



C.M.A.No.1602 of 2023
and C.M.P.No.16051 of 2023

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N.SESHASAYEE, J.

The appellant herein is a lender from whom the respondent company is said to have borrowed a sum of Rs.50 crores. The loan was adequately secured by the borrower creating mortgage over his assets in favour of the lender. When the lender pressed for repayment of the loan dues, the borrower took up a plea that the entire loan transaction itself is void and not binding on the company since it was not backed by any special resolution of the Board. The borrower invoked the Arbitration Clause before which the lender participated to raise its counter claim for repayment of the loan amount. Pending Arbitration, the lender transferred its claim to a certain reconstruction company and it wants to step into the shoes of the lender before the Arbitrator. Since this assignment was not registered, the Arbitrator refused to let the substitution happen.

2.Learned Senior Counsel appearing for the appellant submitted that both the lender and its assignee have moved this Court in W.P.No.24969 of 2023, for a direction to the Registering authority for registering the document and the same came to be allowed by a learned single Judge of this Court vide his



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order dated 21.09.2023. The learned counsel added that the two weeks time granted in the order passed in W.P.No.24969 of 2023 expired on 09.10.2023. To the knowledge of the appellant, notwithstanding the direction of this Court, the Registration authorities have not registered the documents.

3.Post the matter on 16.10.2023. The interim order already granted by this Court on 25.07.2023 shall stand extended till then.

10.10.2023

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