

NATIONAL COMPANY LAW APPELLATE TRIBUNAL
PRINCIPAL BENCH, NEW DELHI

Company Appeal (AT) (Insolvency) No. 526 of 2025

IN THE MATTER OF:

Rakesh Dalpatram Panchal

...Appellant

Versus

Kisaan Steels Pvt. Ltd. & Anr.

...Respondents

Present:

For Appellants : Mr. Gopal Jain, Sr. Advocate with Mr. Mahesh Agarwal, Mr. Shivam Shukla, Mr. Ankur Saigal, Mr. Kaustubh Singh, Advocates.

For Respondents : Mr. Akash Singh, Advocate.

O R D E R
(Hybrid Mode)

28.03.2025: Shri Gopal Jain, learned senior counsel for the Appellant submits that the Adjudicating Authority although returned finding in favour of the Corporate Debtor in Paras 32, 35 and 37, however, the Adjudicating Authority by the impugned order dated 24.03.2025 has admitted the Section 9 application. Following was observed in Paras 32, 35 and 37:

“32. These communications clearly establish that there were ongoing disputes between the parties regarding the quality of goods and delays in delivery, which directly impact the quantum of the operational debt claimed by the Operational Creditor.

35. In the present case, the disputes raised by the Corporate Debtor regarding the quality of goods and delays in delivery are supported by documentary evidence, including communications with the end-user/customer and acknowledgments by the

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Operational Creditor itself. These disputes cannot be characterized as spurious, hypothetical, or illusory.

37. In the present case, the disputes regarding quality and delays clearly existed before the issuance of the demand notice on 15.03.2023, as evidenced by the communications dated 21.11.2022, 25.01.2023, and the "consequences sheet" shared on 02.03.2023."

It is submitted that the Demand Notice was also replied on 14.07.2023 raising dispute which was clearly notice of dispute, hence, the application under Section 9 could not have been admitted. Submission needs scrutiny.

Issue notice. Let Reply be filed within three weeks. Rejoinder be filed within two weeks thereafter.

List this appeal on **09.05.2025**.

In the meantime, no further steps shall be taken in pursuance of the order dated 24.03.2025.

[Justice Ashok Bhushan]
Chairperson

[Barun Mitra]
Member (Technical)

[Arun Baroka]
Member (Technical)

Archana/nn