

**RAINBOW INTERNATIONAL HOLDINGS LTD :  
ANOTHER BOUNCING CHEQUE;  
ANOTHER SUPPLIER, FUMING AT THE MOUTH**

And the claims against the Rainbow Group of Companies continue to accumulate, week, after week, after week.

Rainbow International Holdings Ltd (Code: 8079, The Growth Enterprise Market [The GEM] of The Stock Exchange of Hongkong Ltd) must be one of the best-loved companies of certain solicitors of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) due to the frequency of the legal claims, being lodged against the company, guaranteeing the solicitors work for the season.

The financial costs, involved in fending off the many legal claims against certain Rainbow companies, must be piling up – at a time that, clearly, this publicly listed company can ill afford them.

The latest claim against a Rainbow company comes from Naturebest Enterprises (Far East) Ltd, one of the (former?) many suppliers of Rainbow International.

Naturebest Enterprises has laid claims against 2 of Rainbow International's subsidiaries: Rainbow Cosmetic Company Ltd and Newide International Ltd.

It is claiming \$HK354,305.14, in total, for goods, sold and delivered between October 2001 and February 2002.

Tired of waiting for payment, Naturebest Enterprises started to get tough, demanding payment for its goods, payments which, in a couple of cases, were more than 10 months overdue.

This company claims that it was presented with 2, post-dated cheques in the sum of \$HK10,080 and \$HK18,516, dated July 5, 2002, and July 16, 2002, respectively, as partial payment for some of the goods.

The cheques, both drawn on The Shanghai Commercial Bank Ltd, were dishonoured upon presentation, Naturebest Enterprises alleges, with the bank, marking on the cheques: '*Not arranged for*' – which is yet another way of the bank, saying that there were insufficient funds to cover the amounts, inscribed on the cheques.

In consequence of the non-payment of moneys, due to Naturebest Enterprises, and in consequence of being told by Rainbow International's bankers that there was insufficient money to pay even a fraction of the amount of money, purported to be owed to the supplier, Naturebest Enterprises turned to its solicitors to try to press harder the Management of Rainbow International for its money.

This is the second time, this month, that these 2 Rainbow International subsidiaries have been accused of issuing dud cheques to suppliers.

It was only last Friday (August 16) that TARGET reported that Ingrid Millet Ltd, another (former?) supplier of Rainbow International, claimed that it, too, had been issued with bouncing cheques.

In the case of Ingrid Millet, it was alleged that that company had been supplying the Rainbow Group of Companies with goods since at least October 2001, similar to the story, being told by Naturebest Enterprises.

Ingrid Millet got tough with Rainbow Cosmetic and Newide International, issuing Legal Proceedings against both of these 2 companies.

It is alleged that Ingrid Millet was, also, issued with a bouncing cheque in the amount of \$HK43,568, and, also, drawn on The Shanghai Commercial Bank Ltd.

The cheque was returned with the note: 'Refer to Drawer' – which is yet another way of saying that ... [CLICK TO ORDER FULL ARTICLE](#)

**For Other Rainbow Reports, Please See:**

[TARGET Intelligence Report, Volume IV, Number 75 of April 24, 2002](#)

[TARGET Intelligence Report, Volume IV, Number 115 of June 21, 2002](#)

[TARGET Intelligence Report, Volume IV, Number 118 of June 26, 2002](#)

[TARGET Intelligence Report, Volume IV, Number 134 of July 19, 2002](#)

[TARGET Intelligence Report, Volume IV, Number 154 of August 16, 2002](#)

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