

NATIONAL COMPANY LAW APPELLATE TRIBUNAL, NEW DELHI

Company Appeal (AT) (Insolvency) No. 357 of 2018

IN THE MATTER OF:

Brij Bhushan Singal

...Appellant

Vs.

Bhushan Steel Ltd. & ors.

...Respondents

Present: For Appellant: - Mr. Dhruv Mehta, Sr. Advocate with Mr. Puneet Singh Bindra, Mr. Sakate Khaitan, Mr. Dhiraj Mhetre, and Ms. Smiti Tewari, Advocates

For Respondent:- Mr. Gaurab Banerjee, Senior Advocate, Mr. Arun Kathpalia, Sr. Advocate, Mr. Manmeet Singh, Mr. A.R.Frery, Mr. A.Gupta, Mr. A.Shahi, Mr. A.Amarjit, Advocates

O R D E R

12.07.2018— Issue notice. Contesting respondents have appeared. No notice need be issued. Counsel for the respondent may file reply along with Vakalatnama, if not filed.

2. *Prima Facie* the Resolution plan in so far as it relates to shares cannot be held to be violative of Section 30(2)(e) of Insolvency and Bankruptcy Code, 2016 (for short 'I & B Code', 2016) as no decision has been taken to take over the shares of the shareholders without payment, the Resolution Applicant has proposed to purchase share for Rs. 100/- each.

3. Learned Counsel appearing on behalf of the Resolution Applicant submitted that the value of the share of Rs. 100/- have gone much below, immediately after the initiation of Corporate Insolvency Resolution Process.

The Liquidation value of the shares is zero. In spite of the same, the Resolution Applicant has offered to purchase the share for Rs.100/-.

4. It is made clear that we have only expressed our prima facie view to enable the shareholders to understand the legal position and it should not be treated to be the finding of this Appellate Tribunal.

5. Post the matter 'for orders' on 26th July 2018.

6. As we have not stayed the Resolution Proceedings, if the Resolution Plan is approved, the Resolution Applicant will act in accordance with law, subject to the decision of the appeal. This Order is subject to decision in (pending) Company Appeal (AT) (Ins.) Nos. 221, 233 and 267 of 2018.

(Justice S.J. Mukhopadhaya)
Chairperson

(Justice Bansi Lal Bhat)
Member(Judicial)

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