

HON'BLE SRI JUSTICE M. SATYANARAYANA MURTHY

C.M.S.A. M.P. No.77 OF 2015

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AND

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C.M.S.A. No.23 OF 2010

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COMMON JUDGMENT:

C.M.S.A. M.P. No.77 of 2015 is filed to annul adjudication of the Insolvency Petition under Section 35 of the Provincial Insolvency Act, 1920 (for short, 'the Act'), on the ground that the respondents 1 to 3-respondents 4 to 6 herein discharged the entire debts due to the creditors *i.e.*, respondents 1 to 3 herein and, similarly, they discharged the debts due to the creditors in other Insolvency Petitions in view of the settlement before the Lok Adalat at Tenali.

In the present Appeal, the creditors were paid total due amount.

Learned counsel for the petitioners-respondents 1 to 3 herein reported no objection to annul adjudication of debtor-4th respondent herein as insolvent.

According to Section 35 of the Act, where, in the opinion of the Court, a debtor ought not to have been adjudged insolvent, or where it is proved to the satisfaction of the Court that the debts of the insolvent have been paid in full, the Court shall, on the application of the debtor, or of any other person interested, by order in writing, annul the adjudication and the Court may, of its own motion or on application made by the receiver or any creditor, annul any adjudication made on the petition of a debtor who was, by reason of the provisions of sub-section (2) of Section 10, not entitled to present such petition.

As seen from the material on record, the debts due to the creditors were discharged in full and as such the counsel for the petitioners-respondent 1 to 3 herein reported no objection to annul adjudication of the debtor-4th respondent herein as insolvent. Hence, I am satisfied that it is a fit

case to annul the adjudication of debtor-4th respondent as insolvent in I.P. No.12 of 2002, dated 10.04.2006, passed by the learned Additional Senior Civil Judge, Tenali. Accordingly, C.M.S.A. M.P. No.77 of 2015 is ordered.

In view of the order passed in C.M.S.A. M.P. No.77 of 2015, the Civil Miscellaneous Second Appeal stands disposed of.

In consequence, miscellaneous petitions, if any, pending in this Second Appeal, shall stand dismissed. No order as to costs.

JUSTICE M. SATYANARAYANA MURTHY

Date.10.09.2015.
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