

**NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH - I
CHENNAI**

**ATTENDANCE CUM ORDER SHEET OF THE HEARING OF CHENNAI BENCH
NATIONAL COMPANY LAW TRIBUNAL, HELD AT ON 17.06.2022 at 10.30 AM
THROUGH VIDEO CONFERENCING**

**PRESENT: SMT. R.SUCHARITHA, MEMBER (JUDICIAL)
SHRI. SAMEER KAKAR, MEMBER (TECHNICAL)**

APPLICATION NUMBER	: IA/814(CHE)/2021
	IN
PETITION NUMBER	: IBA/1104/2019
NAME OF THE PETITIONER(S)	: S R Shriraam Shekher (RP) M/s Saalim Shoes Pvt Ltd
NAME OF THE RESPONDENTS	: A Saalim Mohammed & Others
UNDER SECTION	: Sec 19(2) of IBC, 2016

203 IBA/1104/2019
IA/814(CHE)/2021

ORDER

The Applicant is represented by the Ld. Counsel Mr. Pranav Shankar through video conferencing mode.

IA/814(CHE)/2021 has been filed under Section 19(2) seeking cooperation and submission of the documents by the erstwhile board of directors of the Corporate Debtor under CIRP.

Ld. Counsel for the Applicant appearing on behalf of the RP submits that the Corporate Debtor is a MSME Company and hence the Corporate Debtor is permitted under Section 240A to submit the resolution plan.

The resolution plan submitted by the Corporate Debtor / Resolution Applicant has been approved by the CoC. Therefore a Memo dated 28.02.2022 seeking withdrawal of IBA/1104/2019.

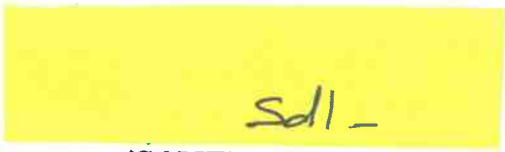
The memo is taken on record.

Considerable judicial time has been wasted in the present.

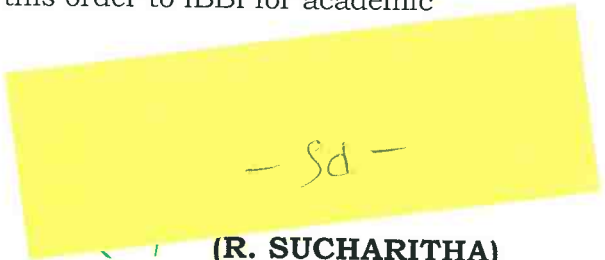
However, IA/814(CHE)/2021 stands **dismissed as withdrawn**.

Such kind of Application raises a question whether the regulation is needed when under Section 19(2) an Application is pending against the Corporate Debtor, is he permitted to participate as the resolution Applicant and ahead with the resolution plan as the Resolution Applicant even though he is a MSME company? When the Corporate Debtor has not respected the provisions of the Code and failed to obey the law of the land, how the Corporate Debtor is permitted to participate in the CIRP and accept the plan? Does it not defeat the very purpose of the act?

The Registry is directed to mark a copy of this order to IBBI for academic discussion on the regulation in this regard.


(SAMEER KAKAR)
MEMBER (TECHNICAL)

MS


(R. SUCHARITHA)
MEMBER (JUDICIAL)