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# IBC HALF-YEARLY DIGEST (JULY-DECEMBER, 2025) : JUDICIAL TRENDS & KEY DEVELOPMENTS

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## PUNJAB & SIND BANK V. UMESH SINGHAL (IRP) & ANR.

### NCLT ON LIMITS OF TRIBUNAL'S INHERENT POWERS UNDER RULE 11

Case No.: I.A. No. 1601 of 2025 in C.P. No. 462 (ND) of 2023 with I.A. No. 1761 of 2025 in C.P. No. 462 (ND) of 2023 and I.A. No. 1767 of 2025 in C.P. No. 462 (ND) of 2023

Tribunal/Court: NCLT New Delhi Bench – Court IV

Date of Decision: October 10, 2025

#### GIST OF THE JUDGEMENT:

The inherent powers under Rule 11 of the NCLT Rules, 2016 cannot be invoked to supervise or micro-manage functions that are statutorily vested in the Interim Resolution Professional (**IRP**) under the Insolvency and Bankruptcy Code (**IBC**).

The Tribunal emphasized that the Adjudicating Authority may step in only where there is a *specific violation or irregularity* in the IRP's conduct, not to oversee day-to-day decisions or inter-creditor issues.

It further observed that an IRP is not expected to adjudicate inter-creditor disputes or engage in bilateral reconciliation among lenders, his role is confined to duties prescribed under the IBC and CIRP Regulations.

## PUNJAB & SIND BANK V. UMESH SINGHAL (IRP) & ANR.

### FUNCTIONAL LIMITS OF NCLT'S INHERENT POWERS

Case No.: I.A. No. 1601 of 2025 in C.P. No. 462 (ND) of 2023 with I.A. No. 1761 of 2025 in C.P. No. 462 (ND) of 2023 and I.A. No. 1767 of 2025 in C.P. No. 462 (ND) of 2023

Tribunal/Court: NCLT New Delhi Bench – Court IV

Date of Decision: October 10, 2025

#### GIST OF THE JUDGEMENT:

NCLT held that inherent powers under Rule 11 cannot be invoked to supervise or micro-manage the IRP's statutory functions. The Adjudicating Authority may interfere only upon a clear finding of irregularity or violation of IBC provisions. The IRP is not expected to adjudicate inter-creditor disputes or engage in bilateral reconciliations beyond his statutory role.

## SIDBI V. KRISHNAKANT BAGREE

### LIMITATION FOR SECTION 95 APPLICATIONS

Case No.: CP(IB) No. 62 of 2023- NCLT

Tribunal/Court: NCLT Indore Bench

Date: October 29, 2025

**GIST OF THE JUDGEMENT:**

The Bench held that the limitation for filing an application under Section 95 (personal guarantor insolvency) is three years from the date of default or invocation of guarantee. An OTS proposal made after expiry of limitation does not constitute an acknowledgment under Section 18 of the Limitation Act and hence does not extend limitation.

- **Principle reinforced:** OTS beyond limitation cannot revive time-barred claims.

**SHABANABANU GAFARBHAI MANDAVIYA V. HDFC BANK LTD.**

**COSTS IMPOSED FOR MISUSE OF SECTION 94 PROCEEDINGS**

Case Nos.: CP (IB)/365(AHM) 2025

Tribunal/Court: NCLT – Ahmedabad Bench

Date of Judgement: September 26, 2025

**GIST OF THE JUDGEMENT:**

The Tribunal imposed costs on an individual debtor for filing a Section 94 IBC application merely to stall SARFAESI proceedings initiated by the bank.

*“In fact, the Corporate Debtor and Applicant made an unsuccessful attempt to stall recovery proceedings under SARFAESI by obtaining a favourable order from the DRT in SA No. 357 of 2022, which was not honoured by them. Again, in order to just stall the auction dated 25.08.2025 of the secured asset under the SARFAESI Act, 2002, the present petition was filed on 21.08.2025 by invoking the interim moratorium to frustrate the said legitimate auction process. The Hon’ble NCLAT in **Syed Sirajis Salikin Khadri v. Edelweiss Asset Reconstruction Company Ltd. and Anr.** held that Section 94 application filed to stall recovery proceedings under SARFAESI by taking advantage of the moratorium under IBC, **Getz Cables Judgment** is not applicable.*

**12.** *In view of the above discussions, it is established that the present Petition was filed by the Applicant only to halt the proceedings initiated by the Secured Financial Creditor against the secured asset and to frustrate other proceedings under the SARFAESI Act. The sole intention of the Applicant herein is to enjoy the moratorium as contemplated under Section 96(1) of the IBC, 2016, which automatically commences on the date of the filing of the Petition U/s 94 or 95 of the IBC, 2016.”*

- **Principle reinforced:** IBC cannot be used as a shield against legitimate enforcement.

**SHIVA ASPHALTIC PRODUCTS PVT. LTD. V. ATLAS CONSTRUCTIONS PVT. LTD.****TIME IN PRE-LITIGATION MEDIATION NOT EXCLUDABLE**

Case No.: CP (IB)-339(ND)/2025

Tribunal/Court: New Delhi Bench (Court-IV)

Date: October 14, 2025

**GIST OF THE JUDGEMENT:**

Held that the time spent in voluntary pre-litigation mediation cannot be excluded under Section 14 of the Limitation Act when computing limitation for a Section 9 application.

*“In this context, reference may be made to the **“Report on Framework for Use of Mediation under the Insolvency and Bankruptcy Code, 2016”**, dated 31.01.2024, prepared by the Expert Committee constituted by the Insolvency and Bankruptcy Board of India (IBBI). The Committee, while deliberating on the scope of mediation in insolvency matters, specifically observed as follows:*

**“5.42. Pre-institutional Mediation falls outside of Insolvency:**

*The Committee also discussed at length, the possibility of pre-institutional mediation in insolvency matters, and is of the view that it may not fit well within the spirit of the Code. The remedies under the Code come into effect only after the statutory ‘default’ has occurred and an application has been made to initiate insolvency proceedings. Any mediation prior to such application would fall outside the realm of the Code and technically not be ‘insolvency mediation.’ Thus, it cannot therefore be enforced in the same manner as mediations post the filing of an application under the Code.”*

*viii. The above extract clearly strengthens the point that any mediation prior to filing of an insolvency application falls outside the framework of the Code and cannot be treated as a proceeding “in relation to insolvency.” Therefore, the time spent in such voluntary pre-institution mediation proceedings cannot be excluded for computation of limitation under Section 14 of the Limitation Act.”*

- **Principle reinforced:** Only time spent in proceedings before a court of competent jurisdiction can be excluded under Section 14.

**MANISH BAGRODIA V. ANIL KOHLI (RP)****CONFIDENTIALITY OF VALUATION REPORTS – LIMITED ACCESS**

Case No.: Company Appeal (AT)(Insolvency) No. 1078/2025

Tribunal/Court: NCLAT – Company Appeal (AT)(Insolvency)

Date: October 29, 2025

**Corporate Debtor: Rohit Ferro Tech Limited****GIST OF THE JUDGEMENT:**

NCLAT dismissed an ex-director's plea for access to discarded valuation reports in Winsome Yarns' CIRP, holding that:

- Suspended directors have notice and participation rights under Section 24,
- But no entitlement to interim or abandoned valuation reports under Reg. 35(2), which restricts sharing to CoC members under confidentiality undertakings. The Bench distinguished Vijay Kumar Jain (SC), clarifying that access rights extend to resolution plans, not discarded valuations.

**CANARA BANK LTD. V. SANJANA UDAY DESAI****ACKNOWLEDGE OF DEBT BY RP**

Case No.: CP (IB) NO. 25/MB/2025

Tribunal/Court: NCLT Mumbai Bench

Date: October 1, 2025

**GIST OF THE JUDGEMENT:**

Acceptance of claim of financial creditor in CIRP of Corporate Debtor can further extend the period of limitation for Section 95 application | There is no provision in the law which vitiates the proceedings if the statutory demand notice is issued after gap of years so long as the filing of Application consequent thereto is found within the limitation period.

Liability due to financial creditor having been verified by RP of Corporate Debtor in its CIRP as within limitation in itself constitutes acknowledgement by Corporate Debtor and binds Personal Guarantor as well extending the period of limitation for an application under Section 95 of IBC.

**RAWFERT RESOURCES PVT. LTD. V. R V GLOBAL PVT. LTD.****EXISTENCE OF ARBITRATION AGREEMENT DOES NOT EXCLUDE JURISDICTION OF NCLT**

Case No.: CP (B) No. 367/MB/2025

Tribunal/Court: NCLT Mumbai Branch

Date: October 10, 2025

**GIST OF THE JUDGEMENT:**

The existence of an arbitration clause does not preclude the filing of an application under Section 9 of the IBC. It is established law that the operational creditor may initiate insolvency proceedings even when an arbitration

agreement is present, as the objective of the IBC is resolution rather than mere recovery of dues through traditional dispute resolution mechanisms. Moreover, the Hon'ble Supreme Court in **Tata Consultancy Services Ltd. v. Vishal Ghisulal Jain**, [Civil Appeal No 3045 of 2020] has categorically held

*"21. .... In terms of Section 238 and the law laid down by this Court, the existence of a clause for referring the dispute between parties to arbitration does not oust the jurisdiction of the NCLT to exercise its residuary powers under Section 60(5)(c) to adjudicate disputes relating to the insolvency of the Corporate Debtor."*

Accordingly, it is now well settled that the jurisdiction of the Adjudicating Authority under the IBC is not excluded merely by reason of an arbitration clause. Hence, the CD's argument that arbitration should be pursued before insolvency is legally unsustainable."

## EQUENTIA FINANCIAL SERVICE PVT. LTD. V. PUNEET SINGH JAGGI

**PARALLEL PROCEEDINGS AGAINST PERSONAL GUARANTOR AND CORPORATE DEBTOR ARE PERMISSIBLE AND DO NOT AMOUNT TO DUPLICITY.**

**Case No: C.P. (IB) No. 333/NCLT/(AHM) /2025 with I.A. No. 1042/NCLT/AHM/2025**

**Tribunal/Court: NCLT Ahmedabad Bench**

**Date: October 13, 2025**

### **GIST OF THE JUDGEMENT:**

Admission of claim in Corporate Insolvency Resolution Process does not discharge the personal guarantor. The personal guarantee creates an independent obligation enforceable Separately from the corporate debt. Parallel proceedings against the personal guarantor are permissible and do not amount to duplicity. As per section 128 of the Contract Act, 1872, a guarantor's liability is co-extensive with that of the principal debtor. The creditor can take action against both the principal debtor and guarantor at the same time.

