IN THE HIGH COURT OF JUDICATURE AT MADRAS

RESERVED ON : 03.02.2026

PRONOUNCED ON : 06.03.2026

CORAM:

THE HONOURABLE MR. JUSTICE C.V.KARTHIKEYAN
AND
THE HONOURABLE MR. JUSTICE K.KUMARESH BABU

Application No. 91 of 2024
IN
I.P.No. 25 of 2014

V.Vikram Reddy ... Applicant

Vs

1. The Official Assignee
High Court, Madras. ... Respondent

S.Arjunlal Sunderdas (deceased)
23, Anderson Road,
Nungambakkam, Chennai – 600 006. ... Insolvent

PRAYER: Appeal filed under Order II Rule 1 of Insolvency Rules read with Section 8 of PTI Act and Order XIV Rule 8 of the Original Side rules, to set aside order dated 14.08.2023 passed by the Official Assignee rejecting my Claim No. 206/2014-D and Consequently, admit my claim.

***

For Applicant : Mr. Mukundan

For Respondent : Mr. K.V.Ananthakrushnan
Assisted by Ms.A.Janani

JUDGMENT

(Order of the Court was made by **C.V.KARTHIKEYAN, *J*.**)

This application has been filed by the claimant in Claim No. 206/2014-D before the Official Assignee challenging the order dated 14.08.2023 passed by the Official Assignee rejecting the said claim.

2. It had been contended by the applicant V.Vikram Reddy that he hd filed claim petition in Claim No. 206 of 2014 -D before the Official Assignee for a sum of Rs.3,50,00,000/- to be recovered from the estate of Arjunlal Sunderdas, who had been adjudicated as insolvent by order dated 21.04.2014. It had been contended that during the course of business, the applicant had paid a sum of Rs.1,00,00,000/- on 13.07.2005 by way of four cheques each for a sum of Rs.25,00,000/- bearing Nos. 958478 to 958481, all drawn on Andhra Bank, Mowbrays Road Branch, Chennai, from his current account No. CA/01/0001371. It had been further contended that he

made a further investment of Rs.1/- crore on 21.10.2006 by cheque No. 988835 dated 21.10.2006 again drawn on Andhra Bank of the same branch. It had been further contended that the insolvent gave a promissory note acknowledging receipt of the amount.

3. It was further contended that he invested a further sum of Rs.2.50/- crores with the insolvent by cheque No. 988837 dated 28.11.2005 again drawn on Andhra Bank of the same branch. It had been stated that this had been acknowledged by signing on their copy of the cheque. It had been further contended that he had further invested another sum of Rs.1/- crore by way of cheque No. 988840 dated 12.12.2006 again drawn on Andhra Bank of the same branch. A copy of the cheque was signed by the insolvent as acknowledgement. It had thus been stated that the applicant had paid as advance for investment in the joint venture for the purchase and development of land at Sriperumbudur with the insolvent of a sum of Rs.5.50 crores. It had been further contended that these amounts were shown as Sundry Debts in the income tax returns for the assessment year 2006-2007 and 2007-2008. It had been further contended that the insolvent returned a sum of Rs.1/- crore by cheque No. 762177 dated 01.10.2008

drawn on Indian Bank, Ethiraj Salai Branch which was deposited in the savings bank account of the applicant. It was further contended that the insolvent repaid a further sum of Rs.1/- crore by RTGS on 15.09.2012 from his Indian Bank account to the bank account of the applicant with Axis Bank, Chittoor Branch. It had been stated that there was an unreturn amount of Rs.3.50/- crores which had been shown as Sundry Debt in the income tax returns for the financial years 2012-2013 to 2017-2018. It was under those circumstances that the claim petition had been filed.

4. The Official Assignee by order dated 14.08.2023 had rejected the claim petition on the ground that the order of adjudication as insolvent was 21.04.2014 and the limitation period for the claim ended on 20.11.2009 calculated from three years from the date of the promissory note. It was stated that the claimant had not given any explanation as to why he had not proceeded against the insolvent within a period of three years from the date when the monies were paid to the insolvent. It was therefore contended that the claim was barred by limitation.

5. Heard the learned counsel for the applicant and the learned counsel for the Official Assignee.

6. The facts are not in dispute. The applicant had claimed that he had invested a sum of Rs.1/- crore on 20.11.2006 and a promissory note had been executed by the insolvent on the said date. Further, the applicant claimed to have been invested another sum of Rs.2.50/- crores by bank transaction by cheque No. 0988837 dated 28.11.2006. No explanation had been given by the applicant as to the legal steps he had taken within three years from the date on which the amounts had been said to be invested with the insolvent seeking recovery of the same through any judicial proceedings. The debt became barred by law of limitation on and from 20.11.2009 / 28.11.2009. The claim petitions had been filed much later before the Official Assignee on 09.06.2014. The claims naturally stood barred by the law of limitation.

7. The applicant had not produced any acknowledgement of the debt by the insolvent before the period of limitation. The income tax statements said to have been produced by the applicant are self serving document and cannot be construed as consisting acknowledgement by the

insolvent of the debts.

8. We are of the opinion that the Official Assignee had correctly rejected the claim as being barred by law. We find no reason to entertain the application. This Application stands dismissed. No costs.

[C.V.K., J.] [K.B., J.]

06.03.2026

Index: Yes/No
Internet:Yes/No
Neutral Citation: Yes/No

To:

The Official Assignee
High Court, Madras.

C.V.KARTHIKEYAN, J.
AND
K.KUMARESH BABU, J.

vsg

Pre-Delivery Order made in

Application No. 91 of 2024
IN
I.P.No. 25 of 2014

06.03.2026