



IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
WRIT PETITION (L) NO.13026 OF 2026

JM Financial Asset Reconstruction Company Ltd. ... Petitioner

Vs.

Registrar, National Company Law Tribunal, Mumbai
Bench and another ... Respondents

Mr. Shyam Kapadia a/w. Mr. Mayank Samuel and Mr. Neelanshu Roy i/b.
Mr.Mayank Samuel for Petitioner.

**CORAM : MANISH PITALE &
SHREERAM V. SHIRSAT, JJ.**

DATE : APRIL 30, 2026

P.C. :

. Heard Mr. Kapadia, learned counsel for the petitioner.

2. We find substance in the contention raised by the learned counsel for the petitioner that this petition has been filed in peculiar circumstances. It appears that the petitioner is exasperated in the light of the turn of events before the National Company Law Tribunal (NCLT), Mumbai and it is constrained to approach this Court for appropriate directions.

3. The petitioner filed Company Petition bearing No.C.P.(IB)/3500 (MB)2019 under Section 7 of the Insolvency and Bankruptcy Code, 2016 (IBC) against the respondent No.2. It is the case of the petitioner that the respondent No.2 defaulted in making repayments from the year 2008 and as on today, the outstanding amount is about Rs.167 crores. The said petition was filed as far back as in the year 2019.

4. A particular Bench of the NCLT heard the petition finally and reserved it for orders on 17.07.2023. On 18.08.2023, the petition was de-

reserved on the ground that one of the members was transferred from Mumbai to Kochi. The learned counsel for the petitioner submits that the transfer of one of the members of the Bench could not have been a ground for de-reserving the matter.

5. Be that as it may, another Bench of the NCLT heard the company petition and reserved it for orders on 19.12.2023. It is specifically stated in the writ petition that till date, the Bench has not passed any order and the petition remains in the category of 'reserved for orders'. A long period of more than two years has passed and yet, the petition has not been finally decided by the concerned Bench.

6. In the interregnum, the two members constituting the said Bench have been split up into two different Benches, although both the members are posted at Mumbai.

7. In the meanwhile, an intervention application appears to have been filed by a third party in the said company petition.

8. The petitioner has made specific statements in the writ petition, as regards the attempts made for bringing it to the notice of the concerned Bench of the NCLT about the necessity to pass final orders in the petition that was reserved for orders, way back on 19.12.2023. In that context, two interim applications were filed on behalf of the petitioner, bearing Interim Application Nos.3764 of 2025 and 507 of 2026.

9. The petitioner in the writ petition has specifically stated the following, about the manner in which the interim applications have been dealt with by the NCLT:-

“(ix) Subsequently, the Petitioner preferred an interlocutory application, bearing IA. No.3764 of 2025 (“First IA”), before Court VI, thereby seeking the following prayers;

‘a. This Hon’ble Tribunal be pleased to list the

captioned Company Petition for hearing before any bench of this Hon'ble Tribunal at the earliest, as the captioned Company Petition has already been heard and reserved for orders on two occasions in the past; and

b. Any other order(s) / direction(s) as this Hon'ble Tribunal may deem fit and proper in the facts and circumstances of the present case.'

Though the First IA filed by the Petitioner had categorically mentioned that the Company Petition was pending before Court VI, the First IA automatically came to be listed before Court II, since the Intervention Petition had been filed before Court II and the case status on website of the Hon'ble NCLT Mumbai reflected that the Company Petition was now before Court II, despite the Company Petition being reserved for orders by Court VI.

(x) The First IA was listed before Court II for the first time on August 22, 2025, wherein Court II heard the preliminary submissions of the Petitioner and relisted the First IA on October 10, 2025. The First IA was subsequently listed before Court II on October 10, 2025, wherein Court II, upon hearing the submissions of the Petitioner, observed that the said Company Petition pertained to Court VI, and accordingly directed the parties to take appropriate steps therein. Copies of the orders dated August 22, 2025 and October 10, 2025 passed by Court II, are annexed and marked as Exhibit-J (Colly).

