

IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION

Civil Appeal No(s). 3533/2026

P NAROTHAM RAO ERSTWHILE DIRECTOR OF
MS PRAVISTA INFRA PVT LTD

Appellant(s)

VERSUS

INDIAN BANK STRESSED ASSETS
MANAGEMENT BRANCH & ANR.

Respondent(s)

O R D E R

1. This Civil Appeal is against an interim order passed by the National Company Law Appellate Tribunal ("NCLAT") at Chennai in I.A. Nos. 1532, 1533 & 1534/2025 in Company Appeal (AT) (CH) (Ins) No. 547/2025 dated 21.01.2026.

2. The short facts relevant for disposal of this appeal are that, on the basis of an *ex parte* order passed by the Debts Recovery Tribunal ("DRT") on 12.04.2022, followed by a recovery certificate, the respondent- financial creditor instituted proceedings under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("IBC") before the Adjudicating Authority. The Adjudicating Authority admitted the Section 7 petition on 07.10.2025, thereby commencing the CIRP.

3. Aggrieved, the appellant filed an appeal before NCLAT on 22.10.2025 and also sought stay of further proceedings under

Section 7. By the order impugned before us on 21.01.2026, NCLAT dismissed the Interlocutory Application. Thus, the present appeal.

4. We are informed by learned counsel for the appellant that, pending disposal of the proceedings initiated under Section 7, the *ex parte* order passed by the DRT dated 12.04.2022 was set aside on 12.03.2026. Consequently, even the recovery certificate was closed. These facts were not brought to the notice of the Tribunal(s).

5. While issuing notice, by order dated 01.12.2026, we pass the following order:

"1. We are informed by the learned counsel for the petitioner that the application, for setting aside the ex-parte order dated 12.04.2022 passed by the Debts Recovery Tribunal, has been recalled on 12.03.2026 and as a consequence thereof, the recovery proceedings stood closed. In view of the statement, let notice be issued to the respondents, returnable on 11.05.2026.
2. In the meanwhile, there shall be stay of the CIRP proceedings initiated by order dated 07.10.2025 in CP(IB) No. 120/7/HDB/2024 passed by the National Company Law Tribunal, Hyderabad."

6. In view of the subsequent development, we deem it appropriate to continue the interim order that we have passed on 01.04.2026 and direct the NCLAT to take and dispose of the appeal in accordance with law.

7. The appellant will be entitled to bring to the notice of

NCLAT the subsequent development of setting aside the *ex parte* order of DRT on 12.03.2026 and recall of the Recovery Certificate dated 20.03.2026. Equally, the respondents will be entitled to file an affidavit before the NCLAT to bring on record the necessary facts of the case. The parties may file such additional documents as may be necessary and the NCLAT will hear the parties and dispose of the appeal in accordance with law.

8. We have not expressed any opinion on the merits of the case.

9. In view of the above, the appeal stands disposed of.

10. Pending application(s), if any, shall stand disposed of.

..... J.
[PAMIDIGHANTAM SRI NARASIMHA]

..... J.
[ALOK ARADHE]

NEW DELHI;
MAY 11, 2026

REVISED

ITEM NO.28

COURT NO.6

SECTION XVII-B

S U P R E M E C O U R T O F I N D I A
RECORD OF PROCEEDINGS

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INDIAN BANK STRESSED ASSETS MANAGEMENT BRANCH & ANR.Respondent(s)

IA No. 84950/2026 - EXEMPTION FROM FILING C/C OF THE IMPUGNED
JUDGMENT

IA No. 88368/2026 - PERMISSION TO FILE ADDITIONAL
DOCUMENTS/FACTS/ANNEXURES

IA No. 84948/2026 - STAY APPLICATION

Date : 11-05-2026 This matter was called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE PAMIDIGHANTAM SRI NARASIMHA
HON'BLE MR. JUSTICE ALOK ARADHE

For Appellant(s) :

Mr. K. S. Mahadevan, Adv.
Ms. Swati Bansal, Adv.
Mr. R. Rangarajan, Adv.
Mr. Aravind Gopinathan, Adv.
Mr. Rajesh Kumar, AOR

For Respondent(s) : Mr. Anant Gautam, AOR
Mr Rajesh Kumar Gautam, Adv.
Mr Rishi Chouhan, Adv.

Keith Varghese, AOR

UPON hearing the counsel the Court made the following

O R D E R

1. The appeal stands disposed of in terms of the signed order placed on the file.
2. Pending application(s), if any, shall stand disposed of.

(CHETAN ARORA)
ASTT. REGISTRAR-cum-PS

(NIDHI WASON)
ASSISTANT REGISTRAR

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Mr. Rajesh Kumar, AOR**

**For Respondent(s) : Mr. Anant Gautam, AOR
Mr Rajesh Kumar Gautam, Adv.
Mr Rishi Chouhan, Adv.**

Keith Varghese, AOR

UPON hearing the counsel the Court made the following
O R D E R

1. The appeal stands dismissed in terms of the signed order placed on the file.
2. Pending application(s), if any, shall stand disposed of.

(CHETAN ARORA)
ASTT. REGISTRAR-cum-PS

(NIDHI WASON)
ASSISTANT REGISTRAR