

**DIVISION BENCH**

**ITEM NO.126**

**NATIONAL COMPANY LAW TRIBUNAL  
ALLAHABAD BENCH  
PRAYAGRAJ**

**IA No.241/2022, IA No.252/2024, IA No.568/2024 & IA No.569/2024  
IN CP (IB) No.142/ALD/2018**

**CORAM:**

- 1. SH. PRAVEEN GUPTA,  
HON'BLE MEMBER (JUDICIAL)**
- 2. SH. ASHISH VERMA,  
HON'BLE MEMBER (TECHNICAL)**

**Date of Order: 9<sup>th</sup> June, 2026**

**Attendance-Cum-Order Sheet of the Hearing.**

<b>NAME OF THE COMPANY</b>	<b>UNION BANK OF INDIA V/S M/S LAKSHMI COTSYN LTD.</b>
<b>UNDER SECTION</b>	<b>7 IBC (IN LIQUIDATION)</b>

**COUNSEL APPEARED THROUGH PHYSICAL/ VIRTUAL HEARING:**

- Sh. Shubham Agarwal, Adv. : *For the Liquidator*
- Sh. Iswar Mohapatra with : *For the Res. No.41 in IA 568/2024*  
Sh. Animesh Pandey, Adv.
- Sh. Rishabh Shah & Sh. Arjun Sheth, Adv. : *For the Res. No.14 in IA 568/2024*
- Ms. Jayashree Shukla Dasgupta with : *For Applicant in IA No.241/2022*  
Sh. Shivam Nayyar, Adv. : *& Res. Nos.1, 3, 4, 7 & 6*  
*in IA No.568/2024*
- Sh. Neeraj Kumar, Adv. : *For Applicant in IA No.252/2024*

**ORDER**

**IA No.241/2022**

1. This application has been filed by 25 employees of the Corporate Debtor for the salary to be disbursed to them particularly for the period falling during the CIRP period, when the Respondent Corporate Debtor was being run as a going concern. The non-Applicant/Respondent/RP has filed its reply wherein vide Paragraph 14, the following averments have been made:

*14. That it is stated during the period between the end of the 180+90 days period (i.e., 24.02.2019) till the date of pronouncement of Liquidation order (01.07.2020), the Malwan Unit and the Abhaypur*

*-Sd-*

*-Sd-*

*Unit remained closed with their employees and workmen not coming to the units. However, in order to keep the accounting, finance and compliance work continue, some of the employees at the Kanpur and Noida Office of the corporate debtor continued to come to the office. The list of all employees and who were regularly coming to Noida and Kanpur Office is attached herewith and marked as Annexure-4.*

2. As per the list of employees attached as Annexure no.4, placed at Page no. 96 of the paper book, it is observed that there is a list of 36 employees who were held to be entitled for the salaries to be paid at the relevant time in respect of whom the reply was filed on 26<sup>th</sup> August, 2022.
3. Ld. Counsel representing the applicant states that despite clear contemplation on part of the liquidator that these employees are entitled for the salary, however the salaries have not been paid while the disbursement was being made to the other creditors/stakeholders.
4. Ld. Counsel representing the liquidator has now submitted that the disbursement has already been taken place and that only realisation from certain non-readily reliable assets which are yet to be disposed off, is pending. The proceeds which may be realized form such assets, may be added to the liquidation estate, and out which the salaries could be paid.
5. It is inexplicable to understand as to how the salary which was required to be paid to the employees and duly admitted in Para no.14 of the reply was not paid at the relevant time, even when that the funds were available prior to the disbursement of the entire proceeds already available with the liquidator.
6. Ld. Counsel representing the non-Applicant/Respondent/Liquidator also refers to an order dated 17<sup>th</sup> November, 2021, passed by this Adjudicating Authority, whereby an IA filed by the Financial Creditor has been allowed for treating the employees in accordance with law.
7. Thereafter, the present IA No.241/2022 was filed and the reply thereto was filed by the Liquidator in August, 2023.

-Sd-

-Sd-

8. It is an admitted stand of the liquidator that they are entitled for the salary as in accordance with law as per the list furnished at Page no. 96 of the paper book.
9. Let an affidavit be filed regarding on the availability of the funds at the relevant time when they were working, particularly in the context of the applicability of Section 53 (1) (a) of the Code, as it will involve the expenditure to be met during the CIRP when the company was being run as a going concern.
10. Let the said affidavit be filed within a period of two weeks with an advance copy to be supplied to the other side.
11. In order to assist, let the liquidator be also present on the next date of hearing on 5<sup>th</sup> August, 2026.
12. All other applications be also adjourned for the same date.
13. Let the reply if any, be filed by all the respondents by supplying the copy is thereof to the other side.

**-Sd-**  
**(Ashish Verma)**  
**Member (Technical)**

**9<sup>th</sup> June, 2026**

*Bipul Kumar Tiwari*  
*(Stenographer)*

**-Sd-**  
**(Praveen Gupta)**  
**Member (Judicial)**