## MANISH BAGRODIA V. ANIL KOHLI (RP)

**RIGHT TO PARTICIPATE OF SUSPENDED DIRECTORS**

**Case No.: Company Appeal (AT) (Insolvency) No. 1078 of 2025**

**Tribunal/Court: NCLAT New Delhi Bench**

**Date: October 29, 2025**

### **GIST OF THE JUDGEMENT:**

Right to participate of Suspended Director/ ex-Management of Corporate Debtor in CoC Meetings under Section 24 of IBC does not extend to deliberations over Valuation Report / documents which are statutorily restricted and confidential in nature.

*“It may not be off the mark to hold that the Appellant being part of the suspended management was responsible for the insolvency of the Corporate Debtor. It therefore does not behove the Appellant to self-proclaim that they are the only participant entity which is focused on efficient and beneficial resolution of the Corporate Debtor. We also do not find any rationale in the Appellant pressing for the first set of valuation reports when these had already been categorically rejected by the CoC and no longer carried any relevance to the resolution plans which were discussed by the CoC. The unilateral perception of the Appellant on the reliability of the first set of valuation reports which had already been rejected by the CoC lacks force of contention. The Adjudicating Authority had not committed any error in rejecting the application filed by the Appellant to provide them with copies of the first set of valuation reports which had been discarded by the CoC.”*

## SUBHASH AGGARWAL V. STATE BANK OF INDIA AND ANR.

### NO STATUTORY PROHIBITION ON SUBMISSION OF MULTIPLE REPORTS UNDER SECTION 99

Case No.: Company Appeal (AT) (Insolvency) No. 512 of 2024

Tribunal/Court: NCLAT New Delhi Bench

Date: October 29, 2025

#### GIST OF THE JUDGEMENT:

There is no statutory prohibition on submission of multiple reports/ additional report under Section 99 of the IBC by Resolution Professional (RP) in personal insolvency.

*“In such circumstances, it does not appeal to reason for the Appellant to question the submission of the Additional Report. When sufficient opportunity had also been given to the Appellant to deal with the Additional Report, the Appellant cannot claim to have suffered any prejudice on this count. Even the contention that the Additional Report filed by the RP could not have been considered by the Adjudicating Authority as it was beyond the statutory period of 10 days provided under Section 99 of IBC is not tenable since there is no prohibition on the RP to file an Additional Report in continuation of his earlier report. Moreover, the Additional Report was placed with the prior approval of the Adjudicating Authority. Further under Section 100 of IBC, any aggrieved party can produce additional documents before the RP. In the present case, the Appellant had also filed additional documents. Having availed this benefit, they cannot now question the conduct of the RP on this count. Apart from the fact that there was no embargo on the filing of an Additional Report, the Appellant cannot raise this ground at this stage when it did not challenge the order passed by the Adjudicating Authority on 14.12.2022. The contention raised by the Appellant that the RP could not have filed an additional report is a frivolous technical plea which lacks basis.”*

## ARUL PRASAD SENNIAPPAN V. VIPRAH TECHNOLOGIES LTD.

### WHOLE-TIME DIRECTOR CAN FILE AN APPLICATION UNDER SECTION 9 OF IBC FOR INITIATION OF CIRP AGAINST THE CORPORATE DEBTOR FOR UNPAID SALARY DUES

Case No.: IBA/1297(CHE)/2019

Tribunal/Court: NCLT Chennai Bench

Date: October 10, 2025

#### GIST OF THE JUDGEMENT:

*"The Tribunal is conscious that the IBC is not a forum for recovery of disputed claims, but once the debt and default are established and there is no genuine dispute prior to the issuance of demand notice, the statutory mandate under Section 9(5) requires admission of the application. The Respondent's defences appear to be afterthoughts raised belatedly with the sole object of avoiding admission of the petition."*

## MECK PHARMACEUTICALS AND CHEMICALS PVT. LTD. V. ACCURATE INFRABUILD PVT. LTD.

### DISBURSAL MUST BE AGAINST CONSIDERATION FOR TIME VALUE OF MONEY EVEN IF IT IS NOT INTEREST-BEARING

Case No.: CP(AT) (Insolvency) No 544 of 202

Tribunal/Court: NCLT New Delhi Bench

Date: October 29, 2025

#### HELD:

For any debt to be treated as financial debt under Section 5(7) of IBC, the pre-requisite is disbursement of money to borrower and that the disbursement must be against consideration for time value of money even if it is not interest-bearing | Even if there is no agreement/contract between the parties, nothing precludes NCLT from looking into the real nature of transaction to determine whether the transaction in question.

## VITHAL M. DAHAKE (RP) V. SURAKSHA REALTY LTD. AND ORS

### AVOIDANCE TRANSACTION

Case No.: IA 4504/2024 in CP No 380/IB/MB/2021

Tribunal/Court: NCLT Mumbai Bench

Date: October 10, 2025

#### GIST OF THE JUDGEMENT:

Mortgage Deed executed in favour of Suraksha Realty Ltd. constituted a preferential transaction under Section 43 of the IBC, as it changed the status of Suraksha from unsecured to secured creditor within the look-back period and was not in the ordinary course of business.

*“It is an undisputed fact that the Respondent No. 1 in the present case is not a related party and the relevant time for scrutinizing the preferential transactions made in favour of a person other than a related party is one year preceding the insolvency commencement date. In the present case the CIRP of the Corporate Debtor was initiated vide order dated **06.09.2021** and the Corporate Debtor and Respondent No. 1 has executed the said Mortgage deed on **29.07.2021**. Hence, the mortgage deed and subsequent creation of security interest in favour of the Respondent No.1 clearly falls under the look back period of one year as stipulate under section 43(4)(b).”*

## VIDUSHI TECHNICAL AND COMMERCIAL SERVICES PVT. LTD. V. KAMANI FOODS PVT. LTD.

**WHEN PARTIES ARE RELYING ON A DULY EXECUTED CONTRACT BETWEEN THEM, THEN COURTS CANNOT REWRITE OR CREATE A NEW CONTRACT.**

**Case No.: CP (IB)/533(MB)2025**

**Tribunal/Court: NCLT Mumbai Bench**

**Date: October 9, 2025**

### GIST OF THE JUDGEMENT:

*“The CD has submitted that the Applicant has imposed conditions on the CD with mala fide intentions and the terms and conditions of the loan facility that the Applicant has envisaged the failure of the CD to meet such unreasonable terms despite being aware about the hardships faced by the CD. We are of the view that, it is a settled principle that when the parties are relying on a duly executed contract between them, then the Courts cannot rewrite or create a new contract between the parties and have to simply rely on the terms and conditions of the agreement. Reliance is placed on the judgment of the Hon’ble Supreme Court in **Venkataraman Krishnamurthy and Another v. Lodha Crown Buildmart Pvt. Ltd. (2024 INSC 132)** where it held that:*

*“15. Once the parties committed themselves to a written contract, whereby they reduced the terms and conditions agreed upon by them to writing, the same would be binding upon them.”*

*“17. More recently, in **Shree Ambica Medical Stores vs. Surat People’s Coop. Bank Ltd.**<sup>3</sup>, it was observed that, through its interpretative process, the Court cannot rewrite or create a new contract between the parties and has to simply apply the terms and conditions of the agreement as agreed between the parties.”*

**SOUTH INDIAN BANK V. K.C. MOHANAN****SECTION 94 – MORATORIUM CAN NOT BE USED TO STALL SARFAESI ACT**

Case Number: IA (IBC) 1063/ (CHE)/ 2025 in CP (IB) 109/ (CHE)/ 2023

Tribunal/Court: National NCLT Chennai Bench

Date of Decision: October 10, 2025

**GIST OF THE JUDGEMENT**

An application under Section 94 of the IBC cannot be permitted to solely to stall recovery proceedings under SARFAESI Act and unjustly enjoy moratorium benefits without bona fide intent to resolve debts.

*“This Bench notes that the Respondent has been enjoying the protection of moratorium for more than two years without any meaningful progress towards resolution or settlement. Even as per the Applicant’s submissions, repeated representations were made by the Respondent citing “ongoing settlement discussions”, yet no concrete steps were taken to discharge admitted liabilities. The prolonged pendency of the Section 94 petition thus appears to have operated to the sole benefit of the Respondent, while severely prejudicing the legitimate recovery rights of the Financial Creditor.*

**3.6.** *Reliance has rightly been placed by the Applicant on the decision of the Hon’ble NCLT, Bengaluru Bench in C.P. No. 8 of 2024, wherein it was observed that the provisions of Section 94 of the IBC cannot be permitted to be misused merely to thwart recovery actions initiated under the SARFAESI Act, particularly when such measures are already at an advanced stage. The principle squarely applies to the present case, where the Respondent’s filing under Section 94 has effectively stalled recovery proceedings for an extended period without any bona fide attempt at repayment.”*

**NAGARAJ C. M., (PG) OF RIGHT ENGINEERS AND EQUIPMENTS INDIA PVT. LTD****LIMITATION PERIOD AGAINST A GUARANTOR RUNS FROM THE DATE OF INVOCATION**

Case No.: I.A. No. 702/2024 in C.P.(IB) No. 151/BB/2024

Tribunal/Court: NCLT Bengaluru Bench

Date: September 29, 2025

**GIST OF THE JUDGEMENT:**

*“It is an admitted fact that the Respondent stood as a Personal Guarantor for the financial facilities extended by the Applicant to the Corporate Debtor, who defaulted and was ordered into liquidation. The Personal Guarantee dated 25.10.2016 was invoked, and despite service of demand notice in Form B dated 17.12.2022 under Rule 7(1) of the*

2019 Rules read with Section 95(4)(b) of the Code, the guarantor failed to discharge his liability. Hence, a clear default stands established.

