

NATIONAL COMPANY LAW APPELLATE TRIBUNAL, NEW DELHI

Company Appeal (AT) (Insolvency) No. 1243 of 2019

IN THE MATTER OF:

Mr. Rajiv Choudhary

...Appellant

Vs.

Shri Hukum Singh & Anr.

...Respondents

Present: For Appellant: - Mr. Virender Ganda, Senior Advocate with Mr. Vishal Ganda, Mr. Sanjay Mann, Ms. Shelly Khanna and Mr. Ayandeb Mitra, Advocates.

For Respondents: - Mr. Buddy A. Ranganadhan and Mr. Palzer Moktan, Advocates.

O R D E R

15.11.2019— Mr. Hukum Singh ('Financial Creditor') filed an application under Section 7 of the Insolvency and Bankruptcy Code, 2016 ('I&B Code' for short) for initiation of the 'Corporate Insolvency Resolution Process' against 'M/s. Adaab Hotels Ltd.'- ('Corporate Debtor'). The Adjudicating Authority (National Company Law Tribunal), Court-VI, New Delhi, by impugned order dated 6th November, 2019 having admitted the application, the present appeal has been preferred by the Director of the 'Corporate Debtor'.

2. The Learned counsel appearing on behalf of the Appellant submits that Mr. Hukum Singh ('Financial Creditor') claimed default of

Contd/-.....

Rs. 1,18,24,984/- . The Appellant has come with the Banker's Cheque No. 046566 dated 14th November, 2019 issued by 'Axis Bank Limited', Saket, New Delhi in the name of Mr. Hukum Singh for Rs. 1,18,24,985/- and handed over the same to Mr. Buddy A. Ranganadhan, learned counsel appearing on behalf of 1st Respondent- Mr. Hukum Singh ('Financial Creditor') for onward transmission.

3. The total amount stands paid in favour of Mr. Hukum Singh ('Financial Creditor'). The parties informed that the 'Committee of Creditors' has not been constituted.

4. Mr. Atul Kumar, 'Interim Resolution Professional' appears in person. He says that he has worked for nine days and has been paid cost of publication by Mr. Hukum Singh ('Financial Creditor'). His fee is assessed at Rs.1,00,000/- to be paid by the Appellant within a week. He accepts that the 'Committee of Creditors' has not been constituted.

5. In view of the aforesaid development and in exercise of powers conferred under Rule 11 of the National Company Law Appellate Tribunal Rules, 2016, we set aside the impugned order dated 6th November, 2019 and allow Mr. Hukum Singh ('Financial Creditor') to withdraw the application under Section 7 which stands disposed of as withdrawn. The Adjudicating Authority will now close the proceeding. The 'Interim Resolution Professional' on receipt of fee will immediately hand over the

records and assets of the 'Corporate Debtor' to the management of the 'Corporate Debtor'. The 'Corporate Debtor' (company) is released from all the rigours of Law and is allowed to function independently through its Board of Directors from immediate effect.

The Appeal is allowed with aforesaid observations and directions. However, in the facts and circumstances of the case, there shall be no order as to cost.

(Justice S.J. Mukhopadhaya)
Chairperson

(Justice Venugopal M)
Member(Judicial)

Ar/g