

NATIONAL COMPANY LAW APPELLATE TRIBUNAL
NEW DELHI

Company Appeal (AT) (Insolvency) No. 501 of 2018

IN THE MATTER OF:

**Consolidated Engineering
Company & Anr.**

...Appellants

Versus

Golden Jubilee Hotels Pvt. Ltd.

...Respondent

Present:

For Appellants: Mr. Abir Roy, Advocate

For Respondent : Mr. Y. Suryanarayana, Advocate

ORDER

12.12.2018 *Prima facie* we are of the view that the Adjudicating Authority has rightly held that 10% of total debt for the purpose of representation in 'Committee of Creditors' is to be calculated on the basis of the claim as collated and noticed by the 'resolution professional'. It cannot be based on amount claimed by all the 'Operational Creditors', till it is verified and compared. If the claim of 'Operational Creditors, on verification is found to be less than 10%, the 'Operational Creditors' have no right to claim representation in the meeting of the 'Committee of Creditors'. However, taking into consideration facts and circumstances of case, we allow the representative of 'Operational Creditor' only to watch the proceedings of the 'Committee of Creditors' as agreed by the learned counsel for the 'Resolution Professional'. The representative cannot object or

participate in the proceedings of the 'Committee of Creditors' and if any contrary decision is taken, in such case, the 'Operational Creditor' may move proper application before appropriate forum at proper stage. 'Operational Creditor' may obtain the name of the representative who may watch the proceedings. This order cannot be cited as precedence in any other case.

The appeal stands disposed of with aforesaid observations.

[Justice S.J. Mukhopadhaya]
Chairperson

[Justice Bansi Lal Bhat]
Member (Judicial)

/ns/uk/