

NATIONAL COMPANY LAW APPELLATE TRIBUNAL

NEW DELHI

COMPANY APPEAL (AT) (INSOLVENCY) NO.715 OF 2019

In the matter of:

Savan Godiawala

Appellant

Vs

G. Venkatesh babu & Ors.

Respondents

Present:

For Appellant :Ms Nisha and Mr Vaijayant Paliwal, Advocates for appellant.

ORDER

15.07.2019- Learned counsel appearing on behalf of the appellant submits that Income Tax Department has issued notice for prosecution against the erstwhile promoters and directors of the 'Corporate Debtor' whereas they have filed the petition for compounding of offence as erstwhile Managing Director. The Liquidator has been directed to keep separate funds from the corpus of the Corporate Debtor for payment of compounding fee/amount which has been allowed by the impugned order dated 10.6.2019.

2. It is submitted that for compounding of offence against an individual Managing Director or any of its officer, the Corporate Debtor cannot pay the amount particularly when the Corporate Debtor is in liquidation. The Adjudicating Authority has failed to notice the same.

3. Let notice be issued on respondents through speed post. Requisites alongwith process fee, if not filed, by filed by 17.7.2019. If the appellant

provides the email address of the respondents, let notice be issued through email.

4. Post the case for admission on **22nd August, 2019**.

5. Until further orders the operation of the impugned order dated 10.6.2019 passed by the Adjudicating Authority, (National Company Law Tribunal), Hyderabad Bench, Hyderabad passed in Ia No.97 of 2019 in CP(IB) No.111/7/HDB/2018 shall remain stayed. However, the liquidator will proceed in accordance with law and the decision will be subject to outcome of this appeal.

(Justice S.J. Mukhopadhaya)
Chairperson

(Balvinder Singh)
Member (Technical)

(Kanthi Narahari)
Member (Technical)

Bm/su