14. On the issue of limitation, the Respondent's objection is untenable. The Hon'ble Supreme Court in **Syndicate Bank v. Channaveerappa Beleri (Civil Appeal No. 6894/1997, decided on 10.04.2006)** has categorically held that the limitation period against a guarantor runs from the date of invocation of the guarantee and demand, not from the date of default of the principal borrower. In this case, the guarantee was invoked on 10.06.2022, demand was made on 17.12.2022, and the present application was filed on 14.05.2024, well within the limitation period of three years.

15. Under Section 128 of the Indian Contract Act, 1872, the liability of the guarantor is co-extensive with that of the principal debtor. Since the Corporate Debtor failed to discharge its liability, the guarantor is equally bound to repay. The Applicant has therefore rightly invoked the personal guarantee and initiated proceedings under Section 95 of the Code."

#### UCO BANK V. DEBASHISH NANDA (RP)

**A HOME LOAN LENDER BANK, IN THE ABSENCE OF A TRIPARTITE AGREEMENT OBLIGATING CORPORATE DEBTOR TO REPAY THE LOAN TO THE BANK, CANNOT FILE A CLAIM AS A FINANCIAL CREDITOR IN THE INSOLVENCY OF THE BUILDER.**

**Tribunal/Court: National Company Law Appellate Tribunal, New Delhi**

**Date of Decision: October 29, 2025**

#### GIST OF THE JUDGEMENT:

"As per the definition of 'contract of indemnity', there has to be a promise by one party to save the other from loss caused to him by the conduct of the promisor himself, or by the conduct of any other person. None of the clauses of Tripartite Agreement contain any contract of indemnity and Clause-41 on which reliance is placed, only contains agreement of builder that it accepts the present terms and conditions of the Tripartite Agreement and binds itself for the said terms and conditions. Thus, Clause-41 is reiteration of earlier terms and conditions of the Agreement. Applicability of Clause-41 arises only when there is any terms and conditions in the Agreement, which requires Builder to discharge the liability of Borrower for repayment to the Bank. There being no such terms and conditions in the Tripartite Agreement that on failure of Borrower to repay the loan to the Bank, the Builder is obliged to discharge the liability, Clause-41 in no manner helps the Appellant in the facts of the present case."

**IIFL HOME FINANCE LTD. V. BLISS INFRATECH PVT. LTD.**

**NESL RECORD OF DEFAULT AND DEMAND NOTICES CANNOT SUBSTITUTE FOR THE SUBSTANTIVE REQUIREMENT OF PROVING THAT THE CORPORATE DEBTOR IS THE OBLIGOR OF THE FINANCIAL DEBT. NESL IS A REPORTING MECHANISM AND NOT CONCLUSIVE PROOF OF LIABILITY**

**Case No.: CP IB No. 434 of 2025**

**Tribunal/Court: National Company Law Tribunal, New Delhi**

**Date of Decision: October 10, 2025**

**GIST OF THE JUDGEMENT:**

*“On perusal of the Tripartite Agreement, it is pertinent to note that Clause 10 of the Tripartite Agreement dated March 2016 clearly casts a refund obligation upon the Builder. The relevant extract of the Clause 10 of the Tripartite Agreement is reproduced hereunder:*

*Clause 10. That if the Borrower failed to pay the balance amount representing the difference between the loan sanctioned by IIFL HFC and the actual purchase price of the flat/residential apartment, or in the event of death of the Borrower or in the event of cancellation of the residential apartment for any reason whatsoever, the entire amount advanced by IIFL HFC will be refunded by the Builder to IIFL HFC forthwith. The Borrower hereby subrogates all his rights for refund with respect to the said residential apartment in favour of IIFL HFC.*

*9. The abovementioned clause unequivocally provides that in the event of default by the borrower, death of the borrower, or cancellation of the apartment for any reason, the entire loan amount advanced by the lender (the financial creditor) shall be refunded by the Builder to the financial creditor forthwith. Clause 12 and 15 reinforce this liability by mandating the Builder to cancel the allotment upon intimation from IIFL and to refund the entire loan disbursed directly to the lender. Thus, the contractual terms clearly make the Builder i.e., Supertech Limited liable to refund the loan amount to the lender upon default or cancellation.”*

**STATE BANK OF INDIA V. SHRI BERNARD JOHN**

**ACKNOWLEDGMENT OF DEBT IN BALANCE SHEET OF CORPORATE DEBTOR, EVEN WHEN SIGNED BY SUSPENDED DIRECTORS DURING CIRP, CONSTITUTES VALID ACKNOWLEDGMENT EXTENDING LIMITATION AGAINST PERSONAL GUARANTOR**

**Case Number: CA(AT)(I)-351/2024-NCLAT**

**Tribunal/Court: National Company Law Appellate Tribunal, New Delhi**

**Date of Decision: October 17, 2025**

**GIST OF THE JUDGEMENT:**

*“We also note that the Hon’ble Supreme Court in **Asset Reconstruction Company (India) Ltd. v. Bishal Jaiswal, (2021) 6 SCC 366**, decisively held that an acknowledgment of liability in a company’s balance sheet constitutes acknowledgment under Section 18 of the Limitation Act, thereby restarting limitation. This principle was reaffirmed in *Dena Bank v. C. Shivakumar Reddy, (2021) 10 SCC 330*, where the Court observed that acknowledgment in a balance sheet or in a one-time settlement proposal renews the period of limitation for the purpose of proceedings under the IBC.*

**58.** *Therefore, each and every acknowledgment of the debt by the Corporate Debtor in the balance sheet up to FY 2019–20 has the effect of extending the limitation period.*

**62.** *Regarding the respondent’s liability for repayment based on the acknowledgment in balance sheet, the Appellant highlighted the Clauses 12 and 19 of the Deed of Guarantee dated 31.03.2015, executed by the Respondent in favour of the Bank, which specifically stipulate that any acknowledgment, admission, or statement made by the principal borrower in respect of the debt “shall be binding on the guarantor and shall be deemed to have been made on his behalf.” Therefore, acknowledgment of liability made by the Corporate Debtor in its financial statements has the effect of acknowledgment by the guarantor himself for purposes of limitation.”*

## KANNAN TIRUVENGADAM (LIQUIDATOR) V. ASSETS CARE & RECONSTRUCTION ENTERPRISE LTD. AND ORS.

### FEE OF THE LIQUIDATOR

**Case No.:** Company Appeal (AT) (Insolvency) No. 15

**Tribunal/Court:** National Company Law Appellate Tribunal, New Delhi

**Date of Decision:** October 15, 2025

#### GIST OF THE JUDGEMENT:

Where Stakeholders’ Consultation Committee (**SCC**) and Committee of Creditors (**CoC**) have not fixed Liquidator’s fee, the liquidator’s entitlement is governed strictly by Regulation 4(2)(b) of Regulation 4 of IBBI (Liquidation Process) Regulations, 2016, i.e., as a percentage of the amount realised or distributed, and not by way of a fixed monthly fee. If any of original executants of the POA has expired, their legal representative shall step in to execute the Sale Deed | NCLT has jurisdiction under Section 60(5) IBC to direct execution of Sale Deed in favour of Successful Resolution Applicant (**SRA**) for land.

## VANTAGE POINT ASSET MANAGEMENT PTE. LTD. V. GAURAV MISRA RP OF ALCHEMIST INFRA REALITY LTD. AND ANR.

### PROVISIONAL ATTACHMENT ORDER PASSED PRIOR INITIATION OF CIRP SHALL CEASE TO OPERATE AFTER APPROVAL OF RESOLUTION PLAN

Case No.: Company Appeal (AT) (Ins) No. 1495 of 2024 & I.A. No. 1987 of 2025

Tribunal/Court: National Company Law Appellate Tribunal, New Delhi

Date of Decision: October 14, 2025

#### GIST OF THE JUDGEMENT:

Provisional Attachment Order passed prior initiation of CIRP shall cease to operate after approval of Resolution Plan, bringing into effect Section 32A of IBC and there is no necessity to obtain any order by SRA from Adjudicating Authority under the PMLA | NCLT will have no jurisdiction to set aside order passed by the adjudicating authority in PMLA Act, 2002 | Where proceeding under Section 8 of PMLA Act has not even commenced, no order of confiscation being there, Provisional attachment under PMLA does not divest ownership or prevent inclusion of assets in the Resolution Plan.

*“Section 32A which was inserted by Act No. 01/2020 in the IBC was brought by legislature providing for certain immunity from the liability from prior offences to a new management of the corporate debtor, which has come into existence after approval of the resolution plan, which result in change in the management or control of the corporate debtor. Section 32A only give immunity to the new management of the corporate debtor and conditions which are mentioned in Section 32A(a) and (b) has to be fulfilled, that is the new management who has come into control of the corporate debtor is not a promoter or in the management or control of the corporate debtor or related party of such person or person with regard to whom investigation authority on the basis of material has reason to believe that he has awaited conspire omission of offence. It is clear from the scheme that 32A that the provisions of Section 32A does not absolve the person who was promoter or person who was in the management of corporate debtor and proceeding under the PMLA against the promoter or the persons who were in the management of the corporate debtor and were involved in the commission of the offence fact can be proceeded. The question which has up for consideration in the present case is as to whether the Provisional Attachment Order which was passed on 24.01.2019 still was required to be vacated for implementation of the resolution plan and whether the SRA was required to file an application before the adjudicating authority (PMLA) for release of the attachment. The answer to the said question has to be found out from the legislative scheme under Section 32A. Section 32A does not carve any exception that resolution plan cannot be approved with regard to assets of the corporate debtor which has been attached under the PMLA Act prior to approval of the resolution plan. There is no exception in scheme of Section 32A that where Provisional Attachment Orders have been passed prior to initiation of CIRP or prior to approval of the resolution plan assets have to be kept out of the resolution. The trigger event when 32A comes into operation is the approval of the resolution plan, which is also laid down by the Delhi High Court in ‘Rajiv Chakraborty’ (supra). Under sub-Section (1) of Section 32A the phrase used is the liability of the corporate debtor for an offence committed prior to the commencement of the corporate insolvency resolution process shall cease. The liability of the corporate debtor and further sub-Section (1) provides that corporate debtor shall not be prosecuted for such an offence from the date when resolution plan has been approved by the adjudicating authority. Thus, two consequences have been provided, they are (i) liability of*

corporate debtor for an offence committed prior to the commencement of the corporate insolvency resolution process shall cease; (ii) corporate debtor shall not be prosecuted for such offence from the date of resolution plan has been approved. The above consequence can follow, of course when resolution plan condition stipulated in sub-Section (1) are fulfilled.”

