



Annual Report 2023-2024

National Company Law Tribunal
Block No. 3, Ground, 6th, 7th & 8th floor, C.G.O. Complex,
Lodhi Road, New Delhi-110003

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Block No. 3, Ground, 6th, 7th & 8th floor, C.G.O. Complex,
Lodhi Road, New Delhi-110003



सत्यमेव जयते

**Annual Report
2023-2024**



TABLE OF
CONTENT

FROM THE DESK OF HON'BLE PRESIDENT, NCLT	07
CONSTITUTION OF NCLT	09
ORGANISATIONAL SET UP	14
JURISDICTION OF NCLT BENCHES	16
HON'BLE MEMBERS JUDICIAL	22
HON'BLE MEMBERS TECHNICAL	28
OFFICERS & STAFF	34
HIGHLIGHTS OF THE YEAR	42
INITIATIVES DURING THE YEAR	50
COLLOQUIUMS	60
LANDMARK JUDGMENTS	98
INFRASTRUCTURE	130
RTI SETUP IN NCLT	134
OTHER INITIATIVES	136

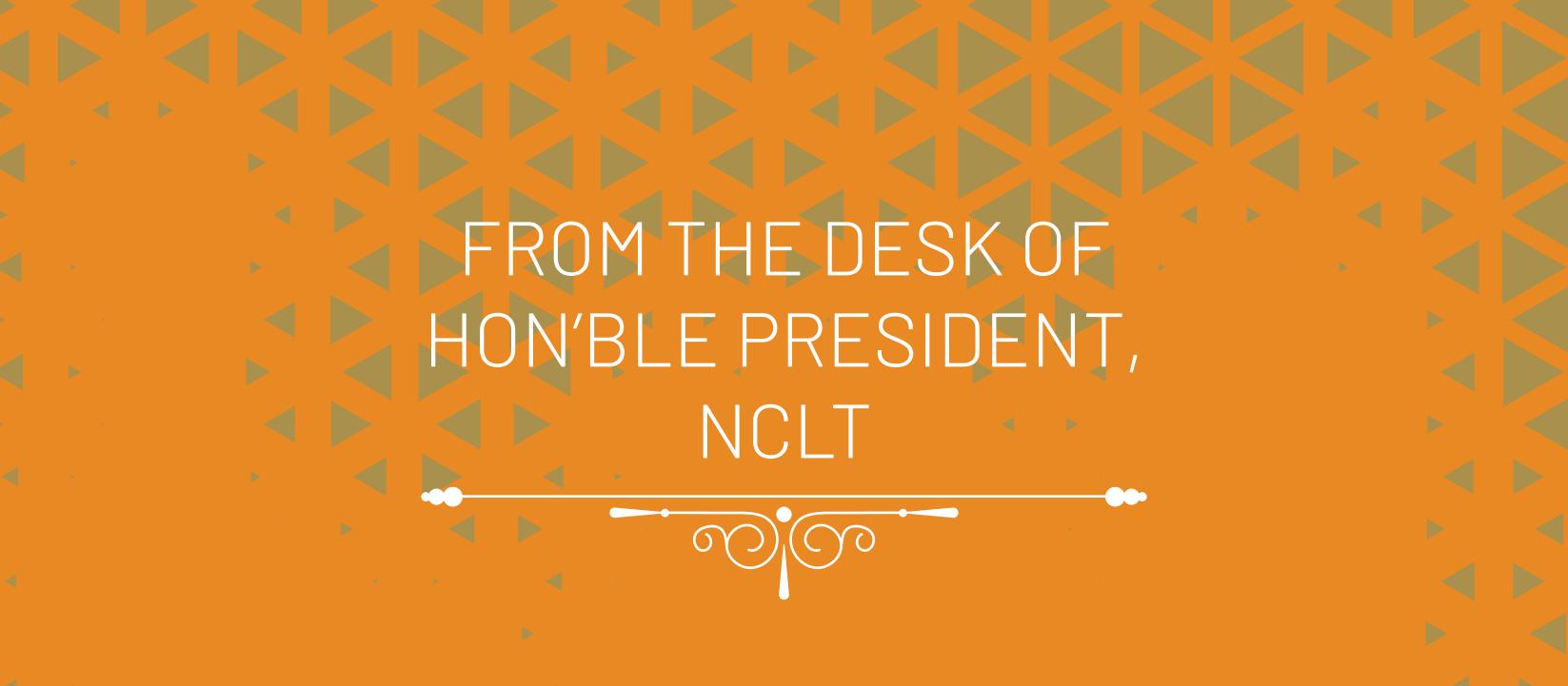


Pledge



I, solemnly pledge, to work for the betterment of the institution. I commit myself to upholding the true spirit of good governance, the principles of justice, and the foundational spirit of insolvency law in all my decisions.

May God grant me wisdom and strength to faithfully discharge my duties in the service of the institution and the nation.



FROM THE DESK OF HON'BLE PRESIDENT, NCLT

NCLT has turned one year. The learning has been profound.

"Excellence is never an accident. It is always the result of high intention, sincere effort, and intelligent execution; it represents the wise choice of many alternatives – choice, not chance, determines your destiny" –(Aristotle)

To this end, I have had many interactions with the Chairperson of IBBI on the way forward. We committed to improving the IBC Eco-System and addressing the troublesome issues and the delays.

The decision to bring uniformity in adjudication, simplifying the process, improving the case management, and empowering the Members to take uniform and informed decisions became the point of focus. Hence, to streamline this process, colloquiums became a mechanism which I conceived and implemented on a regular basis. This is one important factor that has empowered NCLT and is being followed by other institutions.

Colloquiums helped us to relook into the adjudication process, refine our thought process and focus on the multipolar stakeholder litigation. The priority hearing of specified cases yielded remarkable results. The Annual Report focuses on various activities taken during this year to improve, improvise and enable NCLT to reach yet another landmark milestone in adjudication. The direct benefit to thousands of corporates in distress resolved through plans is a significant achievement of the IBC Law. This represents a sea change from the BIFR regime.

The effect of periodic interaction and process refinement has shown that NCLT is a prime institution for Corporate Governance and Insolvency Resolution. All the Benches of NCLT have dealt with cases across a number of sectors and its impact is visible. The number of homebuyers benefitted under IBC/NCLT is huge. The number of Resolution Plans has touched 1005. I have captured these

landmark achievements in the international INSOL Conferences.

The benefit that flows to banks and financial institutions has enabled them to plough the fund corpus back into the system. The NCLT resolved debt and default has started to show marked reduction in NPA. Correspondingly, the profits of the Public Sector Bank (PSB) and Scheduled Commercial Banks (SCBs) – year on year have grown exponentially.

The NCLT objective for the years to come will be to refine, streamline and standardize the process, reduce the timelines and make adjudication simplified and efficient.

I am happy to present this year's Annual Report and the performance of NCLT. Despite all the limitations the same is remarkable and has helped improve India's status in ease of doing business.

Jai Hind

Chief Justice (R.) Ramalingam Sudhakar

President, NCLT

CONSTITUTION OF NCLT



The National Company Law Tribunal (NCLT) constituted under the provisions of the Companies Act, 2013 was formally established on 1st June 2016 by the Government of India. Its establishment was based on the recommendations of the Justice Eradi Committee, which advocated for a unified forum to adjudicate matters relating to company law and insolvency, thereby eliminating the need for multiple adjudicating bodies. The creation of NCLT aimed to streamline the corporate dispute resolution process by consolidating the functions of the Company Law Board (CLB), the Board for Industrial and Financial Reconstruction (BIFR), and the Appellate Authority for Industrial and Financial Reconstruction (AAIFR). Certain company law matters previously dealt with by the High Courts are to be dealt with by the NCLT, bringing all company-related disputes under a single, specialized quasi-judicial body. After enactment of Insolvency and Bankruptcy Code (IBC) in 2016, NCLT has been designated as Adjudicating Authority. The NCLT was envisioned as a key institutional reform to ensure efficiency, consistency, and faster resolution of corporate and insolvency matters in India. Its formation marked a significant step towards modernizing the corporate legal framework and improving the ease of doing business in the country.

VISION



The vision of the National Company Law Tribunal (NCLT) is to emerge as an efficient judicial institution that ensures timely and effective adjudication of disputes related to company law, corporate insolvency and individual insolvency of personal guarantors.



MISSION

- a. To act as an efficient judicial body for the fair and timely adjudication of matters under Companies Act and Insolvency and Bankruptcy Code.
- b. To provide a speedy and efficient resolution mechanism for corporate disputes, thereby fostering a legally secure environment that supports good corporate governance and instills stakeholders' confidence.



MANDATE



- a. Providing an efficient, and unified forum for the resolution of disputes and matters arising under the Companies Act and the Insolvency and Bankruptcy Code.
- b. Promote corporate governance and legal compliance, while safeguarding the interests of shareholders, creditors, employees, and other stakeholders involved in the corporate ecosystem.
- c. Facilitate the revival and rehabilitation of financially distressed companies through timely insolvency resolution process, thereby ensuring maximization of value of assets, promote entrepreneurship, availability of credit, and balancing the interest of stakeholders.
- d. Contribute to the broader goal of strengthening India's corporate regulatory framework and fostering trust and discipline in the corporate ecosystem, thereby advancing the ease of doing business in Indian economy.
- e. Resolving the insolvency of individual debtors (personal guarantors) and putting them back to their feet to utilize their enterprising thought process and caliber, free from mental stress.
- f. Reduction of NPAs substantially, as ancillary ramification of discharge of function under IBC.

FUNCTIONS



The National Company Law Tribunal (NCLT) performs a wide range of functions as a specialized judicial body under the Companies Act, 2013 and designated as the Adjudicating Authority under the Insolvency and Bankruptcy Code (IBC), 2016. Its functions *inter alia* are as follows:

- a. To adjudicate disputes related to oppression and mismanagement, class action suits, reduction of share capital, rectification of the register of members, amalgamations and mergers, restoration of the name of Company, winding up and other functions under the Companies Act.
- b. Has the exclusive jurisdiction to commence and adjudicate Corporate Insolvency Resolution Process (CIRP) cases and pass necessary orders.
- c. Has the jurisdiction to commence and adjudicate Insolvency Resolution Process for Personal Guarantors to Corporate Debtors, which include orders on repayment plan and bankruptcy.
- d. Plays an important role in ensuring compliance with the timeline prescribed under the provisions of the IBC.

ORGANISATIONAL SET UP



The Central Government has constituted National Company Law Tribunal (NCLT) under section 408 of the Companies Act, 2013 (18 of 2013) w.e.f. 1st June 2016.

The National Company Law Tribunal is headed by Hon'ble President, Mr. Justice Ramalingam Sudhakar, retired Chief Justice, Manipur High Court. The Hon'ble President sits at the Principal Bench New Delhi. The sanctioned strength of NCLT Members is 62. The Hon'ble Members are posted at various Benches of the Tribunal. Out of the 62 Hon'ble Members, 31 are Judicial Members and 31 are Technical Members. Subject to other provisions of the Act, a Bench consists of one Judicial Member and one Technical Member.

In the first phase eleven Benches viz. Principal Bench at New Delhi and 10 other Regional Benches, were set up. Subsequently more Benches were created and set up. Presently the Benches are located at New Delhi, Ahmedabad, Allahabad, Bengaluru, Chandigarh, Chennai, Guwahati, Hyderabad, Kolkata and Mumbai, Jaipur (w.e.f. 1st July 2018), Cuttack (w.e.f. 15th July 2018), Kochi (w.e.f. 1st Aug 2018), Amravati (w.e.f. 8th March 2019), and Indore (w.e.f. 8th March 2019).



