



IN THE NATIONAL COMPANY LAW TRIBUNAL,  
MUMBAI BENCH-I

**C.P. No. 2923/IBC/MB/2019**

(Under Section 9 of the Insolvency and Bankruptcy Code, 2016 read with Rule 6 of the Insolvency and Bankruptcy (Application to Adjudication Authority) Rule 2016)

*In the matter of*

**Jindal Stainless Limited**

(L26922HR1980PLC010901)

Address for correspondence: O.P. Jindal Marg, Hisar-125001, Haryana, India.

.....Operational Creditor

**Vs**

**Zenith Strips Limited**

(U27109MH2009PLC284407)

Registered office at: 2/A Haji Khasam Building, Mudhana Shetty Marg, 3<sup>rd</sup> Floor, Plot No. 66, Off Nagindas Master Lane, Fort, Mumbai, Mumbai City, Maharashtra.

.....Corporate Debtor

**Order Reserved On :19.04.2023**

**Order Pronounced On :19.05.2023**

**Coram:**

Hon'ble Member (Judicial) : Mr. H.V. Subba Rao,

Hon'ble Member (Technical) : Ms. Anu Jagmohan Singh,

**Appearances (through video-conferencing):**

For the Petitioner : Ms. Mitika Agrawal, Advocate

For the Respondent : None Present

**ORDER**

**Per: H. V. Subba Rao, Member (Judicial)**



1. The above Company Petition is filed by Jindal Stainless Limited hereinafter called as Operational Creditor seeking to initiate Corporate Insolvency Resolution Process (CIRP) against Zenith Strips Limited called as Corporate Debtor by invoking the provisions of Section 9 Insolvency and Bankruptcy code (hereinafter called “Code” read with rule 6 of Insolvency & Bankruptcy (Application to Adjudication Authority) Rules, 2016 for a Resolution of Operational Debt of Rs. 39,36,512/-.
2. On 17.01.2020 Mr. Avinash Khanolkar, Advocate offered to file Vakalatnama and sought time to file reply on behalf of the Corporate Debtor. Subsequently, neither the vakalatnama nor the reply of the Corporate Debtor is filed and thus, the matter has come up on board as an uncontested matter.
3. Heard Ms. Mitika Agrawal, counsel appearing for the Operational Creditor and perused the record. After hearing the counsel appearing for the Operational Creditor and upon perusing the record, this Bench observes that the above Company Petition is filed claiming an amount of Rs. 39,36,512/- with subsequent interest basing on 15 invoices covering the period from 19.12.2015 to 19.01.2016. The above Company Petition being filed on 09.08.2019 is clearly barred by limitation. However, the counsel appearing for the Operational Creditor submits that the Corporate Debtor has issued two cheques for Rs. 18,35,323/- each dated 27.06.2016 and 10.07.2016 which were dishonoured on 06.08.2016 and 17.08.2016 respectively and therefore the above Company Petition being filed on 09.08.2019 is within limitation.
4. Let us assume for argument sake without admitting that both the above cheques are true and genuine, yet one of the cheques was returned on 06.08.2016 and the above Company Petition being filed on 09.08.2019,



is clearly barred in respect of that particular cheque. Even otherwise it is incorrect to say that the limitation would begin to run from the date of dishonour of cheques since the limitation would begin to run from the date of issue of the cheques and not from the date of return of the cheques as contended by the Operational Creditor. The above analogy holds good only for initiating proceedings against Corporate Debtor under Section 138 of Negotiable Instrument Act and not in recovery proceedings or initiating proceedings under the IBC Code. The delay caused by the Operational Creditor in presenting the cheque for collection cannot be exempted from computation of period of limitation since no person is entitled to take advantage of his own wrong as per the settled position of law. Thus, viewing from any angle, this Bench has no hesitation in holding that the above Company Petition is barred by limitation and is liable to be dismissed.

5. Accordingly, the above Company Petition is dismissed without costs.

Sd/-

**ANU JAGMOHAN SINGH**  
**MEMBER (TECHNICAL)**

19.05.2023  
Shubham

Sd/-

**H. V. SUBBA RAO**  
**MEMBER (JUDICIAL)**