

**In an application under Section 7, the Financial Creditor and the Corporate Debtor alone are the necessary party, NCLAT held**

<b>CASE TITLE</b>	Vekas Kumar Garg Vs. DMI Finance Pvt Ltd &Anr <sup>1</sup>
<b>CASE CITATION</b>	Company Appeal (AT) (Insolvency) No. 113 of 2021
<b>DATE OF ORDER</b>	18.02.2021
<b>COURT/TRIBUNAL</b>	NCLAT, New Delhi
<b>CASES REFERRED</b>	-
<b>SECTION/REGULATION REFERRED</b>	Section 7 of IBC, 2016

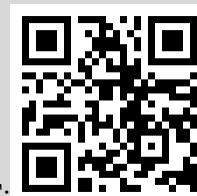
**Brief of the case:**

Appellant, Mr. Vekas Kumar Garg preferred an appeal against the impugned order of NCLT, New Delhi by virtue whereof its application for impleadment as Respondent rejected on the ground that he was not necessary party to the proceeding pending before the NCLT at the pre-admission stage under Section 7 of the Insolvency and Bankruptcy Code, 2016. Appellant was Resolution Professional of companies facing CIRP process.

**Decision:**

Hon'ble NCLAT, dismissed the application with following observations:

*“3...In an application under Section 7, the Financial Creditor and the Corporate Debtor alone are the necessary party and the Adjudicating Authority is, at the pre-admission stage, only required to satisfy itself that there is a financial debt in respect whereof the Corporate Debtor has committed a default warranting triggering of CIRP. The Adjudicating Authority is required to satisfy itself in regard to there being a financial debt and default thereof on the part of the Corporate Debtor besides the application being complete as mandated under Section 7(5) of the 'I&B Code' and then pass an order of admission or rejection on merit as mandated under sub-section (4) of Section 7 within 14 days. No third party intervention is contemplated at that stage.”*



**QR CODE FOR FULL ORDER/JUDGEMENT:**

<sup>1</sup><https://nclat.nic.in/Useradmin/upload/1447026867602e57e6b278c.pdf>