(xi) Considering the facts, circumstances and directions given by Court II vide October 10, 2025, the Petitioner had thereafter filed another interlocutory application, bearing IA No.507 of 2026 ('Second IA') before Court VI for urgent listing of the said Company Petition for hearing. The Second IA was listed for hearing for the first time on February 05, 2026 before Court VI, wherein Court VI heard the preliminary submissions of the Petitioner. However, upon hearing the matter at some length, Court VI, vide its order dated February 05, 2026, expressed its impediment in passing any appropriate orders in the said Company Petition. Copy of the order dated February 05, 2026 passed by Court VI, is annexed and marked as Exhibit-K."

10. The learned counsel for the petitioner specifically invited attention of this Court to the order dated 19.12.2023, reserving the

matter for orders, as also the recent order dated 10.10.2025 in Interim Application No.3764 of 2025, whereby Court Room No.2 of the NCLT has observed that since the matter was kept in abeyance by the earlier Bench pertaining to Court No.6, the parties may take appropriate steps in the matter.

11. The aforesaid chronology of events shows the manner in which the NCLT has dealt with the pending petition, demonstrating that the very object and purpose of proceedings before the NCLT under the IBC has been frustrated. A petition of this nature filed under Section 7 of the IBC about seven years ago is languishing before different Benches, even after having been heard finally on two occasions. We are not surprised that the petitioner is exasperated and constrained to knock the doors of the Writ Court in such circumstances.

12. The Supreme Court in the case of *Anil Rai Vs. State of Bihar*, **(2001) 7 SCC 318** followed in the case of *Ravindra Pratap Shahi Vs. State of UP*, **2025 SCC OnLine SC 1813**, has indicated the manner in which even Constitutional Courts are expected to deliver judgements / orders upon reserving matters. The NCLT, in the present case, has obviously not taken care of the requirement of quickly disposing of the pending petitions even if the judgements / orders are required to be reserved.

13. We also find substance in the reliance placed on behalf of the petitioner on office order dated 03.03.2025 issued by the Registrar and Secretary In-charge of the NCLT, which specifies that even in cases where a member of the NCLT may be transferred from one place to the other, under no circumstances, the cases that are already reserved, shall be de-reserved. This indicates that there is an emphasis on matters being disposed of even if one of the members is transferred from one place to the other.

14. In the present case, after the orders were reserved on 19.12.2023 in the petition, both the members of the NCLT are very much in Mumbai, and therefore, there ought not to be any impediment in constituting a Bench of the very same two members to pronounce judgement / order in the pending company petition. Hence, we are inclined to issue appropriate directions in the matter.

15. We find that the respondent No.1 herein is the Registrar of NCLT, who is not required to be served in the light of the fact that we intend to issue specific direction for constitution of Bench in the peculiar circumstances brought to our notice.

16. Respondent No.2 is the party contesting the pending petition before the NCLT, wherein the final hearing has already taken place. In any case, any direction that would facilitate immediate disposal of the pending petition would be in the interest of the concerned parties and hence, issuance of notice on respondent Nos.1 and 2 is dispensed with.

17. The writ petition is disposed of by issuing the following directions:-

A) The NCLT shall constitute a Special Bench of the two members, who had heard the aforementioned petition of the petitioner and reserved it for orders on 19.12.2023. Such a Bench shall be constituted within two weeks from today;

B) The said specially constituted Bench shall list the aforementioned pending petition under the caption 'for directions' within two weeks from today;

C) We have indicated that the petition shall be listed 'for directions', for the reason that the hearing was concluded as far back as on 19.12.2023 and if necessary, such specially Constituted Bench can refresh itself about the rival

contentions of the parties in order to facilitate disposal of the same at the earliest;

D) The aforesaid specially constituted Bench may consider Intervention Application No.9 of 2024 filed in the said company petition after the matter was reserved for orders on 19.12.2023. The same shall be considered and disposed of along with the company petition at the earliest. This Court is not expressing any opinion on the merits of either the company petition or the intervention application;

E) The specially constituted Bench shall dispose of the aforesaid proceedings at the earliest and in any case, on or before 30.06.2026.

18. A copy of this order shall be sent forthwith to the respondent No.1 Registrar - NCLT, Mumbai.

(SHREERAM V. SHIRSAT, J.)

(MANISH PITALE, J.)

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