

NATIONAL COMPANY LAW APPELLATE TRIBUNAL, NEW DELHI

Company Appeal (AT) (Insolvency) No. 690 of 2018

IN THE MATTER OF:

Sheena Adarsh

...Appellant

Versus

Union Bank of India & Anr.

...Respondents

With

Company Appeal (AT) (Insolvency) No.742 of 2018

IN THE MATTER OF:

Mr. Sheeju Purushothaman

...Appellant

Versus

Union Bank of India & Anr.

...Respondents

**For Appellant : Mr. Baalaji, Mr. Teack Raj, Mr. Karuppaiah Meyyappan
Advocates**

**For Respondent :Mr. Avrojyoti Chatterjee, Mr. Rajiv S. Joy, Mr. Abhijit
Roy and Ms. Jayasree Sama Advocates for Respondent
No. 1**

ORDER

29.03.2019 These appeals have been preferred by the Appellants - Shareholders against the order dated 1st November, 2018 passed by the Adjudicating Authority (National Company Law Tribunal) Chennai Bench, Chennai admitting the application under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("I&B Code" for short) filed by the Respondent - 'Union Bank of India'- ('Financial Creditor').

2. Learned counsel for the Appellants submitted that the 'Corporate Debtor' is a Public Limited Company and there are about 24000 shareholders apart from the employees about 2000 families are dependent on the 'Corporate Debtor'. It is also submitted that the Adjudicating Authority admitted the application without notice to the 'Corporate Debtor'.

3. However, the aforesaid submissions cannot be accepted as admittedly notice was issued to the 'Corporate Debtor' and the Senior Advocate along with another Advocate appeared on behalf of the 'Corporate Debtor' and they were heard.

4. Learned counsel for the Respondents submits that the counsel for the 'Corporate Debtor' appeared on eleven occasions before the Adjudicating Authority thereafter on hearing them the order was passed.

5. So far as the claims of the 'Operational Creditors' are concerned, their claim will be considered by the 'Resolution Professional' once admitted. Otherwise, they have no right to be heard at the time of admission of the application under Section 7 of the 'I&B Code'.

6. For the reasons aforesaid, we are not inclined to interfere with the impugned order dated 1st November, 2018. The Adjudicating Authority is expected to complete the 'Resolution Process' in accordance with law within the stipulated period. The 'Resolution Professional', the 'Committee of Creditors' will co-operate to ensure that the resolution process succeeds.

Both the appeals stand disposed of with aforesaid observations and directions. No cost.

[Justice S.J. Mukhopadhyaya]
Chairperson

[Justice A.I.S. Cheema]
Member (Judicial)

/ns/sk/