JURISDICTION OF NCLT BENCHES

S.No.	Bench	Location	Area Covered
1	(a) NCLT, Principal Bench.	Block No. 3, Ground 6th,7th & 8th Floor, CGO Complex, Lodhi Road, New Delhi-110003	(1) Union Territory of Delhi
	(b)NCLT, New Delhi Bench.	Block No. 3, Ground 6th,7th & 8th Floor, CGO Complex, Lodhi Road, New Delhi-110003	
2	NCLT Ahmedabad Bench.	1st & 2nd Floor, Corporate Bhawan, Beside Zydus Hospital, Thaltej, Ahmedabad- 380059	(1) State of Gujarat (2) Union Territory of Dadra and Nagar Haveli (3) Union Territory of Daman and Diu
3	NCLT Allahabad Bench.	6/7B Pannanlal Road, Ganganath Jha Sanskrit Vidhayala, Post - Kacheri Prayagraj, Allahabad - 211002	(1) State of Uttar Pradesh (2) State of Uttarakhand
4	NCLT Amravati Bench.	First Floor, APIIC Building IT Park, Mangalagiri, Andhra Pradesh-522503	(1) State of Andhra Pradesh

S.No.	Bench	Location	Area Covered
5	NCLT Bengaluru Bench.	Corporate Bhawan, 12th Floor, Raheja Towers, M.G., Road, Bengaluru - 560001	(1) State of Karnataka
6	NCLT Chandigarh Bench.	Ground Floor, Corporate Bhawan, Sector-27 B, Madhya Marg, Chandigarh-160019	(1) State of Himachal Pradesh (2) State of Jammu and Kashmir (3) State of Punjab (4) Union Territory of Chandigarh (5) State of Haryana
7	NCLT Chennai Bench.	Corporate Bhawan (UTI Building), 3rd Floor, No. 29 Rajaji Salai, Chennai-600001	(1) State of Tamil Nadu (2) Union Territory of Puducherry
8	NCLT Cuttack Bench.	Corporate Bhawan, CDA, Sector-1, Cuttack-753014	(1) State of Chhattisgarh. (2) State of Odisha.

S.No.	Bench	Location	Area Covered
9	NCLT Guwahati Bench.	4th Floor, Prithvi Planet behind Hanuman Mandir, G.S. Road, Guwahati- 781007	(1) State of Arunachal Pradesh (2) State of Assam (3) State of Manipur (4) State of Mizoram (5) State of Meghalaya (6) State of Nagaland (7) State of Sikkim (8) State of Tripura
10	NCLT Hyderabad Bench.	Corporate Bhawan, Bandlaguda Tattiannaram Village, Hayatnagar Mandal, Rangareddy District, Hyderabad-500068	(1) State of Telangana
11	NCLT Indore Bench.	Office No. 1 & 7, RCM-11, Anandvan, Scheme No. 140, Indore, PIN-452016 (Madhya Pradesh)	(1) State of Madhya Pradesh
12	NCLT Jaipur Bench.	Corporate Bhawan, Residency Area,Civil Lines,Jaipur-302001	(1) State of Rajasthan.
13	NCLT Kochi Bench.	Company Law Bhawan, BMC Road, Thrikkakara - (PO) Kakkanand, Kochi- 682021(Kerala)	(1) State of Kerala (2) Union Territory of Lakshadweep

S.No.	Bench	Location	Area Covered
14	NCLT Kolkata Bench.	5, Esplanade Row (West), Town Hall Ground and 1 st Floor, Kolkata- 700001	(1) State of Bihar (2) State of Jharkhand (3) State of West Bengal (4) Union Territory of Andaman and Nicobar Island
15	NCLT Mumbai Bench.	4 th , 5 th , 6 th Floor, MTNL Exchange Building, Near G.D. Somani Memorial School, G.D.Somani Marg, Cuffe Parade, Mumbai-400005	(1) State of Maharashtra (2) State of Goa



HON'BLE MEMBERS JUDICIAL

(AS ON 31.03.2024)



Hon'ble Chief Justice (R) Ramalingam Sudhakar

DOB: 14-02-1959

Appointed as President, NCLT
on 01-11-2021



**Hon'ble Dr.
PSN Prasad**
DOB: 07-12-1959
Appointed on 04-07-2019
Chandigarh Bench



**Hon'ble Shri
H.V. Subbarao**
DOB: 02-08-1965
Appointed on 04-07-2019
Guwahati Bench



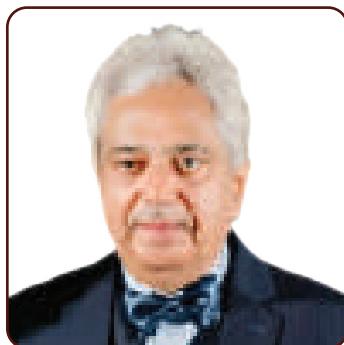
**Hon'ble Shri
P. Mohanraj**
DOB: 10-05-1959
Appointed on 15-09-2021
Cuttack Bench



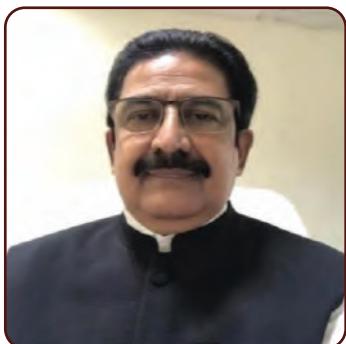
**Hon'ble Shri
Harnam Singh Thakur**
DOB: 19-08-1960
Appointed on 16-09-2021
Chandigarh Bench



**Hon'ble Shri
Deep Chandra Joshi**
DOB: 17-03-1961
Appointed on 13-09-2021
Jaipur Bench



**Hon'ble Shri
Rohit Kapoor**
DOB: 19-02-1964
Appointed on 14-09-2021
Kolkata Bench



**Hon'ble Dr.
Badri Nath Nandula**
DOB: 12-03-1960
Appointed on 04-10-2021
Hyderabad Bench



**Hon'ble Shri
Bachu Venkat Balarao Das**
DOB: 20-05-1962
Appointed on 18-10-2021
Delhi Bench



**Hon'ble Shri
Vemulapalli Kishore**
DOB: 14-07-1963
Appointed on 06-12-2021
Mumbai Bench



Hon'ble Ms.
T. Krishna Valli
DOB: 28-09-1959
Appointed on 22-11-2022
Kochi Bench



Hon'ble Shri
Kuldeep Kumar Kaireer
DOB: 25-12-1959
Appointed on 18-11-2022
Mumbai Bench



Hon'ble Shri
A. K. Bhardwaj
DOB: 06-08-1967
Appointed on 18-11-2022
Delhi Bench



Hon'ble Shri
Praveen Kumar Gupta
DOB: 31-10-1962
Appointed on 18-11-2022
Allahabad Bench



Hon'ble Shri
Mahendra Khandelwal
DOB: 08-03-1963
Appointed on 18-01-2023
Delhi Bench



Hon'ble Ms.
Bidisha Banerjee
DOB: 28-01-1970
Appointed on 18-11-2022
Kolkata Bench



Hon'ble Shri
Sanjiv Jain
DOB: 01-01-1963
Appointed on 04-01-2023
Chennai Bench



Hon'ble Shri
Shammi Khan
DOB: 08-04-1968
Appointed on 20-02-2023
Ahmedabad Bench



Hon'ble Justice (Rtd.)
Virendrarsingh Gyansingh Bisht
DOB: 19-07-1960
Appointed on 19-07-2023
Mumbai Bench



**Hon'ble Shri
K. Biswal**
DOB: 19-06-1963
Appointed on 31-10-2023
Bengaluru Bench



**Hon'ble Ms.
Reeta Kohli**
DOB: 01-01-1966
Appointed on 19-07-2023
Mumbai Bench



**Hon'ble Ms.
Chitra Ram Hankare**
DOB: 12-09-1962
Appointed on 19-07-2023
Ahmedabad Bench



**Hon'ble Shri
Rajeev Bhardwaj**
DOB: 26-01-1963
Appointed on 19-07-2023
Hyderabad Bench



**Hon'ble Shri
Jyoti Kumar Tripathi**
DOB: 08-06-1962
Appointed on 11-10-2023
Chennai Bench



**Hon'ble Shri
K. R. Saji Kumar**
DOB: 25-07-1963
Appointed on 01-08-2023
Mumbai Bench



**Hon'ble Shri
Manni Sankariah Shammuga
Sundaram**
DOB: 03-01-1967
Appointed on 19-07-2023
Delhi Bench



**Hon'ble Ms.
Lakshmi Gurung**
DOB: 08-03-1965
Appointed on 19-07-2023
Mumbai Bench

HON'BLE MEMBERS TECHNICAL

(AS ON 31.03.2024)



**Hon'ble Shri
S.B. Gautam**

DOB: 04-08-1959
Appointed on 03-07-2019
Kochi Bench



**Hon'ble Shri
L.N. Gupta**

DOB: 17-08-1959
Appointed on 04-07-2019
Chandigarh Bench



**Hon'ble Shri
S. R. Prasad**

DOB: 10-06-1963
Appointed on 24-07-2019
Guwahati Bench



**Hon'ble Shri
Rahul Prasad Bhatnagar**

DOB: 24-09-1959
Appointed on 13-09-2021
Delhi Bench



**Hon'ble Shri
Balraj Joshi**

DOB: 21-12-1959
Appointed on 16-09-2021
Kolkata Bench



**Hon'ble Shri
M.K. Dubey**

DOB: 20-08-1961
Appointed on 18-11-2022
Bengaluru Bench



**Hon'ble Shri
Avinash Srivastava**

DOB: 23-01-1960
Appointed on 13-09-2021
Principal Bench



**Hon'ble Shri
Subrata Kumar Dash**

DOB: 20-06-1960
Appointed on 20-09-2021
Delhi Bench



**Hon'ble Shri
K. K. Singh**

DOB: 15-11-1961
Appointed on 01-10-2021
Indore Bench



**Hon'ble Shri
Sameer Kakar**
DOB: 16-09-1963
Appointed on 09-10-2021
Ahmedabad Bench



**Hon'ble Shri
Prabhat Kumar**
DOB: 30-06-1967
Appointed on 18-11-2022
Mumbai Bench



**Hon'ble Shri
Charan Singh**
DOB: 01-07-1960
Appointed on 18-11-2022
Hyderabad Bench



**Hon'ble Shri
Anu J. Singh**
DOB: 20-08-1961
Appointed on 18-11-2022
Delhi Bench



**Hon'ble Shri
A. K. Verma**
DOB: 01-01-1962
Appointed on 18-11-2022
Allahabad Bench



**Hon'ble Shri
Atul Chaturvedi**
DOB: 17-07-1962
Appointed on 18-11-2022
Delhi Bench



**Hon'ble Ms.
Madhu Sinha**
DOB: 26-11-1960
Appointed on 09-12-2022
Mumbai Bench



**Hon'ble Shri
Sanjeev Ranjan**
DOB: 21-01-1963
Appointed on 18-09-2023
New Delhi Bench



**Hon'ble Shri
Rajeev Mehrotra**
DOB: 27-06-1961
Appointed on 19-07-2023
Jaipur Bench



**Hon'ble Shri
Velamur Govindan
Venkata Chalapathy**
DOB: 09-02-1962
Appointed on 19-07-2023
Ahmedabad Bench



**Hon'ble Shri
Sanjay Puri**
DOB: 15-06-1963
Appointed on 19-07-2023
Hyderabad Bench



**Hon'ble Shri
Sanjiv Dutt**
DOB: 17-07-1961
Appointed on 19-07-2023
Mumbai Bench



**Hon'ble Shri
Ravichandran Ramasamy**
DOB: 15-04-1963
Appointed on 19-07-2023
Chennai Bench



**Hon'ble Shri
Anil Raj Chellan**
DOB: 13-07-1962
Appointed on 19-07-2023
Mumbai Bench



**Hon'ble Shri
Charanjeet Singh Gulati**
DOB: 24-06-1963
Appointed on 19-07-2023
Mumbai Bench



**Hon'ble Shri
Arvind Devanathan**
DOB: 11-09-1961
Appointed on 19-07-2023
Kolkata Bench



**Hon'ble Shri
Umesh Kumar Shukla**
DOB: 05-06-1963
Appointed on 19-07-2023
Chandigarh Bench



**Hon'ble Shri
Venkataraman Subramaniam**
DOB: 15-05-1962
Appointed on 19-07-2023
Chennai Bench

HON'BLE MEMBERS DEMITTED OFFICE

(DURING THE PERIOD 01.04.2023 TO 31.03.2024)



