

Learning Curve-1040

May 07, 2024

When Erstwhile RP was replaced with New RP, the decision taken by the New RP cannot be objected by the Erstwhile RP.

CASE TITLE	Partha Sarathy Sarkar Vs. Union of India & Ors.
CASE CITATION	Company Appeal (AT) (Insolvency) No.576 of 2024
DATE OF ORDER	May 06, 2024
COURT/ TRIBUNAL	NCLAT, New Delhi

BRIEF FACTS:

The Appellant/Erstwhile RP filed an application against the officials of the UTI to summon the attendance of R-3 and production of documents. The Appellant was replaced by another RP and the New RP submitted before the AA that he does not want to further prosecute the application and the AA disposed of the application as infructuous. The Appellant now challenging the order submitting that the application was required to be heard on merits and decision taken.

DECISION:

The Hon'ble NCLAT, New Delhi held that,

“When the Appellant- the Erstwhile Resolution Professional was replaced with New Resolution Professional, who is now proceeding with the CIRP, the decision taken by him cannot be objected by the Erstwhile Resolution Professional, who is Appellant herein. We are of the view that at the instance of the Appellant no interference can be made with the impugned order by which application has been disposed of as infructuous...”

We are of the view that when the Adjudicating Authority after noticing the statement of the New Resolution Professional has disposed of the application, it was not necessary to look into facts of the application. The submission made by the Appellant are without any substance.

Appeal is dismissed.”