The respondents are also directed to submit indemnity bonds and undertaking as deemed appropriate in the matter to ensure compliance and safeguard against any further claims.
- 24) It is also permitted to the Official Liquidator to encash the FDR from the Bank for the disbursement of funds as mentioned herein above.
- 25) With the aforesaid observations and directions, this report is allowed and disposed off accordingly.

(MAUNA M. BHATT,J)

DIPTI PATEL...

Original copy of this order has been signed by the Hon'ble Judge.
Digitally signed by: DIPTIBEN PIYUSH PATEL(HC00191), PRINCIPAL PRIVATE SECRETARY, at High Court of Gujarat on 25/04/2025 15:45:39