

IN THE NATIONAL COMPANY LAW TRIBUNAL: NEW DELHI
PRINCIPAL BENCH

ITEM No. 104
(IB)-901(PB)/2019

IN THE MATTER OF:

Rieco Industries Ltd.

.... Applicant/petitioner

v.

Indure Pvt. Ltd.

.... Respondent

Order under Section 9 of Insolvency & Bankruptcy Code, 2016

Order delivered on 07.08.2019

Coram:

CHIEF JUSTICE (RTD.) M. M. KUMAR
HON'BLE PRESIDENT

SH. S.K MOHAPATRA
HON'BLE MEMBER (TECHNICAL)

PRESENT:

For the Petitioner

Mr. Akshat Malpani, Adv.

For the Respondent

Ms. Vasundhra Bhardwaj and Mr. Varun Gupta,
Adv.

ORDER

A letter written by the petitioner has been placed on record by the learned counsel for the respondent which discloses that a total sum of Rs. 55/- lakhs was to be paid by 25.05.2019 as per the following schedule:

Sr. No.	Cheque No.	Amount (Rs.)	Date	Drawer's Band and Branch
1.	431964	15,00,000/-	31/01/2019	State Bank of India, GK-1 Branch
2.	549004	10,00,000/-	25/02/2019	Canara Bank, Prime Corporate Branch-1
3.	549005	10,00,000/-	25/03/2019	Canara Bank, Prime Corporate Branch-1
4.	549006	10,00,000/-	25/04/2019	Canara Bank, Prime Corporate Branch-1
5.	549007	10,00,000/-	25/05/2019	Canara Bank, Prime Corporate Branch-1
Total		55,00,000/-		

There are further clauses in the aforesaid letter which are extracted below:

- “2. Both parties will depute their authorized representatives to reconcile the disputed amount and come to an understanding on the final amount due if any. The mode of payment shall be mutually discussed after the final reconciliation of the disputed amount.
3. On receipt of payment as mentioned in point 1 above, Rieco will not pursue its case in MSEFC Pune and shall immediately withdraw the same after the payment of the final reconciled amount between the parties.
4. As regards Demand Notice dated 13.12.18 under The Insolvency and Bankruptcy Code 2016, Rieco agree not to take any further steps in this matter.”

A perusal of clause 4 extracted above shows that the petitioner is not to take any further steps in the matter concerning Insolvency and Bankruptcy Code, 2016. Accordingly, the issue raised before us must be deemed to have concluded. Once there is a compromise/settlement during pendency of Section 7 application, the debt is to be paid as per settlement only. Fresh cause of action/default arises on breach of settlement.

Learned counsel for the petitioner has drawn our attention to clause 2 with regard to the reconciliation of disputed amount and for reaching an understanding by deputing an authorized representative by both the parties and they were to mutually discuss the mode of payment after the final reconciliation of the disputed amount, if any, and that the process may continue but the present proceedings must be deemed to have concluded. It is needless to say that if there is any further cause of action in pursuance of clause 2 then it will remain open to the petitioner to file fresh claim in accordance with law.

A copy of the aforesaid letter is taken on record.

Petition stands disposed of.

Sd/-

(M.M. KUMAR)
PRESIDENT

Sd/-

(S.K MOHAPATRA)
MEMBER (TECHNICAL)