

NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH
CHENNAI

ATTENDANCE CUM ORDER SHEET OF THE HEARING OF CHENNAI BENCH, CHENNAI
NATIONAL COMPANY LAW TRIBUNAL, HELD AT 10.30 AM ON 28-08-2018

PRESENT: SHRI K. ANANTHA PADMANABHA SWAMY, MEMBER-JUDICIAL
SHRI S. VIJAYARAGHAVAN, MEMBER (TECHNICAL)

APPLICATION NUMBER : MA/307/2018
PETITION NUMBER : CP/552&553/IB/2018
NAME OF THE PETITIONER(S) : R.VENKATAKRISHNAN
NAME OF THE RESPONDENT(S) : PARAGON STEELS PVT LTD & 2 OTHERS
UNDER SECTION : 60(5)

S.No. NAME (IN CAPITAL) DESIGNATION SIGNATURE
REPRESENTATION BY WHOM

1. Ashish Jain Dunia
For Sulana a Sulana
Counsel for coc/
Financial creditor
Rep by Sr. Counsel Mr. M.S. Krishnan

2. P.H. ARVIND PANDIAN
FOR. M.ROSHAN ATIA
RESPONDENT
M. Prady

3. V.V. SIVA KUMAR
In DUA ASSOCIATES Private Ltd
Counsel for
Resolution
Prady

MA/307/2018 IN CP/552 & 553/IB/2018

ORDER

Counsel for RP present. Counsel for Resolution Applicant present. Counsel for COC/Financial Creditor present. In this case, the Resolution Professional made an application for making payment to the labourers as labour unrest will delay the commencement of any production. The RP had also submitted that there is no finance available with the Corporate Debtor except the amount for which the Bank Guarantee has been submitted by the Resolution Applicant which has been encashed by the Corporate Debtor. Counsel for RP sought that an initial payment of Rs.22 Lakhs may be permitted to be made from the account wherein the Bank Guarantee of the Resolution Applicant has been encashed and has been kept in credit. The adjustments/Refunds of the amount will depend on further orders of this Tribunal. In this case, the Resolution Applicant has stated that the application for approving the Resolution Plan has been made only by the Resolution Professional representing the Corporate Debtor and they were not made parties to the Application in MA/307/IB/2018. This Tribunal is of the opinion that once the resolution plan is submitted, the Applicant cannot seek to implead himself in any further proceedings regarding the approval of the resolution plan. The Resolution Applicant has expressed some reservations that the factory is not under operations for the last three months and he was not aware of the developments and he had submitted the resolution plan as it was a going concern at the relevant point of time. The RP responded that the Resolution Applicant has been in the interim managing committee of the Corporate Debtor and he is well aware of the status of the company and he has also made himself as a co-signatory of the bank account of the Corporate Debtor. The learned counsel representing the resolution professional stated that it was an attempt to go back on the commitments made in the resolution plan. The Financial Creditor and the Resolution Applicant are hereby directed to file a counter to the application made by the Resolution Professional in MA/307/IB/2018. The Resolution Professional may like to indicate the amount which will have to be obtained as an interim finance for restarting the production process of the Corporate Debtor. Matter is adjourned for making final submissions in this regard. **Put up on 04.09.2018.**

-sd/-
(S VIJAYARAGHAVAN)
Member (Technical)

-Sc/-
(K ANANTHA PADMANABHA SWAMY)
Member (Judicial)