Hon'ble Justice
T. Rajni
DOB: 06-11-1958
Demitted on 25-12-2023
Amravati Bench



Hon'ble Shri
Prasanta Kumar Mohanty
DOB: 21-04-1958
Demitted on 20-04-2023
Guwahati Bench



Hon'ble Dr.
Binod Kumar Sinha
DOB: 01-11-1958
Demitted on 31-10-2023
Delhi Bench

OFFICERS & STAFF

(AS ON 31.03.2024)

YEAR 2023-2024

S.No.	Designation	Name	Bench
1	Secretary	Sh. Anupam Lahiri (17.12.2020 to 15.12.2023)	NCLT, New Delhi
2	Registrar	Sh. Naveen Kumar Kashyap (15.09.2023 to Present)	NCLT, New Delhi
3	Financial Advisor	Sh. Tsewang Tharchin (05.07.2021 to Present)	NCLT, New Delhi
4	Joint Registrar	Sh. Shaju T J (06.08.2021 to Present)	NCLT, New Delhi
5	Joint Registrar	Sh. Kamal Sultanpuri (02.05.2022 to Present)	NCLT, New Delhi
6	Joint Registrar	Dr. Sachiv Kumar (24.05.2021 to Present)	NCLT, Ahmedabad
7	Deputy Registrar	Sh. Ravindra Sonawane (25.05.2021 to Present)	NCLT, Mumbai
8	Assistant Registrar	Sh. Rajesh Sharma (03.10.2022 to Present)	NCLT, New Delhi
9	Assistant Registrar	Sh. Nitesh Gupta (21.09.2023 to Present)	NCLT, New Delhi
10	Assistant Registrar	Sh. Raj Vaibhav (31.05.2021 to Present)	NCLT, Ahmedabad
11	Assistant Registrar	Sh. Abhishek Singh (28.08.2023 to Present)	NCLT, Allahabad
12	Assistant Registrar	Sh. P.K. Tiwari (07.06.2022 to Present)	NCLT, Chandigarh
13	Assistant Registrar	Sh. J. Merlin Metilda Marthi (26.05.2022 to Present)	NCLT, Chennai
14	Assistant Registrar	Sh. Kalanidhi Sanjiv (08.06.2021 to Present)	NCLT, Hyderabad
15	Assistant Registrar	Sh. Virendra Singh Shekhawat (30.09.2022 to Present)	NCLT, Jaipur
16	Assistant Registrar	Shri. Vishal Gaikwad (03.07.2021 to Present)	NCLT, Mumbai

OFFICERS AND STAFF DEMITTED OFFICE

(DURING THE PERIOD 01.04.2023 TO 31.03.2024)

Year 2023-24

S.No.	Designation	Name	Bench
1	Secretary	Sh. Anupram Lahiri (17.12.2020 to 15.12.2023)	NCLT, New Delhi
2	Registrar	Sh. Shwaymbhu (06.10.2022 to 21.06.2023)	NCLT, New Delhi
3	Registrar	Ms. Ravinder Bedi (21.06.2023 to 05.09.2023)	NCLT, New Delhi
4	Deputy Registrar	Sh. Sachin Kumar Basant Bayas (25.05.2021 to 18.12.2023)	NCLT, Mumbai
5	Assistant Registrar	Sh. Lalit Kumar Pathak (13.10.2022 to 16.05.2023)	NCLT, Guwahati

SANCTIONED STRENGTH AND HON'BLE MEMBERS IN POSITION



Sanctioned Strength of Members in NCLT

Hon'ble President - 01

Hon'ble Members (Judicial) - 31

Hon'ble Members (Technical) - 31



**Present Strength of NCLT
(As on 31.03.2024)**

Hon'ble President - 01

Hon'ble Members (Judicial) - 26

Hon'ble Members (Technical) - 27



HIGHLIGHTS OF THE YEAR

NATIONAL COMPANY LAW TRIBUNAL (NCLT) – PERFORMANCE OVERVIEW FOR FY 2023 – 24

During the Financial Year 2023-24, the National Company Law Tribunal demonstrated sustained institutional performance, reflecting its central role in India's corporate adjudicatory and insolvency framework. The Tribunal handled a substantial and complex caseload under the Companies Act, matters relating to Merger and Amalgamation, and proceedings under the Insolvency and Bankruptcy Code, while maintaining steady disposal rates and managing fresh inflows effectively. The overall trend during the year indicates that disposals were higher than or broadly comparable to fresh filings, underscoring consistent efforts to contain pendency and enhance disposals.

Under the Companies Act, the Tribunal managed a significant volume of matters inherited from previous years as well as newly instituted cases, with disposals keeping pace with inflows and preventing a sharp rise in pendency. Merger and Amalgamation matters recorded a particularly strong disposal performance, with a high percentage of cases resolved during the year, reflecting streamlined procedures and effective case management.

A notable feature of the year's performance was the strong disposal rate achieved in insolvency applications filed under Sections 7, 9 and 10 of the Code, where disposals significantly exceeded fresh filings. This trend highlights effective adjudication of creditor- and debtor-initiated insolvency proceedings. Similarly, cases relating to personal guarantors under Sections 94 and 95 of the Code witnessed substantial disposals, leading to a marked reduction in pendency by the close of the financial year.

The broader impact of NCLT's functioning under the IBC framework is reflected in systemic outcomes across the financial sector. The sharp decline in non-performing assets and the sustained improvement in profitability of scheduled commercial banks align closely with timely admissions, resolutions and closures facilitated through NCLT-led insolvency processes. The growing number of resolution plans approved across NCLT Benches during the year further underscores increased stakeholder confidence, procedural efficiency and institutional maturity.

These outcomes are reinforced by findings reported by the Insolvency and Bankruptcy Board of India and independent academic assessments by the Indian Institute of Management Ahmedabad, which highlight improved recoveries, revival of distressed assets and stronger post-resolution performance of firms. Overall, the performance of the National Company Law Tribunal during FY 2023-24 reaffirms its role as a cornerstone of India's corporate justice delivery system and a key driver of economic stability and value maximisation.

Details of Cases Filed, Disposed & Pending

Financial Year 2024-2025								
S. No.	Category	Opening Balance (as on 01.04. 2023)	Transferred from High Courts	Freshly Filed	Total	Disposed	Closing Balance (as on 31.03.2024)	Percentage of Disposal (Old and New Cases)
1	Companies Act	7,247	4	2,288	9,535	2,453	7,082	25.73%
2	M&A	1,176	1	1,645	2,822	1,788	1,034	63.36%
3	IBC	13,001	239	4,014	17,254	5,577	11,677	32.32%

The number of disposed of cases during the period 01.04.2023 to 31.03.2024 is higher than freshly filed cases.

NCLT's performance under Insolvency and Bankruptcy Code (IBC), Companies Act and matters pertaining to Merger & Amalgamation (M&A).

During the Financial Year 2023-2024, the National Company Law Tribunal continued to handle a substantial volume of cases across its core jurisdictions, namely matters under the Companies Act and Insolvency and Bankruptcy Code. The data reflects both the workload inherited at the beginning of the year and the Tribunal's capacity to manage fresh inflows while ensuring steady disposals.

Companies Act matters:-

As on 01.04.2023, there were 7,247 cases pending under the Companies Act. During the year, 2,288 new cases were filed, taking the total caseload to 9,535 matters. Out of these, 2,453 cases were disposed of during the year, resulting in a closing balance of 7,082 cases as on 31.03.2024. The disposal rate for Companies Act matters stood at 25.73 percent. While the inflow of new cases remained significant, the Tribunal maintained disposals at a level broadly comparable to fresh filings, thereby preventing any sharp increase in pendency.

Merger and Amalgamation (M&A) matters:-

In M&A cases, the opening balance was 1,176 matters. One case was transferred from the High Courts, and 1,645 fresh cases were filed during the year, bringing the total to 2,822 cases. The Tribunal disposed of 1,788 M&A matters, leading to a closing balance of 1,034 cases as on 31.03.2024. The disposal rate stood at 63.36 percent.

Insolvency and Bankruptcy Code (IBC) matters:-

IBC continued to constitute the largest segment of the Tribunal's workload. The opening balance under IBC stood at 13,001 cases. During the year, 239 cases were transferred from the High Courts and 4,014 fresh cases were filed, resulting in a total of 17,254 cases handled during the period. The Tribunal disposed of 5,577 IBC cases, and the closing balance as on 31.03.2024 stood at 11,677 cases. The disposal percentage for IBC matters was 32.32 percent. Importantly, the number of disposals during the year was higher than or almost at par with the number of fresh filings, reflecting sustained efforts to manage and reduce pendency despite the heavy inflow.

CASES FILED, PENDING AND DISPOSED UNDER SECTION 7, 9 AND 10 OF IBC						
FROM 01.04.2023 TO 31.03.2024						
Section of IBC, 2016	Opening Balance	No. of Cases Freshly Filed	Total (2+3)	No. of Cases Disposed	Closing Balance (as on 31.03.2024)	Percentage of Disposal (Old and New Cases)
1	2	3	4	5	6	7
Sec 7	3,354	1,044	4,398	3,288	1,110	74.8%
Sec 9	3,619	1,205	4,824	3,376	1,448	70.0%
Sec 10	467	128	595	410	185	68.9%
Total	7,440	2,377	9,817	7,074	2,743	72.1%

The number of disposed of cases during the period 01.04.2023 to 31.03.2024 is higher than freshly filed cases.

During the period from 01 April 2023 to 31 March 2024, the National Company Law Tribunal dealt with a substantial volume of insolvency cases filed under Sections 7, 9 and 10 of the Insolvency and Bankruptcy Code, 2016.

Section 7 cases :-

At the beginning of the period, 3,354 cases under Section 7 were pending. During the year, 1,044 fresh cases were filed, taking the total number of cases handled to 4,398. Out of these, 3,288 cases were disposed of during the year. As a result, the closing balance as on 31.03.2024 stood at 1,110 cases. The disposal rate for Section 7 cases was 74.8 percent, indicating a strong disposal performance despite the steady inflow of new matters.

Section 9 cases :-

Under Section 9, the opening balance was 3,619 cases. A total of 1,205 new cases were filed during the year, bringing the total caseload to 4,824 cases. The Tribunal disposed of 3,376 cases under this

category, leaving a closing balance of 1,448 cases as on 31.03.2024. The disposal percentage for Section 9 cases was recorded at 70.0 percent, reflecting consistent progress in resolving operational creditor-initiated insolvency applications.

Section 10 cases :-

Cases filed under Section 10 showed a comparatively smaller volume. The opening balance stood at 467 cases, with 128 fresh filings during the year. This resulted in a total of 595 cases handled under this section. During the period, 410 cases were disposed of, and the closing balance as on 31.03.2024 stood at 185 cases. The disposal rate for Section 10 cases was 68.9 percent, demonstrating effective handling of debtor-initiated insolvency proceedings.

CASES FILED PENDING AND DISPOSED UNDER SECTION 94 & 95 OF IBC						
(From 01.04.2023 to 31.03.2024)						
Section of IBC, 2016	Opening Balance	No. of Cases Freshly Filed	Total (2+3)	No. of Cases Disposed	Closing Balance (as on 31.03.2024)	Percentage of Disposal (Old and New Cases)
1	2	3	4	5	6	7
Sec 94 & 95	2,811	1,512	4,323	3,507	816	18.88%

The number of disposed of cases during the period 01.04.2023 to 31.03.2024 is higher than freshly filed cases.

During the period from 01 April 2023 to 31 March 2024, the National Company Law Tribunal handled a significant volume of insolvency applications filed under Sections 94 and 95 of the Insolvency and Bankruptcy Code, 2016, which primarily relate to insolvency resolution of personal guarantors.

At the beginning of the period, the opening balance of cases under Sections 94 and 95 stood at 2,811. During the year, 1,512 fresh cases were instituted, taking the total number of cases dealt with during the period to 4,323. This reflects a continued and substantial inflow of matters under these provisions, underscoring their growing relevance in the insolvency framework.

