



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 17-07-2026

CORAM

THE HON'BLE MR.JUSTICE K.KUMARESH BABU

IP No. 21 of 2025

V.Swaminathan
S/o.T.R.Venkataraman

..Petitioner

Vs

1. P.T.Suresh
S/o.Paul Thomas
2. Pamila Grace Jebaseeli
W/o.P.T.Suresh
3. S.Suseel Samuel
S/o.P.T.Suresh

..Respondents

Insolvency Petition filed under Section 9(g), 10, 11, 12 and 13 of the Presidency Towns Insolvency Act, III of 1909 and Order III, Rule 8 of the Insolvency Rules, 1958, for the following reliefs:

- a) To treat this petition as urgent;
- b) To adjudicate the Debtors as Insolvent,
- c) To direct that the estate of the Debtors be vested in the Official Assignee of Madras, for the benefit of the general body of creditors of the Debtors
- d) To order that the costs of this petition be paid by the Official Assignee of Madras, from and out of the estate of the Debtors to the pending Creditors.

For Petitioner : Mr.T.Srikanth

For Respondents : No appearance



ORDER

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The insolvency petition has been filed by the Petitioning creditor to adjudicate the respondents/ debtors as Insolvents and to direct the estate of the debtors to be vested in the Official Assignee of Madras for the benefit of the general body of creditors of Debtors along with the costs of this petition to be paid the Official Assignee of Madras.

2. The facts giving arise to the present petition is that the respondents/ debtors 1 to 3 herein had borrowed a sum of Rs.3,00,000/- from the petitioning creditor, for which the respondents/debtors have executed a Promissory note dated 31.10.2023, promising the Petitioning creditor to pay the debt amount Rs.3,00,000/- along with its interest at the rate of 18%per annum on demand. While that being so even after continuous demands of the petitioning creditor, the respondents/debtors had failed to pay either the principal amount or the interest amount. Subsequently the respondents/debtors sent a letter a dated 02.04.2025 to the petitioning creditor, wherein the respondents/debtors had stated that they are not in a position to pay the debt amount and had further stated that they are also indebted to various other creditors which could not be paid by them either, thereby expressing their inability to pay the debts owned by them. Consequently the crediting petitioner had sent a legal notice dated 19.04.2025 for which the respondents / debtors had sent a reply notice dated 22.04.2025 reiterating their previous letter dated 02.04.2025. Therefore the



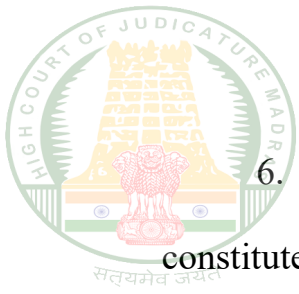
petitioning creditor had filed the present insolvency petition to adjudicate the respondents / debtors 1 to 3 as insolvents.

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3. Heard Mr.T.Srikanth the learned counsel appearing on behalf of the crediting petitioner.

4. The petitioning creditor has been examined as PW1 and further four documentary evidence have been marked as Ex.P1 to Ex.P4. The respondents/debtors had not appeared neither in person nor through the counsel and therefore they were set *ex-parte* by this court *vide* order dated 28.07.2025.

5. The learned counsel for the petitioning creditor would submit that the petitioning creditor had sent a legal notice dated 19.04.2025, marked as Ex.P3, demanding the respondents/debtors to pay the debt amount of Rs.3,00,000/- along with its interest of 18% per annum, for which the respondents/debtors had sent a reply notice dated 22.04.2025, marked as Ex.P4, reiterating their letter dated 02.04.2025, marked as Ex.P2, stating their inability to pay the debt amount. He further submits that the respondents/debtors had also failed to pay the interest amount, which is calculated at the rate of 18% per annum from its due date. Hence it is submitted that the respondents/debtors are wholly liable to pay a sum of Rs.3,79,650/- in total, wherein sum of Rs.3,00,000/- is payable towards the principal debt amount and a sum of Rs.79,650/- is payable towards the interest calculated from 31.10.2023 to 22.04.2025.



6. The learned counsel vehemently contends that the aforesaid amount constitutes a liquidated debt, which has become due and payable by the respondents/debtors 1 to 3 to the petitioning creditor as the petitioning creditor does not hold any securities towards the debt. He further contends that the respondents/debtors have committed an act of insolvency within the meaning of Section 9 (g) of the Presidency Town Insolvency Act III of 1909 commencing from the date of 02.04.2025, wherein the respondents/debtors had expressed their inability to pay the debt amount through the letter even dated (Ex.P2) and the same had been confirmed through the reply notice dated 22.04.2025.

7. He would further submit that this Court had ordered notices to respondents/debtors 1 to 3 and despite due service of the same, the respondents/debtors had neither appeared before this Court nor discharged the debt due to the petitioning creditor nor did they choose to contest the proceedings. Consequently, the respondents/debtors 1 to 3 were set *ex-parte* by this court *vide* its order dated 28.07.2025. Therefore the learned counsel for the petitioning creditor prays this court to adjudicate the respondents/debtors as insolvents and to allow the petition as prayed for.

8. I have heard the submissions made by the learned counsel appearing on behalf of the petitioning creditor.



9. The primordial contention of the learned counsel for the Petitioning creditor is that respondents/debtors 1 to 3 have failed to discharge the debt amount due to a tune of Rs.3,79,650/- to the petitioning creditor. It is significant to note that the inability of the respondents/debtors to repay the said debt duly stands substantiated by the evidence on record. Therefore this Court finds merit in the submissions made by the learned counsel for the petitioning creditor and is satisfied that the respondents/debtors 1 to 3 are liable to be adjudicated as insolvents.

10. Accordingly this court is inclined to pass the following orders;

- (i) The present Insolvency Petition stands allowed.
- (ii) The respondents/ debtors 1 to 3 are hereby adjudicated as Insolvents.
- (iii) This Court directs the estate of the respondents/debtors to be vested in the learned Official Assignee of Madras.
- (iv) The petitioning creditor is directed to deposit a sum of Rs.5,000/- with the learned Official Assignee and the said amount shall be paid by the learned Official Assignee, from and out of the estate of the respondents /debtors to the petitioning creditor.

17-07-2026

Index: Yes/No
Speaking/Non-speaking order
Neutral Citation: Yes/No
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