## RAKESH BHAILALBHAI PATEL V. VASUNDHARA SEAMLESS STAINLESS TUBES PVT. LTD. AND ANR.

### COMMERCIAL BREACHES AND SECTION 9 IBC PROCEEDINGS

Case No.: Company Appeal (AT) (Ins.) No. 1695 of 2024

Tribunal/Court: National Company Law Appellate Tribunal, New Delhi

Date of Decision: October 17, 2025

#### GIST OF THE JUDGEMENT:

The IBC does not exclude commercial breaches from its ambit | Once an advance is shown to have been paid and not returned, and there exists no plausible evidence of discharge, default stands established | Mere assertion of a dispute or the filing of a complaint after the commencement of insolvency proceedings is insufficient to oust the jurisdiction of the Adjudicating Authority under Section 9 of the IBC.

*“The belated police complaint filed on 20.07.2024 appears to be an afterthought. Its timing, after the case was reserved for judgment, clearly indicates that it was filed to create a semblance of dispute when none existed earlier. Courts have consistently held that a dispute fabricated after issuance of demand notice or after filing of the Section 9 petition does not qualify as a “pre-existing dispute.” The ratio in Mobilox (supra) and subsequent decisions such as **Kay Bouvet Engineering Ltd. v. Overseas Infrastructure Alliance (India) Pvt. Ltd. (2021) SCC OnLine SC 1349** reinforce this principle.*

**79.** *The contention regarding the NeSL portal is also not convincing. The Code does not treat the NeSL information as determinative of the existence of a dispute. The mere marking of a debt as “disputed” on the portal, without supporting evidence, cannot override the underlying contractual documents and financial records. Moreover, the Corporate Debtor’s audited financial statements for FY 2020–21 and 2021–22 continue to reflect the amount of Rs.1 crore under the head “Advance from Others – B.N. Enterprises,” without any qualification or disclaimer. These audited statements, prepared and signed under statutory obligation, are reliable indicators that the Corporate Debtor treated the amount as an outstanding liability, not as a disputed claim.”*

**LATE BABU LAL THROUGH ITS LEGAL HEIR MR. SUNDER LAL V. JASRATI EDUCATION SOLUTIONS LTD. AND ORS.**

**IF ANY OF ORIGINAL EXECUTANTS OF THE POA HAS EXPIRED, THEIR LEGAL REPRESENTATIVE SHALL STEP IN TO EXECUTE THE SALE DEED**

**Case No.: Company Appeal (AT) (Insolvency) No. 1293 of 2025**

**Tribunal/Court: National Company Law Appellate Tribunal, New Delhi**

**Date of Decision: October 15, 2025**

**GIST OF THE JUDGEMENT:**

If any of original executants of the POA has expired, their legal representative shall step in to execute the Sale Deed. NCLT has jurisdiction under Section 60(5) IBC to direct execution of Sale Deed in favour of Successful Resolution Applicant (**SRA**) for land.

**VINERGY INTERNATIONAL PVT. LTD. V. BHARAT PETROLEUM CORPORATION LTD. AND ANR**

**WHERE AN APPLICATION FOR APPOINTMENT OF ARBITRATOR WAS FILED PRIOR TO INITIATION OF CIRP AND DECIDED AFTER APPROVAL OF RESOLUTION PLAN, SUCCESSFUL RESOLUTION APPLICANT CANNOT BE SADDLED WITH PAST LIABILITIES OF CORPORATE DEBTOR NOT FORMING PART OF THE APPROVED RESOLUTION PLAN, IN VIEW OF THE CLEAN SLATE PRINCIPLE**

**Case No.: (2025) ibclaw.in 562 SC**

**GIST OF THE JUDGEMENT:**

Bharat Petroleum Corporation (filed the subject application under Section 11 of the Act prior to the initiation of the Corporate Insolvency Resolution Process but the same came to be decided only after the Successful Resolution Applicant was put in place, pursuant to the approval of the Resolution Plan on 09.12.2024.

In that view of the matter, the Successful Resolution Applicant, who stepped into the shoes of the Corporate Debtor, cannot be fastened with the past liabilities of the corporate debtor which did not form part of the approved resolution plan, in the light of the 'clean slate' principle applicable to it.

**AHMEDNAGAR FORGINGS LTD. V. DONGARE GANESH D.****NO PROCEEDINGS CAN BE CONTINUED BEFORE THE INDUSTRIAL TRIBUNAL OR THE LABOUR COURT AFTER THE APPROVAL OF RESOLUTION PLAN UNDER THE IBC**

Case No.: (2026) ibclaw.in 71 HC

Tribunal/Court: Bombay High Court

**GIST OF THE JUDGEMENT:**

In the instant case, the application moved under section 33A of the Industrial Disputes Act was pending. During the moratorium, the proceedings were under suspension and after moratorium period the matters are now proceeded further. The question before this court is, whether the proceedings could have been continued further before the Industrial Tribunal after the acceptance of resolution plan. However, this issue is no more in res integra as the same is concluded by the Hon'ble Supreme Court in the case of Electrosteel Steel Limited (Now M/S Esl Steel Limited vs. Ispat Carrier Private Limited, Civil Appeal No.2896 of 2024, dated 21.04.2025, wherein the Hon'ble Supreme Court by relying upon the earlier Judgments at paragraphs no.50, 50.1,51.52 has held that it is now well settled that once resolution plan is duly approved by the adjudicating authority under Sub-section 1 of Section 31 all claims which are not part of the resolution plan shall stand extinguished and no person will be entitled to initiate or continue any proceedings in respect of the claim which is not a part of the resolution plan. In the case of Essar Steel India Ltd. Committee of Creditors Vs. Satish Kumar Gupta, (2020) 8 SCC 531, the Hon'ble Supreme Court had categorically declared that a successful resolution applicant cannot be faced with undecided claims after the resolution plan is accepted. Otherwise this would amount to a hydra head popping up which would throw into uncertainty the amount payable by the resolution applicant. It has been further observed that the lifting of the moratorium does not mean that the claim of the respondent would stand revived notwithstanding approval of the resolution plan by the adjudicating authority. Moratorium is intended to ensure that no further demands are raised or adjudicated upon during the corporate insolvency resolution process so that the process can be proceeded with and concluded without further complications.

Considering the law as declared by the Hon'ble Supreme Court and also considering the relevant clauses of the resolution plan, there is no scope left for payment of any dues by the petitioner / company and the petitions will have to be necessarily allowed. In view of the resolution plan, as approved, the claim of the respondents would automatically stand extinguished.

**RARE ASSET RECONSTRUCTION COMPANY LTD. V. VR2 LAND DEVELOPMENT PVT. LTD. AND ORS.**

**ANY ASSIGNMENT OF DEBT IN GOOD FAITH TO AN UNRELATED INDEPENDENT THIRD PARTY SHOULD NOT DISQUALIFY THE ASSIGNEE/TRANSFeree FROM PARTICIPATING OR VOTING IN THE CoC**

Case No.: (2025) ibclaw.in 1057

Tribunal/Court: National Company Law Appellate Tribunal

**GIST OF THE JUDGEMENT:**

The case involves Rare Asset Reconstruction Company Ltd. (Rare ARC) and its right to participate and vote in the Committee of Creditors (CoC) after acquiring debt from IIFL Finance Private Limited, which was previously considered a related party to the corporate debtor, Satra Property Developers Private Limited (SPDPL). IIFL had sanctioned loan facilities to SPDPL and filed a petition under Section 7 of the IBC, which was later withdrawn. During the CIRP, IIFL's claim was admitted, and it became a CoC member. However, its status as a related party was challenged, leading to its vote being excluded by the NCLT. IIFL's debt was assigned to ARCIL and subsequently to Rare ARC, which was substituted as the appellant.

The NCLAT held that the disqualification under Section 21(2) of the IBC applies only to the related party in praesenti and not to the debt itself. Therefore, the assignment of debt in good faith to unrelated third parties like ARCIL and Rare ARC entitles the assignee to full CoC rights. The impugned orders of the NCLT were modified to recognize Rare ARC as not a related party, allowing it to participate and vote in the CoC. The pending resolution plans are to be considered by the reconstituted CoC.

**DEEPIKA BHUGRA PRASAD (LIQUIDATOR) V. LUCKY HOLDINGS PVT. LTD.**

**WHEN A SUCCESSFUL AUCTION BIDDER WAS UNABLE TO MAKE FIRST INSTALMENT DUE TO A STAY ON THE LIQUIDATION PROCESS BY THE NCLT, AND AFTER THE STAY WAS VACATED THE BIDDER FAILED TO MAKE THE PAYMENT, CAN THE LIQUIDATOR CANCEL THE SALE, AND IS THE BIDDER ENTITLED TO A REFUND OF THE EMD? | IS SECTION 74 OF THE CONTRACT ACT APPLICABLE TO AUCTION PROCEEDING UNDER IBC?**

Case No.: (2025) ibclaw.in 1005 NCLAT

Tribunal/Court: National Company Law Appellate Tribunal

**GIST OF THE JUDGEMENT:**

The Corporate Insolvency Resolution Process (CIRP) of Ess Dee Aluminium Ltd. led to liquidation, and the Respondent emerged as the highest bidder in an auction. However, due to a stay order, the Respondent delayed the payment of

the first instalment. After the stay was vacated, the Liquidator requested payment, but the Respondent failed to comply, leading to cancellation of the sale and forfeiture of the EMD. The NCLT directed a refund of the EMD, which the Liquidator appealed.

The NCLAT held that the Liquidator's cancellation of the sale and forfeiture of the EMD was lawful, as it was in compliance with the auction terms and statutory regulations. The Tribunal found that Section 74 of the Indian Contract Act is inapplicable to statutory liquidation auctions, and the appeal was allowed, setting aside the NCLT's order for a refund of the EMD.