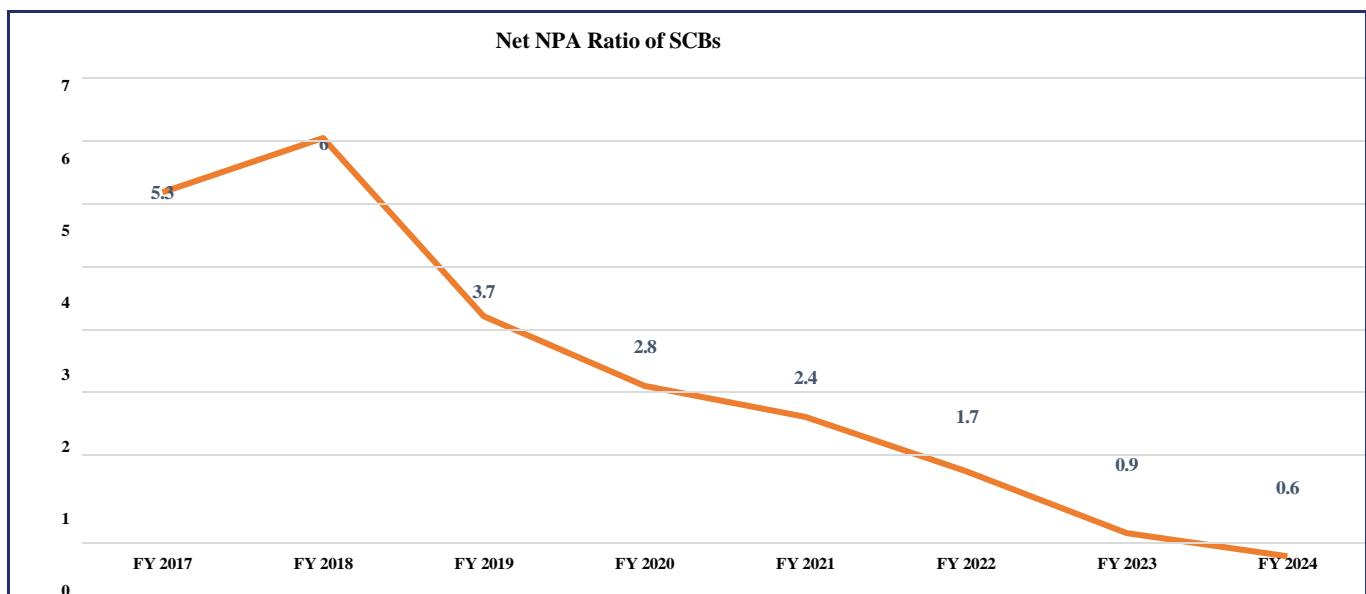
During the same period, the Tribunal disposed of 3,507 cases under Sections 94 and 95. As a result, the closing balance as on 31.03.2024 stood reduced to 816 cases.

Impact of the Insolvency and Bankruptcy Code (IBC) Framework on the Profitability of Scheduled Commercial Banks

SCHEDULED COMMERCIAL BANKS- GROSS AND NET NPA

Fiscal Year	Net NPA	Net NPA Ratio	Profit of SCBs (In Cr.)
FY 2017	4,33,121	5.3	43,899.50
FY 2018	5,20,838	6.0	-32,437.68
FY 2019	3,55,068	3.7	-23,397.44
FY 2020	2,89,370	2.8	10,910.70
FY 2021	2,58,050	2.4	1,21,997.57
FY 2022	2,04,231	1.7	1,82,032.09
FY 2023	1,35,320	0.9	2,63,213.87
FY 2024	1,06,732	0.6	3,49,603.07

From FY 2017 to FY 2023, Scheduled Commercial Banks witnessed a decisive turnaround in asset quality and profitability. Net NPAs, which peaked at ₹5.21 lakh crore with a ratio of 6.0 percent in FY 2018 amid significant losses, declined steadily to ₹1.35 lakh crore with a Net NPA ratio of 0.9 percent by FY 2023. This sharp reduction in stressed assets was accompanied by a strong recovery in profits, moving from heavy losses in FY 2018-19 to sustained profitability from FY 2020 onwards, culminating in a record profit of ₹2.63 lakh crore in FY 2023. The parallel improvement in declining NPAs and rising profits reflects strengthened balance sheets, effective resolution of stressed assets, and improved operational efficiency across the banking sector.



The sustained improvement in asset quality and profitability of Scheduled Commercial Banks is closely aligned with the effective functioning of the Insolvency and Bankruptcy Code framework and

the adjudicatory role of the National Company Law Tribunal. The sharp decline in Net NPAs and the steady recovery in bank profits after FY 2019 reflect timely admission, resolution, and closure of stressed cases through the IBC process, which instilled greater credit discipline and improved recovery outcomes. By providing a structured, time-bound mechanism for insolvency resolution and liquidation, NCLT-enabled IBC proceedings helped banks clean up legacy stressed assets, strengthen balance sheets, and restore lending capacity, thereby contributing materially to the overall financial resilience and improved performance of the banking sector.

APPROVAL OF RESOLUTION PLANS

NATIONAL COMPANY LAW TRIBUNAL - (ALL BENCHES INCLUDING PRINCIPAL BENCH)

IBC Performance- Approval of Resolutions Plans

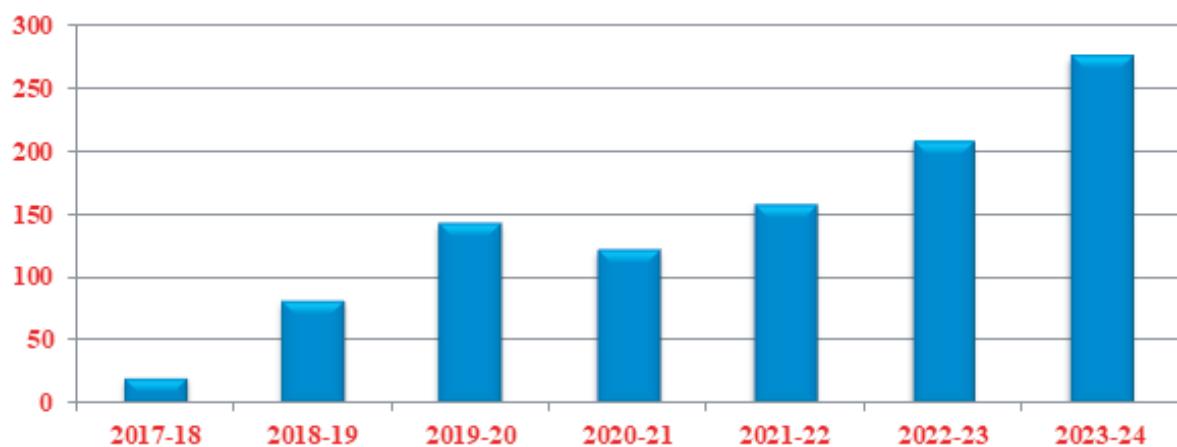
S. No.	Year	No. of Plans Approved (All NCLT Benches)	Approved Amount in Plans (in Cr.)
1	2017-18	19	₹ 3,225
2	2018-19	81	₹ 1,19,993
3	2019-20	142	₹ 59,993
4	2020-21	122	₹ 32,533
5	2021-22	157	₹ 51,041
6	2022-23	208	₹ 60,842
7	2023-24	276	₹ 47,485
Total		1,005	₹ 3,75,112

The purpose and intent of the Insolvency and Bankruptcy Code is to rescue corporates in distress through a structured and time-bound resolution mechanism, in which the approval of resolution plans by the National Company Law Tribunal plays a pivotal role. The data on resolution plan approvals across all NCLT Benches reflects a steady and sustained strengthening of the IBC framework. From only 19 plans approved in 2017-18, the number increased consistently over the years, reaching 208 in 2022-23 and further rising to 276 in 2023-24, with an accelerated pace observed in the most recent years. This trend signifies enhanced institutional capacity, procedural efficiency, and increasing confidence of stakeholders in the insolvency resolution process.

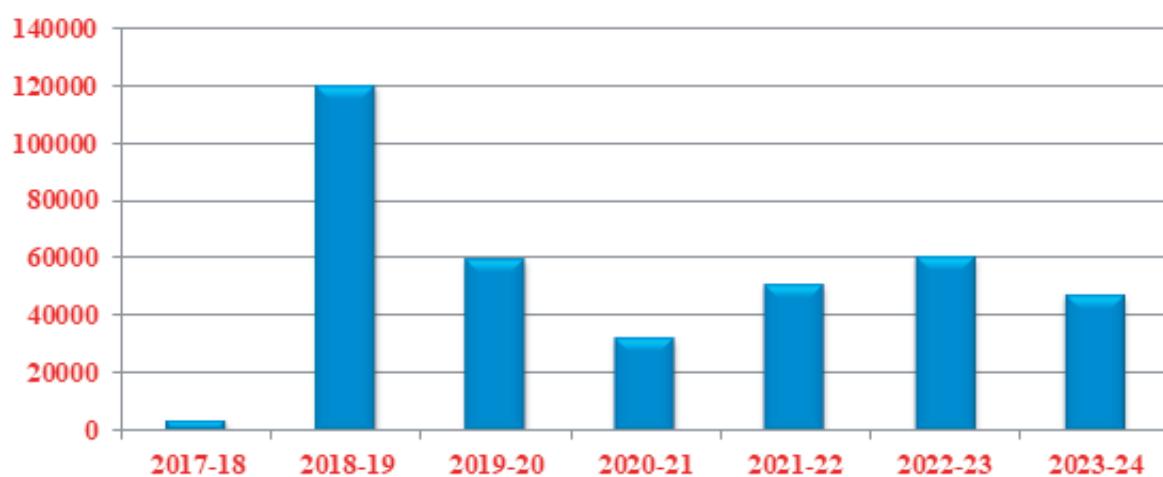
A notable aspect of this performance is that nearly 60 percent of all resolution plans approved since the inception of NCLT have been cleared during the last three years, as highlighted in the 28th Report of the Standing Committee of Parliament on Finance. The rising volume of approvals points to quicker turnaround of stressed companies, improved judicial throughput, better coordination among creditors and resolution professionals, and more effective case management. The momentum achieved in recent years has been supported by regular colloquiums with interactive sessions, a concept conceived and introduced by the Hon'ble President, Chief Justice (Retd.) Ramalingam Sudhakar, which has contributed to uniformity in approach and capacity building across Benches.

In financial terms, the resolution plans approved over this period account for aggregate approved amounts of approximately ₹3.75 lakh crore, representing substantial reinvestment of value into the economy. While year-wise approved values vary due to sectoral and company-specific factors, the cumulative economic impact of these resolutions remains significant. Overall, the performance of NCLT under the IBC regime has materially contributed to the revival of distressed assets, reduction of non-performing assets in the banking system, improvement in the financial health of banks and financial institutions, and maximisation of economic value, reaffirming NCLT's role as the central judicial pillar for corporate rescue in India.

No. of Plans Approved (All NCLT Benches)



Approved Amount in Plans (in Cr.)



INITIATIVES DURING THE YEAR

NCLT'S CONTRIBUTION IN CAPACITY BUILDING AND EMPOWERING THE IBC ECO-SYSTEM

The IBC ecosystem is supported by a diverse group of stakeholders whose roles and responsibilities intersect throughout the corporate insolvency resolution process. The effectiveness of the framework depends not only on the statutory mechanism but also on the quality of participation and cooperation among stakeholders. Active engagement of the Bar, resolution professionals, banks and financial institutions, chartered accountants, company secretaries, and various Ministries and Departments of the Union and State Governments has been instrumental in ensuring that insolvency proceedings are conducted in a structured, disciplined, and uniform adjudicatory environment, leading to effective and timely resolutions.

With the objective of strengthening this collaborative ecosystem, the Hon'ble President and Hon'ble Members of the National Company Law Tribunal continuously engage with institutions connected to the IBC process. Regular interactions, capacity-building programmes, and conferences are undertaken with key stakeholders such as the Department of Financial Services, Government authorities, regulatory bodies, Chambers of Commerce, professional institutes, and the banking sector. The Insolvency and Bankruptcy Board of India plays a facilitating role in these engagements, which promote knowledge sharing, alignment of practices, and responsible stakeholder participation. These sustained efforts have contributed to a more cohesive IBC ecosystem and have reinforced the effectiveness and credibility of the insolvency resolution framework.

