

NATIONAL COMPANY LAW APPELLATE TRIBUNAL
NEW DELHI

Company Appeal (AT) (Insolvency) No. 676 of 2018

IN THE MATTER OF:

Manji Patel

...Appellant

Versus

**Corporate Finance & Investment
Services India Pvt. Ltd. & Ors.**

...Respondents

Present :

For Appellant : **Mr. Arun Kathpalia, Senior Advocate assisted by
Mr. Vishal Thaker, Mr. Aniruddha Joshi, Mr. Nikhil
Goel and Mr. Aniruddha Deshmukh, Advocates**

For Respondents: **Mr. Arun Pedhnekar, Mr. Aaditya Pande, Advocates
for Respondent Nos. 1 to 3**

WITH

Company Appeal (AT) (Insolvency) No. 678 of 2018

IN THE MATTER OF:

Pravin Patel

...Appellant

Versus

**Corporate Finance & Investment
Services India Pvt. Ltd. & Ors.**

...Respondents

Present:

For Appellant : **Mr. Arun Kathpalia, Senior Advocate assisted by
Mr. Vishal Thaker, Mr. Aniruddha Joshi, Mr. Nikhil
Goel and Mr. Aniruddha Deshmukh, Advocates**

For Respondents: **Mr. Arun Pedhnekar, Mr. Aaditya Pande, Advocates
for Respondent Nos. 1 to 4**

ORDER

01.11.2018 Learned counsel for the appellant submits that the respondents' group companies, who claimed to be the 'financial creditors', having *suo moto* converted the unsecured loan towards the amount of equities of appellant of appellant group companies relating to which suit is pending and now cannot be claimed to be the 'financial creditors' for the purpose of initiation of proceeding under Section 7 of the I&B Code.

Let notice be issued in both the appeals.

Mr. Arun Pedhnekar, Advocate accepts notice on behalf of Respondent Nos. 1 to 3 in '*Company Appeal (AT) (Insolvency) 676 of 2018*' and on behalf of Respondent Nos. 1 to 4 in '*Company Appeal (AT) (Insolvency) 678 of 2018*'. No further notice need be issued on them. They may file reply-affidavit within two weeks and rejoinder, if any, may be filed within a week thereof.

Let notice be issued on rest of the respondents by Speed Post. Requisites along with process fee, if not filed, be filed by 2nd November, 2018. If the appellant provides the *e-mail* address of the respondents, let notice be also issued through *e-mail*.

Post these appeals 'for Admission (After Notice)' on 6th December, 2018 on the top of the list.

In the meantime, the 'Adjudicating Authority' or the 'Interim Resolution Professional' will not publish any notice in the newspapers and 'Interim Resolution Professional' will ensure that the company remains on going and the manufacturing and production of the company do not suffer, payment of wages to the employees/workmen are made on time and if any material is supplied during corporate resolution process, the payment may be made to the supplier.

The Insolvency Resolution Professional will take help of (suspended) Board of Directors. The Banks having account of the corporate debtor will cooperate with the 'Insolvency Resolution Professional' to ensure compliance of this order.

[Justice S.J. Mukhopadhaya]
Chairperson

[Justice Bansi Lal Bhat]
Member (Judicial)

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