

NATIONAL COMPANY LAW APPELLATE TRIBUNAL
NEW DELHI

I.A. No.1427 of 2020

in

Company Appeal (AT) (Ins) No.170 of 2020

IN THE MATTER OF:

Pranav Sharma

...Appellant

Versus

Syndicate Bank

...Respondent

For Appellant:

**Shri Abhijeet Sinha, Ms. Tania and Shaukari,
Advocates**

For Respondent:

**Shri Hitesh Sachar and Shri Sanjeev Panda,
Advocates (R-2)**

O R D E R

23.06.2020

Heard Counsel for Appellant. Perused I.A. No.1427 of 2020.

The learned Counsel states that in view of the last Order, he was permitted to file this Application and it needs to be urgently heard. The learned Counsel is pressing for stay of CIRP. The prayer made in the Application is that the CIRP should be stayed in the wake of COVID – 19 outbreak. The learned Counsel for the Appellant states that the erstwhile management has been making efforts to settle the claim of the sole Financial Creditor but due to the outbreak of COVID – 19, there were difficulties. Counsel states that the RP has been going ahead with the CIRP and the erstwhile Directors who are above 65 years of age, wanted to appoint Advocates and Solicitors to appear for them at the time of meetings which was not allowed. It is stated that if the CIRP continues, the cost of CIRP will go on increasing and will be burden on the Appellant or the Corporate Debtor. It is stated that for these and other reasons mentioned in the Application, the CIRP should be stayed.

When the Appeal had come up for the first time on 28th January, 2020, at that time itself, the Appellant had claimed that constitution of COC (Committee of Creditors) should be stayed as the Appellant is ready to settle the claim. On 13th February, 2020 also, it was stated that proposal for settlement has been made with Respondent No.1 which is pending consideration. After that date, the problem of COVID – 19 came up somewhere in March, 2020 and on 24th March, 2020, lockdown was imposed. Thus, the record shows that since much before, the Appellant had the opportunity to settle if the Appellant wanted to really settle. Now benefit of COVID – 19 outbreak is sought to be taken. Banks have all along been functioning. We do not find that the reasons stated by the learned Counsel for the Appellant for staying the CIRP can be accepted to stay the CIRP considering the nature of proceedings under IBC. If the Appellant wants to settle, it would be a matter between the Appellant and the original Financial Creditor subject to procedure under IBC. We do not find any substance in the I.A.

I.A. No.1427 of 2020 is thus rejected.

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

(Justice Venugopal M.)
Member (Judicial)

[Kanthi Narahari]
Member (Technical)

/rs/md