REPORT ON INSOL ASIA JUDICIAL TOKYO ROUND TABLE ON INSOLVENCY

Tokyo

Held on 11.09.2023 to 13.09.2023

In order to enrich all the stakeholders across the globe in relation to Insolvency jurisdiction the United Nations Commission on International Trade Law (UNCITRAL) in collaboration with the World Bank Group and INSOL International organized yet another landmark conference at Tokyo, Japan, the third largest economy in the world.

I was requested to join the INSOL Tokyo, 2023 conference as a sequitur to the London Round Table Insolvency Conference, 2022 conducted by UNCITRAL, World Bank Group and INSOL International.

As a prelude to the Asia Judicial Round Table Conference, the Senior Personnel of UNCITRAL, World Bank and Hon'ble Justices representing INSOL International held a series of preliminary discussions on selected topics. In particular, they focused on the following important subjects:-

- a. Asian Focus: Regional Reform and Restructuring
- b. Testing the Boundaries: how well does your system cope?
- c. "Pre-packs": the US and UK meanings.
- d. Consensual approaches
- e. Cross-border relationships.

These subjects were to be discussed by Hon'ble Judges hailing from different jurisdictions of insolvency courts, like the High Court of Hong Kong - Federal Court of Malaysia - Seoul Bankruptcy Court, Republic of Korea - International Commercial Court, Singapore - Court of Appeal, Philippines - Supreme Court, Thailand - Supreme Court of Indonesia- Supreme Court of Thailand- Tokyo Bankruptcy Court- Supreme Court of Japan- Grand Court of Cayman - Supreme Court of Singapore - Court of Appeal Tonga - Shanghai Bankruptcy Court, Justice from New Zealand- P.R. of China.

I was asked to share my views on the first two subjects along with the other participating judges. Besides the speakers on different subjects, from various insolvency jurisdictions took part in the Asia Judicial Round Table. The assembly of judges of Insolvency Courts of various jurisdictions laid the foundation for a better understanding of Insolvency across the globe and to share the best experiences.

The registration and preliminary sessions took place at Tokyo, Japan on 11.09.2023. Several issues relating to Insolvency like, Alternate dispute resolution namely Arbitration, Mediation and Conciliation were discussed in different groups.

On 12.09.2023, the first session of the Judicial Tokyo round table started with the opening remark by Hon'ble Justice Jonathan Harris, High Court of Hong Kong along with Mr. Mahesh Uttamchandani, Executive Committee, INSOL International, Ms. Samira Musayeva, UNCITRAL, Ms. Nina Mocheva, World Bank Group and Judge Iwasaki, Tokyo Bankruptcy Court, Japan.

After a brief interaction with all the participant judges, the session started early in the morning taking up the first subject "Asian Focus: Regional Reform and Restructuring". The discussion was led by Ms. Nina Mocheva, World Bank Group. In the first session, the participant judges were called upon to throw some light on regional reforms and restructuring of the Insolvency proceedings and how it has been impacted by the UNCITRAL Model of Insolvency and to highlight how the participant nation was able to address vital issues. Hon'ble Judge Datuk Nallini Pathmanathan, Federal Court, Malaysia highlighted various steps that were taken by the Malaysian Insolvency Court to effectively adjudicate cases using the virtual Courts platform and digital processing of case files. Similarly, the Judges from the Insolvency Court of Japan also highlighted that they are using digital platforms and virtual court hearings to speed up the process. As far as the Bankruptcy Court of Korea is concerned, it was informed that Korea is in the process for speedy and effective adjudication of Insolvency and bankruptcy cases and hence involved in the International Conference. Similar voices echoed from judges of other jurisdictions as timelines in resolution was one major impediment.

On my turn, I submitted as to how the Insolvency & Bankruptcy Code redefined the Insolvency regime overriding the difficulties in Sick Industrial Companies Special Provisions Act, 1985 regime, the SARFAESI Act 2002, Recovery of Debts due to the Bank and Financial Institutions Act, 1993. The object of the Code, the timelines prescribed under the Code like the admission of cases, the resolution process, etc. was emphasised. The excellent guidance of the Hon'ble Supreme Court in ironing out issues that were faced by the Insolvency Courts from its inception was also flagged. The magnitude of cases filed under Sections 7, 9, and 10, the number of cases pending pre-admission, after admission, the large number of cases adjudicated which gave rise to a higher percentage of insolvency resolution was one important highlight appreciated.

The data relating to the approval of more than 730 Resolution Plans in the last seven years and the quantum of ₹12,89,288 Crores brought back into the economy was well received and appreciated by the participant members, given the fact that in other jurisdictions the number of cases dealt with in Insolvency jurisdiction are relatively less in number, and in any event minimal compared to what has been adjudicated by the Insolvency Courts in India.

The participants were also apprised of the number of cases that were settled pending admission to show the effectiveness of the insolvency process, the number of cases that were settled after admission and the number of cases where resolution plans have been approved making it apparent and visible that the Code is addressing the Insolvency issue in a very effective manner. The Indian Insolvency resolution process was well received by the august gathering.

On request, I highlighted the obstacles faced by the Insolvency Courts in India, namely the list between the Financial Creditors to become part of the Committee of Creditors, the number of

Interlocutory Applications (IA) filed by dissenting financial creditors, Operational Creditors, Home Buyers and other statutory authorities which are impeding speedy resolution by the Adjudicating Authority. On this issue, the method adopted first by the Chennai Bench of NCLT to approve the Resolution Plan Application keeping aside the objection application, PUFE Transaction Application and similar issues for later adjudication, as a way forward, was a takeaway for other participants. The case management process appealed to the participants and it appears to be one key factor in all jurisdictions. The reduction in timeline for insolvency resolution across the world reveals that India has improved its adjudication process. Further, the steps taken by the Insolvency Courts to get the Ex-promoters of the Corporate Debtor to disclose the data records, statements for effective adjudication and the process for reversing preferential undervalued fraudulent exorbitant transactions (PUFE) was another aspect which caught the attention.

The issues like artificial intelligence, priority listing of cases for keeping the timelines, and segregation of the applications like resolution plan to be taken on priority and other applications to be taken thereafter separately were suggestions given and keenly noted by other participant judges. The august gatherings were informed that the Government of India had filled up the majority of the vacancy, which enhanced the speed & efficiency of the Adjudicating Authority. The training given to new insolvency court judges on Court proceedings, insisting on a brief note on the cases listed for hearing, the interactive colloquium with various stakeholders more particularly the Government of India, Ministry of Commerce and the regulator IBBI in achieving the objective of the Code were key highlights of the presentation.

The concept (i.e.) the Ministry of Corporate Affairs (MCA), the regulator IBBI and the Adjudicating Authority (NCLT) as three pillars of Insolvency Resolution, working as a team, was conceptually acclaimed. It was further highlighted that court records are taken in digital form and virtual hearings conducted PAN India, thereby litigants and advocates are able to participate in the court proceedings virtually. The large number of disposed-off cases even during the Covid period was highlighted and well received by the participating members. In other jurisdictions also, it appears that there are very many similar obstacles. That India is forging ahead in the Insolvency jurisdiction was clear and visible.

The Indian Insolvency Court model of aggregating similar cases – relying on specific legal issues to resolve a class of cases, listing of admission cases, Resolution Plans on priority based on constant interaction between the three pillars of Insolvency is a model that has inspired the gathering of insolvency judges. The effectiveness of adjudication in Bankruptcy Courts of Japan and Malaysia primarily using digital platforms and timelines echoes all over and is a takeaway from the Asia Judicial Round Table Conference.

The second subject that was dealt with was "Testing the boundaries: How well does your system cope?" Primarily the focus was on the financial distress of non-banking financial institutions and insurance companies in the UK and Thailand. Besides, in various jurisdictions, the Insolvency of state-owned enterprises is a great concern. The UNCITRAL and World Bank requested the participating members to share their experiences more particularly the challenges in the respective

jurisdiction in relation to state-owned enterprise. On this topic, the discussion was led by Hon'ble Justice Christopher S. Sontchi, Singapore International Commercial Court who highlighted the distress post-Covid and due to various other International factors it became apparent that this area of Insolvency was of great concern in very many Jurisdictions. The judge from Thailand highlighted a few of his experiences in this subject. However, the keynote address on this subject was presented on behalf of India on the Insolvency resolution in respect of distressed state-owned enterprises. This subject was keenly followed by all the participating members, including the People Republic of China, perhaps it faced similar issues.

In my keynote address the decision of the Hon'ble Supreme Court in the case of Hindustan Construction Company Limited v. Union of India & Ors. (2020)17 SCC 324, holding that the provisions of IBC are applicable to Government companies, however where such enterprise primarily performs governmental functions, the same should not be taken over by resolution professional was highlighted. On the above premise, I laid my analysis based on data from adjudicated cases of state-owned enterprises. Primarily, I referred to a very old case of Hindustan Photo Films Mfg. Co. Ltd. which was incorporated in the year 1960, suffered a great deal over the years and could not be revived even by the Board of Industrial & Financial Reconstruction (BIFR). It met with a series of setbacks due to various factors including employee unrest. It landed up before the Madras High Court in the year 2017, the liquidator took charge but even then nothing happened. It was only after the Financial Creditor moved a Section 7 petition under IBC before the NCLT Chennai, the issue was resolved. The CIRP was initiated in January 2022, claims were admitted and a Special bench consisting of myself President and Member, Technical approved a plan which is the first of its kind where the freehold assets were dealt with by a separate plan and a leasehold asset were allowed to be dealt with under the Liquidation process. The plan was approved within a period of 270 days; the stakeholders were able to realize amounts more than the liquidation value. The Regulator viz. IBBI appreciated this novel method of Resolution of this very old case of State owned enterprise in distress.

On the same lines I presented the details of various cases of state-owned enterprises, which were resolved by voluntary insolvency proceedings, settled after operational creditors filed an application, settled before the Appellate Tribunal, highlighting that State-owned enterprises resolved their Insolvency one way or the other. This appealed to the participants as it was an issue of concern in many jurisdictions.

It appears that in other jurisdictions the state-owned enterprises, apparently were suffering great financial distress and were trying to find methods as to how to resolve the insolvency issues.

The next subject of discussion "Pre-Packs", was led by Hon'ble Justice Nick Segal, Grand Court of Cayman who highlighted the pre-pack as a way forward in effective and timely resolution of Insolvency. This view was supported by Hon'ble Justice Kannan Ramesh, Supreme Court of Singapore and also by Justice Christopher Sontchi, Singapore International Commercial Court. The participant members were of the view the need to be less cumbersome and more proactive by all stakeholders in their jurisdiction was the key to insolvency resolution.

The takeaway from this discussion on pre-packs, from the way it works in international jurisdiction is one on a positive note. There should be a mandate, in so far as MSMEs in India is concerned that wherever there is financial or other form of distress there should be an easy way for them to access and approach the Insolvency proceedings under the pre-pack insolvency provisions, mere greening the debt may not work in the best interest.

In other jurisdictions, I gather that stakeholders are bound to participate without demur, which I find is lacking in India. The participation of banks who are the primary financial creditors in pre-pack is a matter of importance. The legal awareness in so far pre-pack was highlighted. In my opinion the Government, IBBI, and NCLT along with other stakeholders like the Government MSME department should hold regular awareness programs so that the objective of the pre-pack is achieved in its full measure. This will ensure a large number of MSMEs get revitalized by Resolution.

