

NATIONAL COMPANY LAW APPELLATE TRIBUNAL
NEW DELHI

Company Appeal (AT) (Insolvency) No. 1136 of 2019

IN THE MATTER OF:

Vijay Kumar Ghai

...Appellant

Versus

State Bank of India & Anr.

...Respondents

Present:

For Appellant : Mr. Gursat Singh, Advocate

For Respondents : Mr. Puneet Jain, Advocate
Mr. Sanjay Kumar Aggarwal, Resolution Professional

O R D E R

09.12.2019 The ‘State Bank of India’ (Financial Creditor) moved an application under Section 7 of the Insolvency and Bankruptcy Code, 2016 (for short, ‘the I&B Code’) for initiation of the ‘corporate insolvency resolution process’ against ‘Priknit Retails Limited’ (Corporate Debtor). The Adjudicating Authority (National Company Law Tribunal), Chandigarh Bench, Chandigarh by impugned order dated 11th September, 2019 admitted the application.

On 25th October, 2019 when the matter was taken up by this Appellate Tribunal, the only ground taken by the Appellant was that the application filed under Section 7 was barred by limitation. It was also informed that the Appellant is ready to settle the matter with the ‘State Bank of India’ and if so required, may move application under section 12A of the ‘I&B Code’.

Today, it is informed that the Appellant moved before the ‘State Bank of India’ for ‘one time settlement’, which has been rejected by the Bank.

Learned counsel for the Appellant submits that the 'State Bank of India' has 91% voting share and therefore, any settlement with them will amount to settlement under Section 12A.

In the facts and circumstances, instead of granting further time, we allow the Appellant to file an application under Section 12A before the 'Committee of Creditors'.

The Appellant may give revised offer within a week but it will not come in the way of the 'Interim Resolution Professional' / 'Resolution Professional' to proceed in accordance with law uninfluenced by the orders passed by this Appellate Tribunal.

The appeal stands disposed of.

[Justice S.J. Mukhopadhaya]
Chairperson

[Justice Bansi Lal Bhat]
Member (Judicial)

[Justice Venugopal M.]
Member (Judicial)

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