

NATIONAL COMPANY LAW APPELLATE TRIBUNAL
AT CHENNAI
(APPELLATE JURISDICTION)
Company Appeal (AT) (CH) (Ins) No. 364/2024
(IA Nos. 1002 & 1003/2024)

IN THE MATTER OF:

Srisailan Krishnamurthy
V

... Appellant

Rahul Narayana Reddy & Anr.

... Respondents

Present:

For Appellant : Ms. R. Moneshaa, Advocate
Ms. A. Rithika, Advocate
Mr. Ravi Kiran, Advocate

For Respondent : Mr. S. Ravi, Senior Advocate
Mr. S. Vivekananda, Advocate for Caveator
Mr. R. Sanjeev, Advocate

ORDER
(Hybrid Mode)

04.10.2024:

The appellant herein questions the propriety of the Impugned Order dated 26.09.2024, as rendered in CP(IB)/164/BB/2022, by virtue of which the Learned Adjudicating Authority, has admitted the application preferred under Section 7 of I & B Code. The Learned Counsel for the Appellant has argued that, the parameters as prescribed under Section 5 (8) of I & B Code for the purposes of determining the aspect of “financial debt”, are not satisfied in the instant case and the amount due to be payable cannot be taken as a financial debt simply on the basis that it is reflected in the balance sheet.

She further argues that, if the definition of “financial debt”, is taken into consideration, the interests component will not fall within the definition of debt or a financial debt, as it has been defined under the I & B Code.

She has further submitted that, merely because the email communications have taken place which are relied upon by the Learned Senior Counsel for the Respondent, the same may not be construed as to be an admission of the debt in the absence of other supporting evidence, even if the balance sheet has been signed by the appellant.

At this stage, we are not elaborately dealing with the rival contentions which would be subject matter to be decided at the final stage, when the matter is decided by this Tribunal on merits. Since the respondents have already put in an appearance, they may file their Counter Affidavit within a period of three weeks from today.

Till the next date of listing, the effect of the operation of the Impugned Judgement dated 26.09.2024, would be kept in abeyance.

List the matter on **04.11.2024**, under the caption, 'For Admission (Fresh Cases)'.

[Justice Sharad Kumar Sharma]
Member (Judicial)

[Jatindranath Swain]
Member (Technical)

SN/MS