I am also of the view that the pre-pack resolution of MSME and other CDs in distress as a single window should be given greater importance because it enables the promoters of the company in distress to work out a solutions to the problems with the able guidance of an RP and with the co-operation of the financial creditors. It is a win-win situation if all are on board. The element of Mediation and Conciliation also gets in built to this process. Besides it enables the promoters to retain the enterprise and they will be more than willing to be an active participant if pre-pack gives a better resolution than going under CIRP or liquidation or simple greening of the debt. Our major industries are supported largely by MSMEs and it has recently come to my attention that there are so many red flags raised by MSMEs highlighting the distress they are facing due to interest liability, lack of job work and other factors. It is also apparent that they are seeking quick fix solutions but in vain. Some file writ petitions and make representations collectively, unaware that under the Code they have a better way of re-conciliation namely pre-pack insolvency. This should be highlighted through the press, media, workshops and conclaves.

I have in the Principal Bench, NCLT come across two cases of pre-pack. I was able to understand that procedural formality is one of the many hindrances faced by the enterprise in distress. Besides lack of functional knowledge in processing the pre-pack appears to be a deterrent. Ease of approach under pre-pack based on active guidance from all stakeholders will ensure that pre-pack is a success. The need to be cautious in approach was also felt in case where the substratum of MSME itself was in doubt. In our country MSMEs are little drops of water and collectively they are a mighty ocean of the Indian economy. If their distress is resolved it is a great achievement.

The next subject of discussion "Cross-border relationships", was taken up by the Hon'ble Judge from the Hong Kong jurisdiction and their interaction with the People's Republic of China in relation to enterprises which were registered in Hong Kong and having their offices in Shanghai, China and the effect of the Insolvency proceedings in relation to such companies and the proceedings before the two jurisdictions were discussed in detailed. Similarly, the Judge from the Insolvency Court of Cayman pointed out that there should be a clear understanding between Insolvency Courts of different jurisdictions while dealing with companies having presence in different jurisdictions that

have suffered financial distress and consequential Insolvency proceedings. The need to have uniformity and respect for the Insolvency proceedings and the prior orders passed in other jurisdictions of the enterprise was emphasized. In this regard, it was also indicated that in the ensuing UNCITRAL, World Bank, INSOL Conference to be held in the United States of America among other important subjects, the issue of Cross Border Insolvency adjudication would be a subject of concern and discussion.

The Asia Judicial Tokyo Round Table on Insolvency ended with a very appreciative note on the effective participation of various member countries more particularly the good inputs that were shared by the Judges. International conferences of this kind enable member countries to share their experiences in dealing with complex issues in Insolvency cases whose impact is felt within the country and globally.

The World Bank looks at such Insolvency resolutions in member countries with keen interest so as to enable them to have a clear understanding of the laws that govern Insolvency and its impact on trade and bilateral relationships.

UNCITRAL on its part seeks to analyze the effectiveness of Insolvency jurisdiction in member countries and guide them on the effectiveness of resolution, to suggest ways and means to imbibe best practices. The World Bank and UNCITRAL were very appreciative of the steps taken by the Government of India, the Regulator IBBI and the Adjudicating Authority namely NCLT in taking up the cause of Insolvency as three pillars and showing the way forward to other member countries.

The impact of the Code and the vision of the Government of India to become a strong economy were felt as an underlying factor in its approach to the judicious resolution of Insolvency of Corporates in distress. This enhances the ease of doing business in India.

With the active cooperation of the Government of India, the Ministry of Corporate Affairs, and the Regulator IBBI and with definitive case results shown by NCLT as is the case in the previous year, India will surely become a guiding factor in the world Insolvency resolution regime. ASEAN countries in particular and G-20 nations will look towards India for guidance in resolving Insolvency issues.

Jai Hind.

Chief Justice (R.) Ramalingam Sudhakar

President, NCLT

25.09.2023

CAPACITY BUILDING FOR COURT OFFICIALS AND STAFF

The National Company Law Tribunal (NCLT) organizes well-structured training programmes for Court Officers and staff to build their capacity in discharging both judicial and administrative functions. Court Officers play a vital role in the smooth day-to-day functioning of the benches, including preparation of cause lists, upkeep of court diaries, assistance during hearings, scrutiny of case records, and ensuring adherence to prescribed procedures. The training is designed to provide them with a sound understanding of the Tribunal's jurisdiction under the Companies Act, 2013 and the Insolvency and Bankruptcy Code, 2016, while enhancing their skills in bench coordination, drafting of orders, and systematic record management.

Special emphasis is placed on familiarising officers with digital platforms such as the e-filing system, case management applications, and virtual hearing tools. The programmes also sensitise participants to professional ethics, confidentiality, and effective courtroom communication. Practical components address routine operational responsibilities, including maintenance of proceedings records, uploading of orders, handling RTI-related work, and preservation of archived files. Training is imparted through a blend of classroom sessions at the Principal Bench or regional centres, online learning modules, and hands-on exposure under the guidance of Registrars. Together, these initiatives promote uniform procedures across benches and contribute to strengthening the overall efficiency of the Tribunal's judicial delivery mechanism.





COLLOQUIUMS

CAPACITY BUILDING THROUGH COLLOQUIUMS

Capacity Building through Colloquium- In furtherance of its ongoing efforts to enhance institutional capacity and promote consistency in adjudication, the National Company Law Tribunal regularly organises structured and periodic colloquiums. Conceived under the guidance of Hon'ble President Justice Ramalingam Sudhakar, these colloquiums serve as a practical institutional response to the increasingly complex and dynamic legal landscape under the Insolvency and Bankruptcy Code and the Companies Act, both of which are subject to frequent amendments and diverse judicial interpretations. The initiative seeks to address emerging legal ambiguities and operational issues through informed discussion and a shared understanding among all stakeholders.

These colloquiums go beyond the format of traditional academic seminars and are designed as focused platforms for capacity building and performance improvement. Themes are carefully selected with particular attention to practical challenges encountered in the day-to-day functioning of NCLT Benches. Participation includes Hon'ble Members of NCLT and representatives from the Ministry of Corporate Affairs, Department of Financial Services, EPFO, IBBI, Information Utilities, banks and other key constituents of the insolvency ecosystem, ensuring that deliberations remain role-specific, pragmatic and outcome-oriented. Through structured discussions, interactive engagements and the exchange of best practices, the colloquiums foster uniformity in decision-making, clarity in legal interpretation and improved inter-institutional coordination. The guidance shared on court management, time management, judgment writing and optimal use of judicial time has contributed significantly to enhancing adjudicatory efficiency and institutional discipline, establishing the colloquiums as an effective mechanism for strengthening NCLT and advancing the objectives of corporate and insolvency law in a consistent and time-bound manner.

COLLOQUIUMS ORGANISED DURING THE FINANCIAL YEAR 2023-24

During the financial year 2023-24, the National Company Law Tribunal undertook significant capacity-building initiatives by organising three thematic colloquia under the visionary leadership of Hon'ble Chief Justice (Retd.) Ramalingam Sudhakar. These colloquia were conducted in collaboration with the Insolvency and Bankruptcy Board of India and National e-Governance Services Ltd., reflecting a coordinated institutional approach towards strengthening the insolvency and corporate governance framework in the country.

The events witnessed active participation from senior officials of the Ministry of Corporate Affairs, IBBI, NeSL, and Hon'ble Members of the Tribunal. The presence of key stakeholders provided a valuable platform for deliberations on evolving jurisprudence, procedural best practices, use of technology in insolvency processes, and emerging challenges under the Insolvency and Bankruptcy Code. Such interactions promoted knowledge exchange and enhanced mutual understanding among adjudicatory, regulatory, and service-providing institutions.

These colloquia played an important role in nurturing a culture of continuous learning, professional development, and institutional excellence within the Tribunal. By facilitating informed dialogue and collaborative learning, the initiatives reaffirmed NCLT's commitment to capacity enhancement and to ensuring efficient, consistent, and high-quality adjudication in matters relating to corporate insolvency and company law.

INDUCTION COLLOQUIUM FOR HON'BLE MEMBERS OF NCLT

New Delhi (19th July 2023 to 4th August 2023)

The Induction Colloquium commenced with a formal inaugural session presided over by Hon'ble President, National Company Law Tribunal, Chief Justice (Retd.) Ramalingam Sudhakar. The session set the institutional and thematic tone for the programme, underscoring the central role of the NCLT in India's economic and insolvency framework. Dr. Manoj Govil, Secretary, Ministry of Corporate Affairs, and Shri Ravi Mittal, Chairperson, Insolvency and Bankruptcy Board of India, graced the occasion as Guests of Honour. Hon'ble Member (Judicial) Shri Ashok Bhardwaj delivered the welcome remarks, while Hon'ble Member (Technical) Shri Rahul Bhatnagar proposed the vote of thanks.

In his address, Shri Ravi Mittal, Chairperson, IIBI, welcomed the newly inducted Members and highlighted the transformative impact of the Insolvency and Bankruptcy Code on India's corporate and credit culture. He noted that the NCLT has emerged as a key forum for complex commercial adjudication, attracting leading counsels and law firms, and has delivered record outcomes in resolution during FY 2022-23. Emphasising the socio-economic implications of insolvency adjudication, he referred to large real estate cases involving lakhs of homebuyers and underscored the responsibility entrusted to the Tribunal. He also apprised the Members of an upcoming IIM Ahmedabad study assessing the macro-economic impact of resolutions under the IBC.

Dr. Manoj Govil, Secretary, MCA, congratulated the Members and stressed that the functioning of the NCLT has a direct bearing on national economic growth, with the potential to significantly contribute to GDP through revival of stressed assets. He assured institutional support through timely filling of vacancies, strengthening of legal research assistance, and reforms relating to adjudicatory rules, digitalisation, and transparency. He emphasised the importance of continuous interaction among Members to address divergent views and welcomed the role of colloquiums in improving consistency and performance.

The keynote address by Hon'ble President, Chief Justice (Retd.) Ramalingam Sudhakar, provided a reflective and forward-looking perspective on the evolution of India's corporate adjudicatory framework. Tracing the institutional journey from the Company Law Board, BIFR, and AAIIFR to the NCLT, His Lordship observed that the enactment of the Insolvency and Bankruptcy Code marked a decisive shift in addressing non-performing assets and restoring economic discipline. He emphasised that the achievements of the NCLT are intrinsically linked to India's broader economic success.

Addressing the newly inducted Members, the Hon'ble President underlined the need to harmonise commercial wisdom with statutory mandates under the Companies Act and the IBC. He stressed that speed, efficiency, and institutional responsibility are integral to the adjudicatory role entrusted to the Tribunal. Encouraging openness and dialogue, His Lordship reaffirmed his commitment to collective decision-making and urged Members to discharge their functions with independence, consistency, and a deep sense of responsibility towards the institution.

The inaugural session thus laid a strong foundation for the Colloquium, reinforcing the shared commitment of the judiciary, regulator, and executive towards strengthening insolvency adjudication and corporate governance in India.



KEY TAKEAWAYS OF NEW DELHI COLLOQUIUM



Session on Objects and Intent of Insolvency and Bankruptcy Code

Mr. Sunil Fernandes, started the session discussing with legislative source of IBC i.e "Insolvency and Bankruptcy" is provided in Entry 9 in the Seventh Schedule to the Constitution of India. The session proceeded with the discussion on IBC being a single consolidated law and a complete code and its aims and objective as stated in the preamble of the Code. The objective of the Code was further elaborated by the Speaker stating the code provide for maximisation of value of assets, time bound insolvency resolution and further promote entrepreneurship. A bird's eye view was given by the speaker on various provisions of IBC including Section 7, 9 &10, Sec 14, Sec 30 & 31, Sec 33, Sec 52 & 53 and Sec 60 followed by the discussion on various landmark case laws on IBC starting from parent case law i.e Innoventive Industries Ltd. v. ICICI Bank, Chitra Sharma v UOI, Swiss Ribbons Case, Dena Bank v. C Shiva Kumar Reddy, Jaypee Kensington and Ebix Singapore.

Session on Section 7 of IBC 2016

Shri Ashish Makhija explained definitions of Financial Debt and Financial Creditors and further discussed on how the Adjudicating Authority is only required to see debt and default while admitting an application. The evolution of Homebuyers as financial creditors under Section 5(8)(f) of IBC 2016 was discussed. Even amendments under Proviso to Section 7(1) of IBC 2016 in respect of a minimum number of Homebuyers for filing Section 7 applications were discussed. Important Supreme Court Judgements like Vidarbha Industries Power Limited vs. Axis Bank Limited, were discussed along with Innoventive Industries Ltd. vs. ICICI Bank & Anr. He explained the documents that are necessary to be annexed with the Section 7 application such as the name of the proposed IRP, record of default of Information Utility, and Information as specified by IBBI were required to be annexed. Proviso to Section 7(1) of IBC 2016 were also discussed which gives 07 days' notice to the Applicant to rectify any defect.

