

NATIONAL COMPANY LAW APPELLATE TRIBUNAL, NEW DELHI

Company Appeal (AT) (Insolvency) No. 197 of 2019

IN THE MATTER OF:

Arjun Technologies (India) Ltd. ...Appellant

Vs

Karur K. C. P. Packagings Ltd. ... Respondent

Present:

Appellant: Mr. S. Santanam Swaminadhan and Mr. Kartik Malhotra, Advocates.

Respondent: Ms. Rhea Luthra, Advocate.

ORDER

24.05.2019: Pleadings are complete. Learned counsel for the Respondent – ‘Corporate Debtor’ submits that in Company Appeal (AT) (Insolvency) No. 484 of 2019, an order has been passed by this Appellate Tribunal on 3rd May, 2019 in terms whereof constitution of Committee of Creditors in Corporate Insolvency Resolution Proceedings against the same Corporate Debtor has been stayed.

2. It appears that the aforestated appeal arises out of an order of admission passed under Section 7 of Insolvency and Bankruptcy Code, 2016. Since the Corporate Debtor is common to the aforestated appeal and the instant appeal, the instant appeal has been rendered infructuous in view of subsequent development, as Corporate Insolvency Resolution Process has been initiated in

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consequence of order of admission passed by the learned Adjudicating Authority (National Company Law Tribunal), Chennai Bench on 24th April, 2019 in CP/1275/IB/2018 titled “M/s The Karur Vysya Bank Ltd. Vs. M/s Karur KCP Packagings Limited”

3. Appropriate remedy open to the Appellant herein, who claimed to be an ‘Operational Creditor’, is to file the claim as the Corporate Insolvency Resolution Process against the Corporate Debtor is underway and the Interim Resolution Professional has been appointed.

4. Learned counsel for the Appellant submits that as the Committee of Creditors is yet to be constituted and its constitution has been stayed in terms of interim order passed by this Appellate Tribunal, in the event of a settlement between the Financial Creditor and the Corporate Debtor or withdrawal of application by Financial Creditor or setting aside of order of admission of application under Section 7 of I&B Code, the grievance of the Appellant may remain unaddressed.

5. These apprehensions of the Appellant can be allayed by giving liberty to the Appellant to come back and re-agitate the matter in the instant appeal, in case, the Corporate Insolvency Resolution Process is closed in the event of

aforestated appeal (Company Appeal (AT) (Insolvency) No. 484 of 2019) being allowed or in the event of some settlement or withdrawal of application of Financial Creditor. The appeal is accordingly disposed off with aforesaid liberty.

(Justice Bansi Lal Bhat)
Member (Judicial)

(Mr. Balvinder Singh)
Member (Technical)

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