#### SHRI. CHIKALI NAGARAJU VS. ISPAT CORP LTD.

**ISSUANCE OF POST-DATED CHEQUES BY CORPORATE DEBTOR IS AN ACKNOWLEDGEMENT OF DEBT | AN AMENDMENT TO DATE OF DEFAULT IN AN APPLICATION UNDER SECTION 7 OF THE IBC, WHICH DOES NOT AMOUNT TO A WITHDRAWAL OF A CATEGORICAL ADMISSION OR INTRODUCE AN INCONSISTENT PLEADING, IS PERMISSIBLE.**

Case No.: (2025) ibclaw.in 1076 NCLAT

Tribunal/Court: National Company Law Appellate Tribunal, Delhi

#### **GIST OF THE JUDGEMENT:**

There can be no dispute to the proposition that no application under Section 7 can be filed on the ground of default which has occurred during 10A period, however, whether the default is committed during 10A period or period prior to 10 A period can always be gone into and the Financial Creditor can be permitted to amend the date of default in event there are material to indicate that default has also been committed prior to 10A period.

We have already noticed the terms and conditions of the Guarantee cum Indemnity Deed dated 14.12.2025. It is clear that ICD was only for 15 days which was with payment of interest and after 15 days no repayment was made rather a cheque dated 29.12.2015 was issued with added interest. The mere fact that post-dated cheques were issued from time to time does not mean that no default was committed by the Corporate Debtor. Permitting the Corporate Debtor to given fresh post-dated cheques cannot negate the default.

### HARDEEP SINGH VS. GAGAN GULATI (RP) AND ANR.

A SETTLEMENT IS RECORDED BY A COURT OR TRIBUNAL, IT DOES NOT BECOME A NEW AND INDEPENDENT CONTRACT REPLACING THE EARLIER ONE | A GUARANTOR IS NOT DISCHARGED MERELY BECAUSE THE PRINCIPAL DEBTOR ENTERS INTO A SETTLEMENT OR COMPROMISE WITH THE CREDITOR

Case No.: (2025) ibclaw.in 1001 NCLAT

Tribunal/Court: National Company Law Appellate Tribunal, Delhi

Date of Decision: November 27, 2025

#### GIST OF THE JUDGEMENT:

When a settlement is recorded by a court or tribunal, it does not become a new and independent contract replacing the earlier one | A guarantor is not discharged merely because the principal debtor enters into a settlement or compromise with the creditor | An acknowledgment or part-payment by the principal debtor extends limitation against the guarantor also

### ANUBHAV ANILKUMAR AGGARWAL AND ANR. VS. RAJENDRA KUMAR GIRDHAR (RP)

A “DOCUMENT WHICH IS PER SE FRAUDULENT AND VOID AB INITIO EVEN WITHOUT BEING DECLARED AS VOID MAY BE IGNORED BY THE TRIBUNAL, EVEN IF IT NOT HAVING JURISDICTION TO DECLARE IT VOID OR CANCEL IT

Case No.: (2025) ibclaw.in 964 NCLAT

Tribunal/Court: National Company Law Appellate Tribunal, New Delhi

Date of Decision: November 21, 2025

#### GIST OF THE JUDGEMENT:

A document which is per se fraudulent and void ab initio even without being declared as void may be ignored by the Tribunal, even if it not having jurisdiction to declare it void or cancel it | The same principle may not be applicable to voidable documents for which a declaration would be necessary from the competent court | Once a transaction has been held to a fraudulent transaction there is no limitation to look back if the other ingredients of Section 66 (1) of the IBC are satisfied.

**SHRI ROKADOBA MAHARAJ GINNING & PRESSING PVT. LTD. VS. THE SRI VENKATESA MILLS LTD.**

WHERE A COMPANY PETITION UNDER SECTION 9 OF THE IBC IS DISPOSED OF ON THE BASIS OF A COMPROMISE/ SETTLEMENT, THE PROPER REMEDY FOR NON-COMPLIANCE WITH THE COMPROMISE TERMS IS EXECUTION OF THE ORDER, NOT RECALL OR RESTORATION OF THE PETITION UNDER NCLT RULE 11

Case No.: (2025) ibclaw.in 971 NCLAT

Tribunal/Court: National Company Law Appellate Tribunal, Chennai

Date of Decision: December 10, 2025

**GIST OF THE JUDGEMENT:**

Where a company petition under Section 9 of the IBC is disposed of on the basis of a compromise/ settlement, the proper remedy for non-compliance with the compromise terms is execution of the order, not recall or restoration of the petition under NCLT Rule 1.1

**KAAJAL AIJAZ ILMI VS. RAM KUMAR (ADMINISTRATOR OF AVIOM INDIA HOUSING FINANCE PVT. LTD.)**

SUPERSEDED DIRECTORS (BOD) OF FINANCIAL SERVICE PROVIDERS OR EX-PROMOTERS, WHO ARE DEEMED TO HAVE VACATED THEIR OFFICE UPON SUPERSESSION OF THE BOARD BY THE REGULATORY AUTHORITY, CANNOT CLAIM ANY RIGHT TO ATTEND COC MEETINGS OR PARTICIPATE IN THE CIRP OR GET COPY OF RESOLUTION PLAN

Case No.: (2025) ibclaw.in 1060 NCLAT

Tribunal/Court: National Company Law Appellate Tribunal, New Delhi

Date of Decision: December 11, 2025

**GIST OF THE JUDGEMENT:**

Superseded Directors (Bod) of Financial Service Providers or ex-Promoters, who are deemed to have vacated their office upon supersession of the Board by the regulatory authority, cannot claim any right to attend CoC meetings or participate in the CIRP or get copy of Resolution Plan.

## TRIPUPATI ENTERPRISES VS. ARCK RESOLUTION LLP AND ANR.

PROVISIONS OF SECTION 47(2) AND 47(3) OF MAHARASHTRA CO-OPERATIVE SOCIETIES ACT, 1960 ARE INCONSISTENT WITH THE PROVISIONS CONTAINED IN THE IBC "CASE: TRIPUPATI ENETERPRISES VS. ARCK RESOLUTION LLP AND ANR.

Case No.: (2025) ibclaw.in 2822 NCLT

Tribunal/Court: National Company Law Tribunal, Mumbai

Date of Decision: December 11, 2025

### GIST OF THE JUDGEMENT:

Provisions of Section 47(2) and 47(3) of Maharashtra Co-operative Societies Act, 1960 are inconsistent with the provisions contained in the IBC and these provisions of Maharashtra Co-operative Societies Act, 1960 have to give way to provisions contained in section 52 & 53 of the IBC read with Regulation 37 of Liquidation Regulations in view of section 238.

## LE ECOSYSTEM TECHNOLOGY INDIA PVT. LTD. VS. PRINCIPAL CHIEF COMMISSIONER OF CENTRAL TAXES AND ORS

TAX REFUND OR OTHER RECEIVABLE THAT IS DUE TO CORPORATE DEBTOR CONSTITUTES A REALIZABLE ASSET FORMING PART OF LIQUIDATION ESTATE AND MUST BE RECOVERED AND BROUGHT INTO THE COMMON POOL FOR DISTRIBUTION IN ACCORDANCE WITH THE STATUTORY WATERFALL

Case No.: (2025) ibclaw.in 2859 NCLT

Tribunal/Court: National Company Law Tribunal

### GIST OF THE JUDGEMENT:

Any tax refund or other receivable that is due to Corporate Debtor constitutes a realizable asset forming part of liquidation estate and must be recovered and brought into the common pool for distribution in accordance with the statutory waterfall | No Govt. Dept., statutory authority or third party is permitted to withhold, retain, adjust or set off such amounts outside the mechanism prescribed under the IBC.

## ANKIT INTERNATIONAL VS. BANK OF INDIA AND ANR.

**MARGIN MONEY DEPOSITED BY CORPORATE DEBTOR FOR ISSUANCE OF BANK GUARANTEES WHICH REMAINED UNINVOKED AND EXPIRED FORMED PART OF ASSETS OF CORPORATE DEBTOR**

Case No.: (2025) ibclaw.in 2815 NCLT

Tribunal/Court: National Company Law Tribunal, Mumbai

Date of Decision: December 12, 2025

### GIST OF THE JUDGEMENT:

Margin money deposited by Corporate Debtor for issuance of Bank Guarantees which remained uninvoked and expired forms part of assets of Corporate Debtor and Bank is not legally entitled to appropriate the same after approval of the Resolution Plan | After approval of the Resolution Plan under Section 31 of the IBC, all claims not forming part of the Resolution Plan stand extinguished and no stakeholder is permitted to enforce or satisfy claims outside the scope of the approved Resolution Plan | The Respondent Bank, having already accepted full and final settlement and furnished a No Dues Certificate, cannot retain or appropriate assets of the Corporate Debtor thereafter | The subsequent unilateral appropriation of the Fixed Deposits amounting to Rs. 49,03,519/- into the written-off account of the Bank constitutes an attempt to recover claims outside the approved Resolution Plan and is legally impermissible.

## HARISHARAN HI-TECH INDUSTRIES VS. BIRENDRA KUMAR AGRAWAL (IRP) OF RENAISSANCE INDUS INFRA PVT. LTD.

**INVESTORS WHO PURCHASE COMMERCIAL OR INDUSTRIAL PREMISES FOR BUSINESS, TRADE, WAREHOUSING, MANUFACTURING, OR ASSURED RETURNS WITH THE INTENTION OF DERIVING COMMERCIAL BENEFITS DO NOT FALL WITHIN THE AMBIT OF SECTION 5(8)(F) OF IBC AS FINANCIAL CREDITORS**

Case No.: (2025) ibclaw.in 2804 NCLT

Tribunal/Court: National Company Law Tribunal, Mumbai

Date of Decision: December 12, 2025

### GIST OF THE JUDGEMENT:

Investors who purchase commercial or industrial premises for business, trade, warehousing, manufacturing, or assured returns with the intention of deriving commercial benefits do not fall within the ambit of Section 5(8)(f) of IBC as Financial Creditors and cannot rely on the Mansi Brar judgment to claim classification as Financial Creditors under Section 5(8)(f).

