THE NATIONAL COMPANY LAW APPELLATE TRIBUNAL NEW DELHI

M.A. No.66/2018

In

<u>Un-numbered Company Appeal (AT) (Insolvency) No. /2018</u> (F.No.08/03/2018/NCLAT/UR/160)

In the matter of:

M/s. Leather Export House (India) Pvt. Ltd. Applicant

Versus

Mr. Chava Bharath Kumar & Ors.

.... Respondents

Appearance: Shri Purshotam Jha, Advocate for the Applicant.

27.03.2018

This is an application (no provision of law mentioned) to extend the time granted for compliance given under sub-rule (2) to rule 26 of the NCLAT Rules, 2016 (hereinafter referred to as the Rules).

- 2. The allegation in the application is that the Advocate Clerk was under the belief that the period of seven days' granted for removing the defects would be computed from the date of collecting the file from the Registry. The Registry is also alleged to have not informed the Clerk regarding the delay in re-filing the Appeal. Thereafter, the counsel for the Applicant fell ill, which also contributed to the delay. Hence, the prayer is to condone the delay of eight days' in filing the Appeal after curing the defects.
- 3. The points that arise for consideration are:
 - i) Is the time given for complying the direction to cure the defects liable to be extended under sub-rule (3) to rule 26 of the Rules?
 - ii) Reliefs.
- 4. **Point No. (i)**: Heard the learned counsel for the Applicant.

The aforesaid Appeal under Section 61 of the I&B Code, 2016 (hereinafter referred to as the Code) is against the order dated 17.01.2018 in CP/635/(IB)/CB/2017 of the Hon'ble NCLT, Chennai Bench.

- 5. The aforesaid appeal is seen presented before the Registry on 08.03.2018. The appeal when scrutinised on 09.03.2018 was found to be defective and so on the same day the Applicant was informed of the defects with a direction to cure them within a period of seven days. The period of seven days' expired on 16.03.2018. However, the appeal was presented after curing the defects only on 23.03.2018. According to the Section there is a delay of seven days' and hence the matter has been put up before me under sub-rule (2) to rule 26 of the Rules for appropriate orders.
- 6. Sub-section (2) to section 61 of the Code says that every appeal under sub-section (1) shall be filed within 30 days before the Appellate Tribunal. The free certified copy of the impugned order is seen issued on 13.02.2018. Therefore, the Office has rightly computed the period of limitation from 14.02.2018 and when so computed, the period of 30 days for filing the appeal would expire on 15.03.2018.
- 7. The initial presentation of the appeal on 08.03.2018 is within the period of limitation. However, the subsequent presentation after curing the defects on 23.03.2018 is apparently after the expiry of 30 days for filing the appeal. The proviso to sub-section (2) to section 61 of the Code states that the period of 30 days for filing an appeal can be extended by a period of 15 days. However, this power can be exercised only by the Hon'ble Appellate Tribunal. The time granted under sub-rule (2) to rule 26 for compliance can be extended by the Registrar under sub-rule (3) to rule 26, provided it is within the period of 30 days stipulated under the Code for filing an appeal, as the Rules cannot override the provisions of the Act. In the instant case, as the time taken is beyond the period of 30 days, the matter be placed before the Hon'ble Appellate Tribunal for appropriate orders. Point answered accordingly.
- 8. **Point No.(ii)**: M.A. No.66/2018 disposed of accordingly.

List the matter before the Hon'ble Appellate Tribunal on 28.03.2018.

(C.S. Sudha) Registrar

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