

NATIONAL COMPANY LAW APPELLATE TRIBUNAL
NEW DELHI
Company Appeal (AT)(Ins) No. 729 of 2019

IN THE MATTER OF:

G.R.K. Reddy

...Appellant

Versus

Phoenix ARC Pvt. Ltd. & Ors.

...Respondents

Present:

For Appellant: Mr. Nithin Pavuluri, Advocate

**For Respondents: Mr. Arjit Mazumdar, Mr. Akshay Chandna and Ms.
Akanksha Kaushik, Advocates**

ORDER

27.08.2019 The application preferred by the Respondent –‘M/s. Phoenix ARC Private Limited’ (Financial Creditor) under Section 7 of the ‘Insolvency and Bankruptcy Code, 2016 (for short, ‘the I&B Code’) against ‘M/s. New Chennai Township Private Limited’ was admitted by the Adjudicating Authority (National Company Law Tribunal), Special Bench, Chennai on 4th July, 2019.

The Appellant ‘ Shareholder and Director’ of the ‘Corporate Debtor’ has preferred this appeal on the ground that the Adjudicating Authority was in an unwarranted urgency and passed order of admission even when both the parties i.e. Appellant and Respondent sought time to complete the settlement process. This fact was noticed in this appeal on 18th July, 2019 and time was allowed to the Appellant to settle the matter with the Respondent and the ‘Interim Resolution Professional’ was directed “not to constitute the ‘Committee of Creditors’.” However, till date no settlement has been made.

Contd/-.....

Learned counsel for the Appellant submits that the proposed 'Terms of Settlement' has been made and in terms of which certain amount has been paid to the Respondent and the Appellant is making endeavour to settle the matter within 4 weeks. However, taking into consideration the fact that one month has already been passed after the interim order was passed, by way of last chance, we give one opportunity to the Appellant to settle the matter with all the stakeholders within 3 weeks failing which the interim order **“not to constitute the ‘Committee of Creditors’** will stand vacated.

Post the case 'for orders' on 19th September, 2019.

[Justice S.J. Mukhopadhaya]
Chairperson

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

[Kanthi Narahari]
Member (Technical)

ns/gc/