## KOTAK MAHINDRA BANK LTD. VS. HYBRO FOODS PVT. LTD.

**ADJUSTMENT OF FIXED DEPOSIT AMOUNTS AGAINST OUTSTANDING DEBT OF CORPORATE DEBTOR AFTER COMMENCEMENT OF CIRP IS IN CONTRAVENTION OF MORATORIUM UNDER SECTION 14 OF THE IBC**

Case No.: (2025) ibclaw.in 2837 NCLT

Tribunal/Court: National Company Law Tribunal, Mumbai

Date of Decision: December 12, 2025

### GIST OF THE JUDGEMENT:

Adjustment of fixed deposit amounts against outstanding debt of Corporate Debtor after commencement of CIRP is in contravention of moratorium under Section 14 of the IBC | For invoking Sections 68 and 70 of IBC, it is essential to establish a crystal clear case that certain assets existed as on the date of CIRP and were concealed or not handed over by the Suspended Directors, thereby thwarting the CIRP.

## HENEX DAIRY AND FOOD PRODUCTS PVT. LTD. V. MOHAMMAD AASIF MOHAMMAD ISMAIL

**NCLT IMPOSES COSTS ON A CREDITOR IN AN APPLICATION UNDER SECTION 95 OF THE IBC DUE TO LACK OF COOPERATION BY BOTH THE APPLICANT-CREDITOR AND THE PERSONAL GUARANTOR**

Case No.: (2025) ibclaw.in 2826 NCLT

Tribunal/Court: National Company Law Tribunal, Mumbai

Date of Decision: December 12, 2025

### GIST OF THE JUDGEMENT:

The NCLT imposed costs on the Creditor in a Section 95 IBC application, holding that both the Applicant-Creditor and the Personal Guarantor failed to cooperate with the Resolution Professional and the Tribunal. The conduct of both parties was treated as a fraud upon the provisions of the IBC, as their non-cooperation obstructed the purpose and timely progress of the personal insolvency process. The Tribunal reiterated that parties approaching the insolvency forum must act in good faith and comply with statutory duties, failing which adverse consequences, including imposition of costs, may follow.

**ORIENTAL BANK OF COMMERCE V. HIKE LEATHER PVT. LTD.**

**SUCCESSFUL AUCTION PURCHASER IS NOT LIABLE TO PAY THE ARREARS OF ELECTRICITY DUES**

Case No.: (2025) ibclaw.in 2779 NCLT

Tribunal/Court: National Company Law Tribunal, Chandigarh

Date of Decision: December 12, 2025

**GIST OF THE JUDGEMENT:**

The National Company Law Tribunal at Chandigarh held that the successful auction purchaser of the Corporate Debtor's assets is not liable to pay the arrears of electricity dues that were payable by the Corporate Debtor prior to the liquidation sale. The Tribunal clarified that pre-auction electricity liabilities of the Corporate Debtor cannot be fastened on the purchaser simply by virtue of acquisition of assets in liquidation proceedings and directed the relevant State Electricity Board to restore the electricity connection at the property purchased in liquidation.

**ASHWIN SMITH V. INVENT ASSETS SECURITISATION AND RECONSTRUCTION PVT. LTD. AND ANR.**

**A SHAREHOLDER WHO IS ALSO A PERSONAL GUARANTOR AND WAS PERMITTED TO PARTICIPATE BEFORE THE NCLT BY FILING A REPLY TO SECTION 7 APPLICATION- HAS LOCUS TO MAINTAIN APPEAL UNDER SECTION 61 OF IBC**

Case No.: (2025) ibclaw.in 1063 NCLAT

Tribunal/Court: National Company Law Appellate Tribunal, New Delhi

Date of Decision: December 12, 2025

**GIST OF THE JUDGEMENT:**

The NCLAT held that when a shareholder, who is also a personal guarantor, has been permitted to participate before the NCLT by filing a reply to a Section 7 application, such a shareholder has the locus to maintain an appeal under Section 61 of the IBC. The Tribunal also clarified that jurisdiction under Section 65 of the IBC can be invoked at any stage of the insolvency proceeding, as allegations of fraudulent or malicious initiation of insolvency strike at the very root of the process and may be examined whenever they arise.

## SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) V. RAJIV BAJAJ, LIQUIDATOR OF ANNIES APPAREL PVT. LTD.

A CLAIM ARISING FROM A PENALTY ORDER PASSED BY SEBI AFTER THE LIQUIDATION COMMENCEMENT DATE CANNOT BE ENTERTAINED BY THE LIQUIDATOR

Case No.: (2025) ibclaw.in 1062 NCLAT

Tribunal/Court: National Company Law Appellate Tribunal, New Delhi

Date of Decision: December 14, 2025

### GIST OF THE JUDGEMENT:

The NCLAT held that a claim arising from a penalty order passed by SEBI after the liquidation commencement date cannot be entertained by the Liquidator, because the Insolvency and Bankruptcy Code and the Liquidation Process Regulations “freeze all claims as on the liquidation commencement date.” The Tribunal affirmed the Liquidator’s rejection of SEBI’s claim for a penalty imposed after the liquidation commencement date, observing that such claims do not qualify as debts existing prior to liquidation and therefore cannot be admitted in the liquidation process.

## JINDAL BIOCHEMS & DEVELOPERS PVT. LTD. V. KAMAL RENU CREDIT INVEST PVT. LTD. AND ORS.

CIRP WAS INVOKED NOT DUE TO FINANCIAL NECESSITY OR COMMERCIAL INSOLVENCY, BUT AS A SHIELD AGAINST ENFORCEMENT OF AN ARBITRAL AWARD, THEREBY DEFEATING THE RIGHTFUL CLAIM OF THE AWARD HOLDER, WHICH FALLS WITHIN THE MISCHIEF OF SECTION 65 OF THE IBC

Case No.: (2025) ibclaw.in 2788 NCLT

Tribunal/Court: National Company Law Appellate Tribunal, New Delhi

Date of Decision: December 15, 2025

### GIST OF THE JUDGEMENT:

The NCLT recalled the CIRP admission order on the ground that the Corporate Insolvency Resolution Process had been initiated not due to genuine financial necessity or commercial insolvency but as a **shield against enforcement of an arbitral award**, thereby defeating the rightful claim of the award holder. The Tribunal held that such misuse falls within the mischief of **Section 65 of the IBC** and is liable to be corrected. The NCLT further clarified that a plea under Section 65 of the IBC is not confined to any particular stage of the CIRP proceedings and can be examined at any time if it is shown that the insolvency proceedings were used as an instrument to abuse the process and frustrate legitimate enforcement of a claim.

**SHUBHYUVI INFRASTRUCTURE LLP V. RAVI SETHIA, RP OF INDO GLOBAL SOFT SOLUTIONS AND TECHNOLOGIES PVT. LTD. AND ANR.**

**SANCTITY AND TRANSPARENCY OF CIRP PRESCRIBED BY LAW CANNOT BE COMPROMISED IN THE PURSUIT OF MAXIMISING VALUE**

Case No.: (2025) ibclaw.in 2836 NCLT

Tribunal/Court: National Company Law Tribunal, Mumbai

Date of Decision: December 18, 2025

**GIST OF THE JUDGEMENT:**

The NCLT held that the sanctity and transparency of the Corporate Insolvency Resolution Process (CIRP), as prescribed by the Insolvency and Bankruptcy Code and Regulations, cannot be compromised in the pursuit of maximising value. The Tribunal emphasised that Regulation 39(1B) of the CIRP Regulations explicitly bars the Committee of Creditors from considering any resolution plan received after the time specified under Regulation 36B, and also bars it from considering a plan submitted by a person who does not appear in the final list of Prospective Resolution Applicants. Any deviation from these regulatory timelines or eligibility criteria undermines the statutory framework governing CIRP.

**ATMA RAM HOUSE INVESTMENT PVT. LTD. V. BHUSHAN POWER AND STEEL LTD.**

**WRITING-OFF IS MERELY AN INTERNAL ACCOUNTING TREATMENT AND DOES NOT EXTINGUISH ENFORCEABILITY OF THE DEBT**

Case No.: (2025) ibclaw.in 2699 NCLT.

Tribunal/Court: National Company Law Tribunal, New Delhi

Date of Decision: December 19, 2025

**GIST OF THE JUDGEMENT:**

The NCLT held that writing-off a debt in the books of a creditor is merely an internal accounting treatment and does not extinguish the enforceability of the debt, which continues to subsist as a legally enforceable claim. The Tribunal clarified that the act of writing off a claim for accounting or tax purposes does not alter the creditor's right to pursue recovery of the underlying debt, and such treatment cannot be used to defeat enforceability in liquidation or other insolvency proceedings.

**VALUE WISE CONSULTANCY PVT. LTD. V. RAJKUMAR ROOPCHAND BAID AND ORS.**

**ASSIGNMENT OF UNCRYSTALLISED AND CONTINGENT AVOIDANCE/SECTION 66 CLAIMS IS PERMISSIBLE UNDER LIQUIDATION PROCESS REGULATION 37A**

Case No.: (2025) ibclaw.in 2654 NCLT.

Tribunal/Court: National Company Law Tribunal, Ahmedabad Bench

Date of Decision: December 17, 2025

**GIST OF THE JUDGEMENT:**

The NCLT held that assignment of uncrystallised and contingent avoidance/Section 66 claims is permissible under Liquidation Process Regulation 37A, and that substitution of the assignee as Applicant in the pending application is within the Tribunal's jurisdiction under Section 60(5)(c) of the IBC and Rule 11 of the NCLT Rules. The Tribunal further observed that such substitution aligns with Regulation 44A of the Liquidation Process Regulations and the value maximisation objective of the IBC, causes no prejudice to the respondents, and ensures continuity and effective prosecution of the claim for the ultimate benefit of stakeholders.

**HLL INFRA TECH SERVICES LTD. V. REUBEN GEORGE JOSEPH, LIQUIDATOR OF SAPTHA ZEAL PVT. LTD.**

**LIQUIDATOR IS BOUND TO VERIFY ALL CLAIMS SUBMITTED BEFORE HIM, IRRESPECTIVE OF THE FACT THAT THE RESOLUTION PROFESSIONAL HAS ALREADY ADMITTED ANY SUCH CLAIM DURING CIRP**

Case No.: (2025) ibclaw.in 2513 NCLT.

