

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

Company Appeal (AT) (Insolvency) No. 590 of 2022

IN THE MATTER OF:

**Chandrakant Hiralal Shah
Director (Suspended)**

...Appellant

Versus

Beacon Trusteeship Ltd. & Anr.

...Respondents

Present:

For Appellant: Mr. Krishnendu Datta, Sr. Advocate with Mr. Kunal Vajani, Mr. Kunal Mimani and Mr. Kartikey Bhatt, Advocates.

For Respondents: Mr. Neeraj Malhotra, Sr. Advocate with Mr. Nimish Kumar and Ms. Prerna Sharma, Advocates.

O R D E R

12.08.2022: Heard learned counsel for the Appellant as well as learned counsel appearing for the Respondent. This Appeal has been filed against order dated 04.05.2022 by which order the Adjudicating Authority (National Company Law Tribunal), Mumbai Bench-IV has admitted Section 7 application filed by the Respondent No.1. The Adjudicating Authority has recorded finding that there is default by the Corporate Debtor in payment of debt amount. The application was filed for a claim of Rs.502,91,64,495/- and the date of default is 30.04.2019. The Adjudicating Authority after hearing the parties has recorded finding in Para 16 of the impugned order, which is to the following effect:-

“16. On perusal of the documents submitted by the Applicant, it is clear that financial debt amounting to

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more than Rs.1,00,00,000/- (Rupees One Crore Only) is due and payable by the Corporate Debtor to the Applicant. There is default by the Corporate Debtor in payment of debt amount. Therefore, we do not have any objection on record against the application filed for initiation of CIRP against the Corporate Debtor.

a) The application is complete and has been filed under the proper form. The debt amount is more than Rupees One Crore and default of the Corporate Debtor has been established and the application deserves to be admitted.”

2. We do not find any error in the impugned order passed by the Adjudicating Authority admitting Section 7 application. Learned counsel for the Appellant submits that after passing of the order the Appellant approached the Financial Creditor for settlement. We are of the view that if any settlement is entered, it is open for the Appellant to take recourse of Section 12A. Learned counsel for the Respondent has denied that any settlement talks are going on. With these observations, we dismiss this Appeal.

**[Justice Ashok Bhushan]
Chairperson**

**[Justice Rakesh Kumar]
Member (Judicial)**

**[Ashok Kumar Mishra]
Member (Technical)**

Archana/nn