

THE THIRD SCHEDULE

[See sections 18, 20 (I), 21(I) and 23 (I)]

ORDER OF PRIORITIES FOR THE DISCHARGE OF LIABILITIES OF THE TWO COMPANIES

Post-take-over management period

Category I—

(a) Wages, salaries and other dues payable to the employees of the companies.

(b) Deductions made from the salaries and wages of the employees for provident fund, the Employees' State Insurance Fund, premium relating to the Life Insurance Corporation of India or for any other purpose.

Category II—

Principal amount of loans advanced by—

(i) the Central Government;

(ii) a State Government;

(iii) Banks and financial institutions;

(iv) any other sources.

Category III—

(a) Arrears in relation to contributions to be made by the companies to provident fund, the Employees' State Insurance Fund or under any other law for the time being in force providing for such contributions.

(b) Any credits availed of by the companies for the purpose of carrying on any trading or manufacturing operations, other than those specified in sub-section (2) of section 5.

(c) Any dues of State Electricity Boards or other Government or semi-Government institutions against supply of goods or services, other than those specified in sub-section (2) of section 5.

(d) Arrears of interest on loans and advances .

Category IV—

(a) Revenue, taxes, cesses, rates or other dues to Central Government, a State Government or any local authority.

(b) Any other dues.

Pre-take-over management period

Category V—

(a) Wages, salaries and other dues payable to the employees of the companies.

(b) Deductions made from the salaries and wages of the employees for provident fund, the Employees' State Insurance Fund, premium relating to the Life Insurance Corporation of India or for any other purpose.

Category VI—

(a) Principal amount of secured loans advanced by—

(i) the Central Government;

(ii) a State Government;

(iii) Banks and financial institutions.

(b) Arrears in relation to contributions to be made by the companies to provident fund, the Employees' State Insurance Fund or under any other law for the time being in force providing for such contributions.

Category VII—

Principal amount of unsecured loans advanced by—

- (i) the Central Government;
- (ii) a State Government;
- (iii) Banks and financial institutions.

Category VIII—

(a) Any credits availed of by the companies for the purpose of carrying on any trading or manufacturing operations.

(b) Any dues of State Electricity Boards or other Government and semi-Government institutions against supply of goods or services.

(c) Arrears of interest on loans and advances.

(d) Revenue, taxes, cesses, rates or other dues to the Central Government, a State Government or any local authority.

(e) Any other loans or dues