



I.P. No.15 of 2017

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WEB CO **ABDUL QUDDHOSE, J.**

S.K.Ahuja

... Petitioning Creditor

Versus

1.M/s.R.K.Distributors,
rep. by its Partners

2.Manjt Singh

3.Ranjeet Kaur

... Debtors

This petition has been filed under Sections 9, 10, 11, 12 and 13 of the Presidency Towns Insolvency Act seeking for adjudication of the debtors as Insolvents and also seeking for consequential directions.

2.The petitioning creditor has obtained a judgment and decree in O.S. No.171 of 2013 on the file of the City Civil Court, Chennai. As per the said judgment and decree, the debtors were directed to pay a sum of Rs.50,100/- together with interest and costs. Admittedly, the judgment and decree dated 20.02.2014 passed in O.S. No.171 of 2013 has attained finality. Based on the judgment and decree, the petitioning creditor has filed this Insolvency



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Petition. Insolvency Notice was also issued by this Court in I.N. No.33 of 2015 on the debtors. Since the Insolvency Notice could not be served on the debtors, Substituted Service was ordered by this Court and the same was also effected in one issue of the Tamil Daily 'Maalai Murasu' dated 23.05.2017. Despite effecting substituted service, the debtors failed to enter appearance in the Insolvency Notice. Being a decretal debt and the debtors having been issued the Insolvency Notice by this court, which the debtors have chosen not to contest the same by entering appearance, an act of insolvency has been committed by the debtors.

3. Therefore, the reliefs sought for in this petition by the petitioning creditor has to be granted as the debtors have committed an act of insolvency and as they are unable to pay the decretal debt payable to the petitioning creditor as per the judgment and decree passed by the City Civil Court in O.S. No.171 of 2013. Being a decretal debt, there is no necessity for recording of evidence by the learned Master as done in other cases.



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4.For the foregoing reasons, this petition is allowed as prayed for by adjudicating the debtors as insolvents and by directing the Official Assignee to take charge of the estate of the debtors for the benefit of the General Body of creditors of the debtors.

24.07.2023

vga
Index:Yes/No
Speaking/Non-speaking orders



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24.07.2023