Session on Section 9 of IBC, 2016

Shri. P. Nagesh, shed light on the significance of Section 9, which allows operational creditors to initiate the corporate insolvency resolution process. He emphasized the crucial role of operational creditors in the insolvency resolution mechanism. He provided a clear explanation of the key elements required for the proper invocation of Section 9. He also discussed the provisions of law with the help of landmark judgments.

Session on Section 10 of IBC, 2016

Shri L.N. Gupta, Hon'ble Member (Technical) started the session with the Analysis of Section 10 and referred to landmark Case Laws. He further did a comparative analysis of Section 7 with Section 9 with Section 10 of IBC, 2016. He also discussed the order passed by NCLT Principal Bench (Special Bench) in the matter of Go Airlines (India) Limited (IB)-264(PB)/2023 dated 10.05.2023. He also discussed the landmark Judgment of M/s. Unigreen Global Private Limited vs. Punjab National Bank & Ors.

He also made a comparative Analysis of Section 10 with Section 59(7) of IBC, 2016. In addition, he also made a comparative Analysis of Section 10 with Section 65 of IBC, 2016 with respect to the Judgment passed by the Hon'ble NCLAT, Principal Bench, Delhi dated 05.01.2023 in the matter of Wave Megacity Centre Private Limited Vs Rakesh Taneja & Ors. Company Appeal(AT)(Insolvency) No. 918 of 2022.

Session on Liquidation order and Liquidation Proceedings under IBC

Shri Saurabh Kalia, apprised that Liquidation of a corporate debtor refers to the end of its operations or its existence. In simple terms, liquidation means closing the business of the corporate debtor. Under IBC, the process of liquidation can be initiated if the corporate debtor becomes incapable of repaying the debts or amounts owed by it to other entities. Liquidation is given under Section 33 to 54 of IBC. He enunciated that when no resolution plan is received AA rejects the resolution plan under Section 31 for non-compliance of Law. Order is passed requiring the Corporate Debtor to be liquidated and after this Public announcement is done stating that the Corporate Debtor is in liquidation. The speaker also discussed the judgement in Kridhan infrastructure Pvt. Ltd. Vs Venkatesan Sankaranarayanan & others Civil Appeal 3299 of 2020 of Hon'ble Supreme Court. He could also shed light on that once the liquidation order is passed, the same cannot be reversed and the liquidation process must go on.

Session on Resolution Plan: RP's Perspective

Shri. Anuj Jain, spoke about definition of Resolution Plan as defined under Section 5(26) of the Code that it is a plan proposed by Resolution Applicant for insolvency resolution for the Corporate Debtor as a going concern. The Resolution plan may include provisions for restructuring of the Corporate Debtor, including by way of merger, amalgamation, and demerger. He discussed on whether a Resolution Plan is Confidential or a Public Process and what are the challenges faced by a Resolution Professional? He also spoke about the role of RFRP in IBC Proceedings. He further suggested methods on how to expedite the process of Resolution plan.

Session on Process of Approval of Resolution Plan

Mr. Sudhir K. Makkar discussed process of Approval of Resolution Plan through statutory provisions and various judicial precedents and stages in which Resolution Plan comes into picture i.e., from the beginning of admission of the application till the approval of resolution plan. He spoke on how Resolution Professional plays an important role in the approval of resolution plan and how RP must ensure that the business of the Corporate Debtor goes uninterrupted and the Corporate Debtor remains as a going concern. He also provided an overview and detailed analysis of Regulation 38 which provides for Mandatory Contents of Resolution Plan. He discussed certain landmark judgements which relates to approval of the resolution plan like Swiss Ribbons Pvt Ltd Vs Union of India (2019) 4 SCC 17, K. Sashidhar Vs Indian Overseas Bank and Ors. (2019) 12 SCC 150, Committee of Creditors of Essar Steel India Limited Vs Satish Kumar Gupta & Ors., (2020) 8 SCC 531, Municipal Corporation of Greater Mumbai Vs Abhilash Lal (2020) 13 SCC 234, Maharashtra Seamless Ltd. Vs. Padmanabhan Venkatesh (2020) 11 SC 467, Jaypee Kensington Boulevard Apartments Welfare Association Vs NBCC India Ltd. (2022) 1 SCC 401, and Ghanshyam Mishra and Sons Pvt. Ltd. Vs Edelweiss Asset Reconstruction Co. Ltd. (2021) 9 SCC 657.

Session on Cases of IBC under Home Buyers Category and Overview

Mr. Arvind Nayar as also Shri A.K. Bhardwaj, Hon'ble Member (J) elucidated the provisions of the Insolvency and Bankruptcy Code, 2016 w.r.t. the Home Buyers, being Financial Creditors in a class. The interpretation of the term 'Financial Debt' as defined under Section 5(8)(f) of the Code, 2016 and the explanation therein was discussed in detail. The rights of the Homebuyers and remedies available under Code, 2016 prior to the Insolvency and Bankruptcy (Second Amendment) Act, 2018 and consequent to the Insolvency and Bankruptcy (Second Amendment) Act, 2018 were discussed in detail. Furthermore, a detailed case study of landmark cases such as Nikhil Mehta and Sons (HUF) v. AMR Infrastructure [2017 SCC Online NCLAT 377], Chitra Sharma v. Union of India [W.P.(C) No. 744 of 2017], Flat Buyers Association Winter Hills - 77, Gurgaon v. Umang Realtech Private Limited through IRP and other important cases involving the issues relating to homebuyer were discussed.

Session on Moratorium and managing Corporate Debtor as a going concern- Role of Resolution Professional

Shri Abhishek Anand dealt with the role of a Resolution Professional during Moratorium and managing Corporate Debtor as a going concern. He discussed the legislative intent behind IBC, i.e. IBC aims at maximizing the value of the assets during the CIRP Process. In order to achieve the objective of the IBC, Section 14 was inserted in the Code, and it states that all the proceedings against the Corporate Debtor come to a halt w.e.f. date of initiation of the CIRP. Upon the initiation of CIRP, a moratorium is declared prohibiting various activities related to the Corporate Debtor as laid down in Section 14 of the Code. He discussed in detail about Section 14(1)(d) as to, how an owner or lessor cannot recover back his property, if such property is occupied by or in possession of the corporate debtor. Even in cases of lease, where such lease agreement is cancelled after CIRP, but the possession is with the Corporate Debtor, the Lessor cannot recover it during the moratorium. He

discussed jurisprudence, with regards to arbitration proceedings during moratorium, and how 238 of the IBC, 2016 overrides other laws.

Session Court Proceedings & Case Management

Shri L.N. Gupta, Hon'ble Member (Technical), discussed about day-to-day proceedings, after the case was first instituted before NCLT. It includes either sending the case back to the party for correction (in case of curable defect) or dismiss it in case of any error, issuing of notice to file affidavit of service, giving time to parties to file reply/rejoinder ending with pronouncement of orders in case pleadings are completed. He also discussed various important sections of the Companies Act, 2013 such as Sections 230-232, 241-242, 408, 424, 425, 429, etc and nuanced distinction between 'Recall' and 'Review', powers of bench under Rule 151 of NCLT Rules, 2016, various kinds of lists in the cause list such as supplementary list, admission matters list, ordinary list, etc. and residuary powers of NCLT under Section 60(5) of the IBC.

Session on Section 241-242 of the Companies Act (i.e Oppression and Mismanagement)

Mr. Balasubramanium discussed on Section 241 and 242 of the Companies Act, 2013 and described that it deals with "Application to the Tribunal for Relief in Oppression" and "Power of Tribunal", respectively. These provisions provide legal remedies for shareholders or members who believe that the affairs of the company are being conducted in a manner that is oppressive or prejudicial to their interests. He discussed the landmark case i.e Tata Sons Limited Versus Cyrus Investments Private Limited (2019). He described that this case attracted significant attention in Indian Corporate world, whereas, later the Hon'ble NCLAT ruled in favour of Cyrus Mistry and held that the removal of Cyrus Mistry as Chairperson of Tata Sons' Company was illegal and oppressive. He also discussed the Satyam Scam case that led to legal actions against the perpetrators, and the Indian Government undertook significant reform to strengthen corporate governance and regulatory oversight to prevent similar frauds in the future. The Satyam Scam remains a landmark case that highlighted the importance of transparency, ethics, and accountability in corporate practice.

Session on Principles of Companies Act and Proceedings before NCLT

Dr. U. K. Chaudhary elaborated extensively on the principles of the Companies Act, 2013, and shared his experiences with proceedings before the NCLT. He provided detailed explanations of several provisions of the Companies Act 2013, including those related to oppression and mismanagement, compromise, arrangement, amalgamation, winding up, reduction of share capital, Investigation into the affairs of the company, revival of struck off company, and landmark judgements in relation to these matters. Dr. Chaudhary placed special emphasis on the functions of Oppression and Mismanagement under the Companies Act, both in the old and new laws. He provided a detailed explanation of the provisions of Section 241-242 of the Companies Act. Additionally, he elucidated the powers wielded by NCLT under Section 242 of the Companies Act when determining cases of Oppression and Mismanagement.

Session on Supreme Court on IBC with Interactive Session

Shri Vikram Nankani started the session with the analysis of Supreme Court Landmark Judgments in IBC matters and its implications. Some of the cases discussed were Innoventive Industries Ltd. v. ICICI Bank, (2018) 1SCC 407, SBI v. V. Ramakrishnan, (2018) 17 SCC 394, Macquarie Bank v. Shilpi Cables, (2018) 2 SCC 674, Mobilox Innovations v. Krusia Software, (2018) 1 SCC 353, Swiss Ribbons v. Union of India, (2019) 4 SCC 17, Pioneer Urban Land Infrastructure v. Union of India, (2019) 8 SCC 416, Arcelor Mittal India Pvt. Ltd. v. Satish Gupta, (2019) 2 SCC 1, K. Sashidhar v. Indian Overseas Bank, (2019) 12 SCC 150, CoC of Essar Steel India Ltd. v. Satish Gupta, (2020) 8 SCC 531, MCGM v. Abhilash Lal, (2020) 13 SCC 234.

Session on Group Insolvency and Cross Border Insolvency under IBC & Prepackage Insolvency Resolution Process

Shri Sumant Batra discussion on what is cross-border insolvency and why it is the need of the hour and UNCITRAL Model Law on cross border insolvency. UNCITRAL Model Law provides a unilateral framework for cooperation and coordination in cross-border insolvency proceedings that relies on enactment by States for its effect – as a model law, States may vary the terms of the text and it does not attempt unification of substantive insolvency law. How it respects differences in procedural law and establishes simple, straightforward requirements for recognition that minimize formality and facilitate predictable outcomes. There was also a discussion on pre-package insolvency process. Chapter III-A: "Prepackaged Insolvency Resolution Process" (Sec. 54A to Sec. 54P) inserted in the IB, Code, 2016.

Session on Cases Under Special Investigation by Serious Fraud Investigation

Smt Anuradha Thakur started session with the information about Serious Fraud Investigation Office, the role and working of SFIO, legislative framework and the Interface of SFIO with NCLT. SFIO takes up investigations into the affairs of the companies incorporated under Companies Act, 2013. Investigations are taken up by SFIO as per Chapter XIV of Companies Act, 2013 and are taken up by SFIO only upon being assigned by MCA under section 212 of the Companies Act, 2013. Upon completion of the investigation, the investigation report is submitted by SFIO to MCA for approval and upon approval of the MCA, SFIO initiates prosecution before Special Court (Companies Act, 2013) and other measures, as directed by MCA. She also elaborated on interface of SFIO with NCLT as: Freezing/Disgorgement of assets (u/s 221, 241 r/w 242 r/w 246 and 339 of CA, 2013), Disgorgement of assets (u/s 212 (14A) of CA Act, 2013), Takeover of Management (u/s 241(3) of CA, 2013), Removal & debarment of Auditor (u/s 140(5) of CA, 2013), Winding up (u/s 271 r/w 272 of CA, 2013).

