

NATIONAL COMPANY LAW APPELLATE TRIBUNAL
NEW DELHI

Company Appeal (AT)(Insolvency) No. 189 of 2017

IN THE MATTER OF:

K. Raghavendra Rao

.. Appellant

Versus

Lakshmi Vilas Bank & Anr.

.. Respondents

Present:

For Appellant:

**Shri Haripriya Padmanabhan and Ms. Pooja Dhar,
Advocates.**

For Respondent:

**Ms. Shalini Kaul, Advocate
Shri Rajendra Beniwal, Advocate**

O R D E R

22.11.2017 Respondent- Laxmi Vilas Bank filed an application under Section 9 of the Insolvency & Bankruptcy Code ("**I&B Code**") 2016 read with Rule-6 of the Insolvency & Bankruptcy (Application to Adjudicate Authority) Rules, 2016. During the pendency of the petition there was confusion as to whether the application should have been filed under Section 7 of I&B Code or not but finally the Respondent preferred to treat the Application under Section 9 of I&B Code. The records being complete in terms of I&B Code, the Adjudicating Authority (National Company Law Tribunal) Chennai Bench, Chennai, by impugned order dated 17th August, 2017 admitted the application, initiated Corporate Insolvency Resolution Process, declared moratorium and appointed Interim Resolution Professional with certain directions.

2. Learned Counsel appearing on behalf of the Appellant submits that there was a dispute ongoing between the parties but he accepts that there is

nothing on record in support of such dispute. Earlier time was taken by the Counsel for the Appellant on the ground that they will settle the dispute with the Respondent ('Operational Creditor'). Today it is informed by learned Counsel for the Appellant that the Appellant is negotiating the matter and State Bank of India has filed Interlocutory Application for impleadment and may agree to bail out the Appellant and may allow to settle the dispute.

3. Learned Counsel appearing on behalf of the State Bank of India submits that they have filed Interlocutory Application for impleadment.

4. Having heard the learned Counsel for the Appellant, the 'Operational Creditor' and State Bank of India, we are of the view that in absence of any defect in the application under Section 9 of the I&B Code and there is nothing on record to suggest any existence of dispute, no interference can be made with the impugned order dated 17th August, 2017. For the said reason, no relief can be granted by this Appellate Tribunal. However, this order will not come in the way of the Appellant to settle the dispute with 'Operational Creditor' and to ask for appropriate relief from a Court of Competent Jurisdiction. The appeal is dismissed with aforesaid observations.

[Justice S.J. Mukhopadhaya]
Chairperson

[Justice Bansilal Bhat]
Member (Judicial)

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