Tribunal/Court: National Company Law Tribunal, Kochi Bench

Date of Decision: December 15, 2025

**GIST OF THE JUDGEMENT:**

The NCLT held that the Liquidator is bound to independently verify all claims submitted before him, regardless of whether the Resolution Professional had admitted such claims during the CIRP, as the Liquidator's duty to verify claims arises afresh upon commencement of liquidation. The Tribunal observed that the powers of the Liquidator stand on a higher pedestal than those of the Interim Resolution Professional or Resolution Professional, given the Liquidator's role in marshalling assets and realising value for creditors. The NCLT further held that the issue regarding the decision on the fee of the Liquidator is beyond the scope of the appeal filed under Section 42 of the IBC, 2016, and therefore could not be adjudicated in the present proceedings.

**BALKISHAN SHRIKISAN BALDAWA V. AGRI-TECH (INDIA) LTD. AND ORS**

**SHAREHOLDERS CAN FILE AN APPEAL BEFORE THE NCLAT IN CASES OF FRAUDULENT INITIATION OF INSOLVENCY; THE PARK ENERGY JUDGMENT DOES NOT APPLY**

Case No.: (2025) ibclaw.in 1073 NCLAT

Tribunal/Court: National Company Law Appellate Tribunal

Date of Decision: December 15, 2025

**GIST OF THE JUDGEMENT:**

The NCLAT held that shareholders have the locus to file an appeal before the NCLAT in cases where insolvency proceedings have been fraudulently initiated, and that the principle laid down in the *Park Energy* judgment, which restricted appeals to operational creditors, does not apply where there is clear evidence of fraudulent or malicious initiation of insolvency proceedings. The Tribunal clarified that where a shareholder has been prejudicially affected by a fraudulently invoked Section 7 or Section 9 application, such shareholder may maintain an appeal under Section 61 of the IBC to challenge the initiation itself.

**CANARA BANK V. VIJAYALAXMI AGARWAL AND ANR.**

**ISSUANCE OF DEMAND NOTICE UNDER SECTION 13(2) OF THE SARFAESI ACT SHALL AMOUNT TO INVOCATION OF THE GUARANTEE**

Case No.: (2025) ibclaw.in 2738 NCLT

Tribunal/Court: National Company Law Tribunal, Hyderabad Bench

Date of Decision: December 19, 2025

**GIST OF THE JUDGEMENT:**

The National Company Law Tribunal, Hyderabad Bench, held that **the issuance of a demand notice under Section 13(2) of the SARFAESI Act by a secured creditor amounts to invocation of the guarantee** provided by the guarantor. The Tribunal observed that once the secured creditor issues a formal demand notice under Section 13(2), the guarantee becomes enforceable against the personal guarantor, who can no longer contend that the guarantee has not been invoked, and the liability of the guarantor is triggered accordingly.

**UCO BANK V. GOURI SHANKAR JAIN AND ORS.**

**ISSUANCE OF A NOTICE UNDER SECTION 13(2) OF THE SARFAESI ACT, 2002 OR A DEMAND NOTICE IN FORM-B UNDER RULE 7 OF THE INSOLVENCY RESOLUTION PROCESS FOR PERSONAL GUARANTORS TO CORPORATE DEBTORS RULES, 2019 DOES NOT AMOUNT TO INVOCATION OF A GUARANTEE**

Case No.: (2025) ibclaw.in 2866 NCLT

Tribunal/Court: National Company Law Tribunal, Kolkata Bench

Date of Decision: December 15, 2025

**GIST OF THE JUDGEMENT:**

The NCLT held that the issuance of a notice under Section 13(2) of the SARFAESI Act, 2002 or the issuance of a demand notice in Form-B under Rule 7 of the Insolvency Resolution Process for Personal Guarantors to Corporate Debtors Rules, 2019 does not amount to invocation of a guarantee. The Tribunal observed that invocation of a guarantee requires a clear and unequivocal demand calling upon the guarantor to discharge the liability, and that statutory notices issued for enforcement under SARFAESI or under the IBC personal guarantor rules cannot, by themselves, be treated as invocation of the guarantee.

**CANARA BANK V. GALAXY CONSTRUCTIONS AND CONTRACTORS PVT. LTD.**

**IBC'S MECHANISM IS NOT INTENDED TO PUNISH DEFAULTING DEBTORS BUT TO REVIVE THE CORPORATE DEBTOR THROUGH RESOLUTION**

Case No.: (2025) ibclaw.in 2805 NCLT

Tribunal/Court: National Company Law Tribunal, Mumbai Bench

Date of Decision: November 21, 2025

**GIST OF THE JUDGEMENT:**

The NCLT held that the **Insolvency and Bankruptcy Code's mechanism is not intended to punish defaulting debtors but to revive the corporate debtor through resolution**. The Tribunal observed that the purpose of IBC is to provide a time-bound, balanced framework for resolution of distressed companies with an emphasis on business continuity and maximization of value, and not to serve as a tool of retribution or penal action against the defaulting party. Consequently, the CIRP must be conducted in a manner consistent with the remedial and rehabilitative objectives of the Code rather than with a punitive mindset.

**SUMIT KHANNA V. JOSSY STEPHEN KATTUR, RP OF KERALA CHAMBER OF COMMERCE AND INDUSTRIES AND ORS.**

**RESOLUTION APPLICANT IS NOT ENTITLED TO MAKE ANY ADDITIONAL MODIFICATIONS TO RESOLUTION PLAN, PARTICULARLY WHEN THE PLAN HAS ALREADY BEEN REJECTED BY THE COC WITH 100% VOTING**

Case No.: (2025) ibclaw.in 2683 NCLT

Tribunal/Court: National Company Law Tribunal, Kochi Bench

Date of Decision: November 21, 2025

**GIST OF THE JUDGEMENT:**

The NCLT held that Regulation 36A(4A) of the CIRP Regulations merely restricts the modification of an existing Form-G and does not prohibit the issuance of a fresh Form-G in circumstances where an existing resolution plan has been rejected. The Tribunal further clarified that neither the Insolvency and Bankruptcy Code nor the CIRP Regulations impose any fetter on the authority of the Committee of Creditors to issue a fresh invitation for Expressions of Interest upon the rejection of a non-compliant plan. Additionally, the NCLT reiterated that the mere filing of an application does not operate as a stay on the CIRP, and CIRP actions may proceed unless a formal stay is granted by the Tribunal.

**KOTAK MAHINDRA BANK V. STATE OF MAHARASHTRA AND ORS.**

**APPLICATIONS UNDER SECTION 95 OF IBC AGAINST PERSONAL GUARANTORS OF CORPORATE DEBTOR ARE NOT MAINTAINABLE BEFORE DRT | DRT HAS NO JURISDICTION**

Case No.: (2025) ibclaw.in 4136 HC

Tribunal/Court: Bombay High Court

Date of Decision: December 10, 2025

**GIST OF THE JUDGEMENT:**

The Bombay High Court held that applications under Section 95 of the IBC filed against Personal Guarantors of a Corporate Debtor are not maintainable before the Debt Recovery Tribunal (DRT). The Court clarified that **DRT has no jurisdiction** to entertain such applications once insolvency proceedings against the Corporate Debtor have been admitted, and in such circumstances the DRT is required either to **dismiss the application for want of jurisdiction or transfer it to the NCLT**, which is the competent forum under Section 60(2) of the IBC. The Court emphasised that the statutory scheme centralises proceedings relating to the Corporate Debtor and its Personal Guarantors before the NCLT to ensure consistency and avoid conflicting decisions.

**KOTAK MAHINDRA BANK LTD. V. ANIL TAYAL AND ORS.**

**BANK HOLDS A FINANCIAL DEBT (IN RESPECT OF CASES WHERE CLAIM HAS NOT BEEN FILED BY HOMEBUYER) WITHIN THE MEANING OF SECTION 5(8) OF THE IBC AND BANK'S CLAIM CAN BE ADMITTED AS A SECURED FINANCIAL CREDITOR, DIFFERENCE OF OPINION BETWEEN THE TWO MEMBERS**

Case No.: (2025) ibclaw.in 2691 NCLT.

Tribunal/Court: National Company Law Tribunal, Delhi Bench (Court II)

Date of Decision: December 14, 2025

**GIST OF THE JUDGEMENT:**

The NCLT considered whether a Bank, by virtue of Tripartite Agreements executed with the Corporate Debtor and the homebuyers, holds a "financial debt" under Section 5(8) of the IBC in situations where no claim has been filed by the concerned homebuyer. The Bench delivered a **split verdict**. One Member held that the Tripartite Agreement creates a direct financial relationship between the Bank and the Corporate Debtor by way of disbursement for time value of money, making the Bank's claim admissible as that of a **secured financial creditor**. The other Member held that the **primary debt lies between the Bank and the homebuyer**, and unless the homebuyer files a claim or establishes default by the Corporate Debtor under the Tripartite Agreement, the Bank cannot independently assert a financial debt against the Corporate Debtor. Owing to the **difference of opinion**, the matter stands referred to a third Member for resolution.

**PROFITPLUS INFRA PVT. LTD. AND ANR. V. EXECUTIVE ENGINEER AND ANR.**

**WHERE ELECTRICITY CONNECTION WAS PERMANENTLY DISCONNECTED PRIOR TO LIQUIDATION, AND A FRESH CONNECTION WAS SUBSEQUENTLY OBTAINED BY SUCCESSFUL AUCTION PURCHASER, CLAIM FOR INTEREST ON SECURITY DEPOSIT DOES NOT ARISE FROM THE INSOLVENCY RESOLUTION OR LIQUIDATION PROCESS**

Case No.: (2025) ibclaw.in 1078 NCLAT

Tribunal/Court: National Company Law Appellate Tribunal, New Delhi Bench

Date of Decision: December 16, 2025

**GIST OF THE JUDGEMENT:**

The NCLAT held that where an electricity connection had been permanently disconnected prior to the liquidation of the Corporate Debtor, and a fresh connection was subsequently obtained by the successful auction purchaser, any claim for interest on the earlier security deposit does not arise out of the insolvency resolution or liquidation process. Consequently, such a claim falls outside the jurisdiction of the Adjudicating Authority under Section 60(5) of the IBC. The Tribunal clarified that disputes relating to interest on security deposits from pre-liquidation utility arrangements are not matters "arising out of or in relation to" the IBC process and must be pursued before the appropriate non-IBC forum.

