

NATIONAL COMPANY LAW APPELLATE TRIBUNAL, NEW DELHI
Company Appeal (AT) (Insolvency) Nos. 1030-1031 of 2020

In the matter of:

Marappan Textiles Pvt. Ltd.

....Appellant

Vs.

Indian Overseas Bank

....Respondent

Present:

Appellant: Mr. Gautam Singh, Mr. Rudreshwar Singh, Advocates.

ORDER

(Through Virtual Mode)

03.12.2020: After hearing learned counsel for the Appellant, we find that the Appellant's application under Section 10 of the Insolvency and Bankruptcy Code, 2016 ("I&B Code" for short) was reserved for orders on 2nd September, 2020 by the Adjudicating Authority (National Company Law Tribunal), Division Bench-II, Chennai, but on 11th November, 2020, when the impugned order came to be passed, the Adjudicating Authority again adjourned the matter directing it to be listed on 17th December, 2020 for further clarification. The impugned order has practical effect of de-reserving/ reopening the matter for further hearing.

It is manifestly evident that the procedure adopted by the Adjudicating Authority does not conform to the provisions of law under the 'I&B Code'. Applications under Sections 7, 9 & 10 are required to be disposed of by admitting or rejecting the same within 14 days of filing. It appears that the Adjudicating Authority has adopted the procedure which runs parallel to the statutory provisions and despite reserving the order, the matter has been practically re-opened on the ground of further clarification. The impugned order is couched in ambiguous terms as it does not specify what clarification is to be sought from

Contd/-.....

the Appellant. The matter has been adjourned for 17th December, 2020 overlooking the statutory requirements of passing an order of admission or rejection of application within the prescribed time limit of 14 days.

In the given circumstances, we deem it appropriate to dispose of the appeal with direction to the Adjudicating Authority to prepone and list the matter immediately and after according consideration on merit, dispose of the same by passing order of admission or otherwise as warranted under law. This be done within one week from today.

Copy of this order be communicated to the Adjudicating Authority.

**[Justice Bansi Lal Bhat]
Acting Chairperson**

**[Justice Anant Bijay Singh]
Member (Judicial)**

AR/g