

NATIONAL COMPANY LAW APPELLATE TRIBUNAL, NEW DELHI

Company Appeal (AT) (Insolvency) No. 511 of 2019

IN THE MATTER OF:

Mr. Pappu Raja Kannan

...Appellant

Vs.

M/s. Sri Ramajayam Spintext Pvt. Ltd. & Ors.

...Respondents

Present: For Appellant: - Mr. K.S. Mahadevan and Ms. Swati Bansal, Advocates.

O R D E R

24.05.2019— ‘M/s. Sri Ramajayam Spintext Private Limited’- (‘Operational Creditor’) filed an application under Section 9 of the Insolvency and Bankruptcy Code, 2016 (“I&B Code” for short) before the Adjudicating Authority (National Company Law Tribunal), Division Bench, Chennai, for initiation of the ‘Corporate Insolvency Resolution Process’ against ‘M/s. Sethuram Spinners Private Limited’- (‘Corporate Debtor’). The same has been admitted by the impugned order dated 26th February, 2019.

2. Learned counsel appearing on behalf of the Appellant submits that there was no agreement reached between the parties to supply any goods. However, such submission cannot be accepted, as for supply of goods it is not necessary that the parties must reach an agreement.

Contd/-.....

3. It is not in dispute that the Respondent earlier asked for money pursuant to which a blank cheque bearing No. 559949 given to one Mr. P.R. Rajendraraja who is a relative to the 'Operational Creditor' and not as a payment for the hank yarn.

4. According to the Appellant, it is not in dispute that pursuant to the demand notice issued under Section 8(1) of the 'I&B Code', the 'Corporate Debtor' had not filed any reply disputing the claim.

5. On the other hand, the Respondent- ('Operational Creditor') filed an application under Section 9 in Form 5 showing details of the debt and default.

6. For the reasons aforesaid and other grounds shown therein, while we condone the delay of 12 days in preferring the appeal, we are not inclined to interfere with the impugned order.

In absence of any merit, the appeal is dismissed. No costs.

(Justice S.J. Mukhopadhaya)
Chairperson

(Kanthi Narahari)
Member(Technical)

Ar/g