**RANA SARKAR V. BIMAL AGARWAL (RP) AND ORS.**

**IN THE ABSENCE OF EVIDENCE DUE TO NON-COOPERATION BY SUSPENDED DIRECTORS, RESOLUTION PROFESSIONAL'S OPINION, BASED ON THE CORPORATE DEBTOR'S BANK STATEMENTS AND SUSPICIOUS ENTRIES AND SUPPORTED BY A TRANSACTION AUDIT, IS SUFFICIENT TO FILE AN APPLICATION UNDER SECTION 66 OF THE IBC**

Case No.: (2025) ibclaw.in 1059 NCLAT

Tribunal/Court: National Company Law Appellate Tribunal, New Delhi Bench

**GIST OF THE JUDGEMENT:**

The NCLAT held that in the absence of evidence caused by non-cooperation of the Suspended Directors, the Resolution Professional's opinion, formed on the basis of the Corporate Debtor's bank statements, suspicious entries, and supported by a transaction audit, is sufficient to justify filing an application under Section 66 of the IBC. The Tribunal observed that when the RP makes reasonable attempts to obtain records and cooperation but is obstructed by the Suspended Management, the RP is entitled to rely on available financial data and audit findings, and such material constitutes an adequate foundation for initiating proceedings for fraudulent or wrongful trading under Section 66.

**CENTRAL BANK OF INDIA V. HANUNG FURNISHINGS PVT. LTD.**

**ADMISSION OF A CLAIM BY RESOLUTION PROFESSIONAL IN CIRP OF PRINCIPAL BORROWER CONSTITUTES A VALID ACKNOWLEDGMENT OF DEBT FOR THE PURPOSE OF LIMITATION IN AN APPLICATION UNDER SECTION 7 OF THE IBC**

Case No.: (2025) ibclaw.in 2791 NCLT

Tribunal/Court: National Company Law Tribunal, New Delhi Bench (Court-II)

Date of Decision: November 20, 2025

**GIST OF THE JUDGEMENT:**

The NCLT held that the admission of a claim by the Resolution Professional in the CIRP of the Principal Borrower constitutes a valid acknowledgment of debt for the purpose of extending limitation under Section 18 of the Limitation Act when a financial creditor files an application under Section 7 of the IBC against the Corporate Guarantor. The Tribunal observed that acknowledgment of liability in the books of the Principal Borrower—reflected through acceptance of the creditor's claim during CIRP—operates for the benefit of the creditor against both the borrower and the guarantor, thereby keeping the claim within limitation for proceedings initiated against the Corporate Guarantor.

**REGIONAL PF COMMISSIONER II VASHI V. HARISH KANT KAUSHIK (RP)**

**CLAIM FOR PF DAMAGES AND INTEREST ARISING FROM AN ORDER PASSED AFTER THE LIQUIDATION COMMENCEMENT DATE CANNOT BE ALLOWED**

Case No.: (2025) ibclaw.in 1016 NCLAT

Tribunal/Court: National Company Law Appellate Tribunal

**GIST OF THE JUDGEMENT:**

The Regional Provident Fund Commissioner II appealed against the NCLT's rejection of claims for damages and interest arising from an order passed after the liquidation commencement date. The NCLT allowed only claims existing as on the liquidation commencement date.

The NCLAT upheld the NCLT's decision, stating that only claims existing as on the liquidation commencement date are to be settled, and no claim can arise from any order passed thereafter. The appeal was dismissed, affirming the NCLT's order.

**SUMER RADIUS REALTY PVT. LTD. V. AVENURE 54 WELFARE ASSOCIATION**

**A REGISTERED WELFARE ASSOCIATION OR SOCIETY OF HOMEBUYERS CAN FILE AN APPLICATION UNDER SECTION 7 OF THE IBC ON BEHALF OF THE HOMEBUYERS, HOWEVER, IT MUST HAVE AUTHORIZATION FROM ALL MEMBERS/ INDIVIDUAL FINANCIAL CREDITORS AND A RESOLUTION PASSED BY CORE COMMITTEE IS NOT SUFFICIENT AUTHORIZATION | THE SOCIETY IS NOT A FINANCIAL CREDITOR, RATHER, HOMEBUYERS ARE FINANCIAL CREDITORS, AND THE SOCIETY IS ALSO NOT COVERED UNDER ANY OF THE CLAUSES OF NOTIFICATION S.O. 1091(E) DATED 27.02.2019**

Case No.: (2025) ibclaw.in 1015 NCLAT

Tribunal/Court: National Company Law Appellate Tribunal

**GIST OF THE JUDGEMENT:**

Two appeals were filed against the NCLT's decision to allow a Section 7 application by Avenue 54 Welfare Association, a registered society of homebuyers. The appellants argued that the Association lacked valid authorization from all financial creditors.

The NCLAT held that a registered society can file an application on behalf of homebuyers, but it must have valid authorization from all members. The defect in authorization is curable, and the Association was given 7 days to file individual affidavits of authorization. The impugned order was not interfered with.

**OMKARA ASSET RECONSTRUCTION PVT. LTD. V. AMIT VIJAY KARIA AND ANR.**

**AT NO STAGE HAS ADJUDICATING AUTHORITY (NCLT) BEEN GIVEN ANY INDEPENDENT AUTHORITY TO APPOINT A RESOLUTION PROFESSIONAL (IRP/RP) OR LIQUIDATOR OF ITS CHOICE, NOR IS IT VESTED WITH POWER TO SUPERSEDE DECISION OF COC, EXCEPT IN CASES OF GROSS MISCONDUCT OR COLLUSION/ FRAUD**

Case No.: (2025) ibclaw.in 1006 NCLAT

Tribunal/Court: National Company Law Appellate Tribunal

**GIST OF THE JUDGEMENT:**

The appellant challenged the Adjudicating Authority's decision to appoint a liquidator of its own choice, disregarding the CoC's selection. The appellant argued that the CoC alone has the authority to select the liquidator.

The NCLAT held that the CoC has the exclusive authority to select the liquidator, and the Adjudicating Authority's role is limited to formal appointment, except in cases of fraud or collusion. The impugned orders were set aside, and the CoC's nominee was directed to be appointed as liquidator.

**PRANAV DAMANIA (RP) V. DEPARTMENT OF GOODS AND SERVICE TAX AND ORS.**

**AT NO STAGE HAS ADJUDICATING AUTHORITY (NCLT) BEEN GIVEN ANY INDEPENDENT AUTHORITY TO APPOINT A RESOLUTION PROFESSIONAL (IRP/RP) OR LIQUIDATOR OF ITS CHOICE, NOR IS IT VESTED WITH POWER TO SUPERSEDE DECISION OF COC, EXCEPT IN CASES OF GROSS MISCONDUCT OR COLLUSION/ FRAUD**

Case No.: IA (IBC) No. 1491 of 2024 in CP(IBC) No. 4304/MB/2019; (2025) ibclaw.in 2874 NCLT

Tribunal/Court: National Company Law Appellate Tribunal

**GIST OF THE JUDGEMENT:**

The moratorium under Section 14 of the IBC prohibits any recovery or enforcement action, including the freezing of bank accounts, during the CIRP. The Tribunal directed the refund of amounts recovered during the moratorium and ordered the lifting of all attachments/freezing of bank accounts.

**J KUMAR INFRAPROJECTS LTD. AND ORS. V. BANK OF INDIA AND ANR.**

**AT NO STAGE HAS ADJUDICATING AUTHORITY (NCLT) BEEN GIVEN ANY INDEPENDENT AUTHORITY TO APPOINT A RESOLUTION PROFESSIONAL (IRP/RP) OR LIQUIDATOR OF ITS CHOICE, NOR IS IT VESTED WITH POWER TO SUPERSEDE DECISION OF COC, EXCEPT IN CASES OF GROSS MISCONDUCT OR COLLUSION/ FRAUD**

**Case No.: (2025) ibclaw.in 2869 NCLT**

**Tribunal/Court: National Company Law Appellate Tribunal, Mumbai**

**GIST OF THE JUDGEMENT:**

The National Company Law Tribunal, Mumbai Bench, addressed a dispute involving the release of funds held by Bank of India post-CIRP of Pranav Construction System Pvt. Ltd. The Tribunal held that once the bank accepted full consideration under the Resolution Plan and issued a No-Dues Certificate, it was estopped from asserting rights over additional funds belonging to the Corporate Debtor. The Tribunal directed the release of the funds to the Corporate Debtor.

We hope you have found this information useful. For any queries/clarifications please write to us at [insights@elp-in.com](mailto:insights@elp-in.com) or write to our authors:

**Mukesh Chand, Senior Counsel – Email – [MukeshChand@elp-in.com](mailto:MukeshChand@elp-in.com)**

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### MUMBAI

9th Floor, Mafatlal Centre  
Vidhan Bhavan Marg  
Nariman Point, Mumbai 400 021  
T: +91 22 6636 7000



### PUNE

1307, Nandan Probiz, 1501, Sai Chowk Road  
Laxman Nagar, Off Balewadi High Street,  
Balewadi, Pune - 411045  
T: +91 20 4912 7400



### DELHI NCR

#### NEW DELHI

Dr. Gopal Das Bhawan, 16th Floor,  
28, Barakhamba Road,  
New Delhi – 110 001.  
T: +91 11 41528400

#### NOIDA

9th Floor, Berger Tower, Sector 16 B,  
Noida, Uttar Pradesh - 201301.  
T: +91 120 6984 300



### BENGALURU

6th Floor, Rockline Centre  
54, Richmond Road  
Bengaluru 560 025  
T: +91 80 4168 5530/1



### CHENNAI

No 18, BBC Homes, Flat-7 Block A  
South Boag Road  
Chennai 600 017  
T: +91 44 4210 4863



### AHMEDABAD

C-507/508, 5th Floor, Titanium Square  
Thaltej Cross Roads, SG Highway,  
Ahmedabad - 380054  
T: +91 79460 04854



### GIFT CITY

GIFT CITY Unit No. 605,  
Signature, 6th Floor Block 13B,  
Zone – I GIFT SEZ, Gandhinagar 382355



[elplaw.in](http://elplaw.in)



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