

NATIONAL COMPANY LAW APPELLATE TRIBUNAL, NEW DELHI

Company Appeal (AT) (Insolvency) No. 105 of 2018

IN THE MATTER OF:

M V Ramana Rao & Anr.

...Appellants

Vs

SREI Infrastructure Finance Ltd. & Anr.

....Respondents

Present:

For Appellants: Dr. U. K. Choudhary, Sr. Advocate with Mr. Mullapudi Rambabu and Mr. Himanshu Vij, Advocates.

For Respondents: Mr. Abhijeet Sinha, Mr. Arijit Mazumdar, Mr. Rishav Banerji and Mr. Sarthak Guru, Advocates for R-1.

Mr. N. P. Gaur, Advocate for R-2.

ORDER

26.07.2018: The Respondent filed an application under Section 7 of Insolvency and Bankruptcy Code, 2016 (for short 'I&B Code') for initiation of Corporate Insolvency Resolution Process against 'M/s MIC Electronics Limited' (Corporate Debtor). It having admitted by impugned order dated 13th March, 2018, the Appellant – Shareholder/Director of the Corporate Debtor has challenged the same.

2. Learned senior counsel appearing on behalf of the Appellant submitted that the Respondent made wrong statement before the Adjudicating Authority and therefore, liable to be punished under Section 75 of the I&B Code. However, such submission cannot be accepted to set aside the order of admission of application under Section 7, till the application is filed to initiate proceeding under Section 75 and matter is finally decided.

3. Dr. U. K. Choudhary, learned senior counsel for Appellant contended that only a sum of Rs.3.9 crore was due on the date but a higher amount of Rs.55 crore has been shown due by the Respondent. However, we cannot set aside the impugned order on this ground there being an admitted debt and default.

4. At this stage, learned senior counsel for the Appellant submitted that there are material laying with the Respondent (Financial Creditor), which may set off towards dues of the Respondent. On this ground also we cannot interfere with the impugned order, the application being complete it was admitted.

5. We find no merit in this appeal. It is accordingly dismissed. No costs

[Justice S. J. Mukhopadhaya]
Chairperson

[Justice Bansi Lal Bhat]
Member (Judicial)

am/sk