

**NATIONAL COMPANY LAW APPELLATE TRIBUNAL, NEW DELHI**

**Company Appeal (AT) (Insolvency) No. 729 of 2019**

**IN THE MATTER OF:**

**Mr. G.R.K. Reddy**

**...Appellant**

**Vs.**

**Phoenix ARC Pvt. Ltd. & Ors.**

**...Respondents**

**Present: For Appellant: - Mr. Nithin Pavuluri and Mr. Rama Krishna Meka, Advocates.**

**For Respondents: - Mr. Arijit Mazumdar, Mr. Shambo Nandy, Advocates.**

**Mr. Suresh Dobhal and Ms. Sonaakshi Dhiman, Advocates.**

**Mr. Pushkar Taimni, Advocate.**

**O R D E R**

**19.09.2019—** By way of last chance, we give opportunity to the Appellant to reach settlement with all the Creditors, including the 'Financial Creditors' and the 'Operational Creditors' and direct the 'Interim Resolution Professional'/ 'Resolution Professional' to give the details of claims received by him to the Appellant/ Promoter within a week.

Further, the Appellant may call for a meeting of allottees telephonically, online or by e-mail or by Speed Post and will also call for separate meeting of the 'Financial Creditors' and the 'Operational

Contd/-.....

Creditors' and if possible, may reach a 'Term of Settlement' by giving a time frame within which the Promoters intend to complete the project and execute the sale deeds in favour of the allottees.

On receipt of the total consideration amount, they have to indicate the time by which they intend to offer the agreed claims of one or other 'Financial Creditor' and 'Operational Creditor' other than allottees. If such 'Terms of Settlement' is reached, treating them as a settlement in terms of Section 12A, this Appellate Tribunal may direct the 'Committee of Creditors' to approve the same in the interest of the allottees and allow 'M/s. Phoenix ARC Private Limited' (Respondent herein) to withdraw the application under Section 7 of the Insolvency and Bankruptcy Code, 2016.

The Appellant is allowed to file additional affidavit enclosing the 'Terms of Settlement', if any, reached between the parties.

Learned counsel for the Appellant is also directed to serve a copy of the affidavit on counsel for the Respondents and intervenors- allottees, who may file their respective reply affidavits within two weeks.

Post the appeal 'for orders' on 20<sup>th</sup> November, 2019.

In the meantime, the 'Interim Resolution Professional' will ensure that the company remains going concern and will take assistance of the (suspended) Board of Directors and the officers/ Directors/employees.

The person who is authorised to sign the bank cheques may issue cheques but only after approval of the 'Interim Resolution Professional'. The bank account of the 'Corporate Debtor' be allowed to be operated for day-to-day functioning of the company such as for payment of current bills of the suppliers, salaries and wages of the employees'/workmen electricity bills etc.

The interim order passed earlier on 18<sup>th</sup> July, 2019 stands modified to the extent above. However, we make it clear that till next date the 'Committee of Creditors' will not approve any 'Resolution Plan' without prior approval of this Appellate Tribunal'.

(Justice S.J. Mukhopadhaya)  
Chairperson

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

(Kanthi Narahari)  
Member(Technical)

Ar/sk