Session on Reduction of Share Capital, Regulatory Compliances under the Companies Act with interactive session

Shri. T.K. Bhaskar delivered presentation on Reduction of Share Capital and the Regulatory Compliances required to be done before the NCLT. During the presentation, comparative analysis of Reduction of Share Capital vis-a vis Buy Back of Shares was also presented and discussed in detail. He also discussed prominent Case Laws and Judgements during the session.

Session on Impact of Globalisation (Role of Adjudicators)

Smt. Pallavi Shroff started with the introduction about evolution of law in the globalized world and how parties are governed by different laws when they are doing business in different jurisdictions. She gave the example of the challenges in Arbitral Process in India. The Arbitration and Conciliation Act was introduced in 1996, and last amended in 2015. In India, there is a serious need for introduction of more comprehensive law regarding arbitration process and proceedings. The law makers need to extensively study the problems regarding the needs and requirements of business houses, that usually deals with arbitration proceedings. The laws must become strict and more carefully elaborated so that more and more people gain assurance in Arbitration than the Judicial System. In simple terms, most of the people are still not willing to take risks or a leap of faith regarding matters of large magnitude that they may face in a business. She also discussed Section 241 and 242 of Companies Act 2013.

Session on Sale as a going concern, Auction Proceedings, Interlocutory Applications under Auction Proceedings

Krishnan Venugopal discussed IBC in relation to the aspect of maximisation of value of assets of the Corporate Debtor which is the major object of IBC and how credit facility helps in entrepreneurship and development of country. It was elaborated by the speaker that for achieving the very object, significant manner of valuation of assets of the corporate debtor needs to be there and in liquidation the Stakeholders Consultation Committee tries to maximise the value of assets and also balance the interest of the stakeholders. He stated that in new regulatory system, transparency is one of the major mantra, which if this Adjudicating Authority enforces then significant conflict of interest and attempt to secretly take away value will also be solved. Further the provisions of Code and regulations thereof of liquidation and CIRP process relating to sale of corporate debtor as going concern was discussed in detail by the speaker.

Session on Merger, Demerger and Amalgamation under Companies Act

Mr. Hemant Sethi, shared his practical insights and made the complexities of mergers & amalgamation appear accessible and understandable. She broadly covered Section 230-232 of the Companies Act, 2013, whereby emphasis was mainly on the Appointed Date and Effective Date, Definition of Undertaking, Accounting treatment clause, Any specific clause to business for transfer

and vesting, Combination of authorized share capital (reclassification of capital, if required), Clause on employee benefits, Capital reduction pursuant to restructuring, Consideration, Tax Attributes and NCDs/NCRPS listed Companies – Exit options, safeguard for NCD / NCRPS holders were discussed in detail followed by an interactive session.

Session on IBC and Other Laws

Sh. A.L. Somaya Ji, discussed the Bankruptcy Law Reforms Committee(BLRC)(2014) and stated that the Hon'ble Finance Minister in his Budget Speech of 2014-15 announced that an entrepreneur-friendly legal bankruptcy framework would be developed for SMEs to enable easy exit. Pursuant to the above announcement, Bankruptcy Law Reforms Committee(BLRC) was set up under Shri TK Viswanathan, former Secretary-General, Lok Sabha, and former Union Law Secretary, on 22.8.2014 to study the corporate bankruptcy legal framework in India and submit a report. The principle of time-bound resolution is one of the cornerstones of the Insolvency and Bankruptcy Code (IBC). The main objective is to expedite the insolvency resolution process and prevent cases from lingering in the legal system for extended periods. For corporate insolvencies, the resolution process must be completed within 180 days, with a maximum extension of 90 days in exceptional cases. This time-bound approach ensures that the value of the distressed assets is preserved and creditors do not face undue delays in recovering their dues. The code focuses on maximizing the value of the distressed assets by encouraging competitive bidding processes. This approach attracts potential investors and ensures that the interests of creditors and other stakeholders are safeguarded. Swift resolution also prevents the further deterioration of the distressed company's financial position.

Session on Applicability of Limitation and Creation of Charge under IBC & applicability of CPC, Law of Limitation, Creation of Charges in relation to Companies Act

Mr. Gaurav Mitra began the session with the Analysis of Applicability of Limitation Act, 1963 to IBC and CPC. (Utility of Limitation Act, 1963). Further he discussed the Comparative Analysis of Section 3 with Section 5 with Section 14 and Section 18 of Limitation Act, 1963 w.r.t. IBC, 2016. He also discussed the timeline of judicial decisions w.r.t. applicability of Limitation with reference to the Landmark Judgment of Hon'ble NCLAT in the matter of Neelkanth Township and Construction Pvt. Ltd. vs. Urban Infrastructure Trustee Ltd. 2017 SCC Online NCLAT 291 and in the matter of Parag Gupta & Associates v B.K. Educational Services Private Limited 2018 SCC Online NCLAT 996. He also discussed the condonation of delay u/s 5 of the Limitation Act and w.r.t to Section 14 and Acknowledgment under Section 18 r/w Article 137 of the Limitation Act, 1963 and referred to the landmark judgment of Bharat Heavy Electricals Ltd. v. Anil Goel, Company Appeal(AT)(Ins.) No. 22 of 2020 passed by Hon'ble NCLAT, Principal Bench, Delhi. He also discussed the registration requirements of security interest for various assets and Creation of Charges and Effect of Non-Registration Under the Companies Act w.r.t. Section 2(16), Section 77, Section 78, Section 79, Section 80, Section 81, Section 85, Section 82 of the Companies Act, 2013.

Session on Insolvency Proceedings against Personal Guarantors under IBC with interactive session

Shri L.N. Gupta, Hon'ble Member (Technical), discussed the enactment of the Insolvency and Bankruptcy Code, 2016 (IBC) that revolutionized India's insolvency landscape by providing a comprehensive framework for resolving corporate insolvencies. Alongside this, the IBC also introduced significant changes concerning the liability of personal guarantors. He also discussed on difference between Section 94 and 95 Application, Interim moratorium under Section 96 of IBC, 2016 commences from date of filing of Application. He also clarified that as per Mahendra Kumar Jajodia Judgement of NCLAT, even if no CIRP is initiated against Corporate Debtor then also Application under Section 94 and 95 can be filed before NCLT. He also spoke about that after approval of Resolution Plan, creditors can proceed against Personal Guarantors.

Session on Information Utility- Scope and Ambit with interactive session

Shri Debajyoti Ray Chaudhuri started the session with the quote of Hon'ble Mr. Justice Rohinton F. Nariman in the Judgment of Swiss Ribbons. He also analysed BLRC Report on Information Utility and Insolvency Law Committee's Observations. He further discussed the Salient Features (Business Continuity and Information Security - Data Integrity and Security) of the Information Utility (IU). He also discussed the duties of Information Utility (IU) vis a vis Creditor's v/s Debtor's version of Truth, Overall Regulatory Framework of Information Utility (IU). The Amendment to IBBI (Information Utilities) Regulations was also discussed with NCLT order dated 03.04.2023 which addressed to all stakeholders drawing their attention to Regulation 20(1A) of the IBBI (Information utilities) Regulations, 2017 which mandates the FC/OC to submit information of default to the Information Utility.

Session on Maximizing Value of Corporate Debtor in IBC

Shri Abhinav Vasisht underscored the objective of Code and significance of adopting well-structured and strategic approaches to enhance the recovery prospects for all stakeholders involved. The presentation stressed upon sanctity of commercial wisdom of the Committee of Creditors (CoC) as has been upheld by the Hon'ble Supreme Court. He also explained the vital role of efficient asset management during the insolvency resolution process preventing value erosion and maximize returns for creditors. Lastly, the presentation emphasized the significance of creditor cooperation and consensus-building. Encouraging active participation and collaboration among the creditors can lead to a smoother resolution process and better realization of the assets value.

Session on IBC- Points to Ponder

Mr. Joy Saha, discussed the acts prior to the enactment of the IBC, and informed that there were multifarious statutes including the aspects of debt or insolvency resolution. He also discussed about the objective of the Insolvency and Bankruptcy Code, 2016 with detailed discussion on statutory provisions of section 434(1)(a) and 434(1)(c) second proviso of the Companies Act, 2013. He

also discussed the judgments in Action Ispat and Power Pvt Ltd Vs Shyam Metallics & Energy Limited (Delhi High Court), Ghanshyam Mishra and Sons Pvt. Ltd. Vs Edelweiss Asset Reconstruction Co. Ltd. (2021) 9 SCC 657, Committee of Creditors of Essar Steel India Limited Vs Satish Kumar Gupta & Ors., (2020) 8 SCC 531, and Visisth Services Ltd. Vs S.V. Ramani, CA(AT)(INS) NO. 896 OF 2020).

Session on Section-53 of IBC Waterfall Mechanism – Scope and Effect

Shri. Biswajit Dubey delivered a presentation on the mechanism for the distribution of assets under the liquidation of the company. He discussed upon the priorities u/s 53 of the Code, 2016 and treatment of inter-se priorities therein. He also delivered a detailed explanation deciphering the definition clause of the Code and the judicial interpretation of Section 53 of IBC and the “waterfall mechanism” during the resolution procedure under IBC along with prominent case laws.

Session on Voluntary Liquidation under IBC & Strike Off Companies under Section 252 with Interactive Session

Shri Divyam Agarwal delved on the reasons for voluntary liquidation such as not carrying business operations, promoters unable to manage affairs, etc. He elaborated as to who can initiate voluntary liquidation i.e. a ‘corporate person’ who has not committed default may liquidate itself voluntary. He discussed about definition of ‘Corporate Person’ as to whether Financial Service Provider can initiate voluntary liquidation or not, relevance of waterfall mechanism as to how creditors and shareholders are to be paid, voluntary liquidation and striking off companies through statutory provision of IBC, 2016 and Companies Act, 2013, how can a company be struck off i.e. either by application of the companies or suo motu by the Registrar of Companies, and on what grounds can ROC suo motu strike off the companies.

Session on Hon’ble Supreme Court on IBC

Madhavi Goradia Divan, discussed about need for a consolidated Code i.e., IBC. The reason behind codification of the IBC is that the earlier enactments i.e., SICA, SARFAESI Act, etc. were not enough to deal with the issues relating to the Insolvency & Bankruptcy. She also discussed in detail various concepts regarding IBC by way of precedents set out by the Hon’ble Supreme Court, such as distinction between Financial Creditor and Operational Creditor, concept of ‘debt’ and ‘default’ under Section 7 & 9 of IBC, the mandate of threshold of 10% or 100 in cases of homebuyers, the concept of demand notice and pre-existing dispute under Section 9 of the Code, the duties of the IRP & RP, concept of Moratorium, etc.

Session on Symbiotic Relationship Between Members and LRAs

Legal Research Associates (LRAs) shared their views on various topics as to how LRAs can be a helping hand to the Hon’ble members and assist members for speedy disposal of case.

The session also featured an interactive session between the newly appointed members, and Hon’ble Member (T) Shri Avinash Kumar Srivastava who gave his words of wisdom on the occasion.

Session on Concept of IBC- IBBI perspective with interactive Session

Mr. Sandeep Garg introduced the Concept of Insolvency Bankruptcy Code, 2016 (IBC) in Insolvency Bankruptcy Board of India (IBBI) perspective and described that the IBBI plays a crucial role in facilitating the effective implementation of the insolvency and bankruptcy framework in India. The design principle for the IBBI's role and functions are centered around transparency, efficiency, accountability, and the promotion of a robust insolvency ecosystem. He also described that the concept of IBBI based on the idea of creating a single regulatory body to oversee the insolvency and bankruptcy process in India and its primary role is to regulate and develop a comprehensive ecosystem for insolvency resolution, bankruptcy proceeding, and related matters.

Session on Judgment writing- Best practices

Rajasekhar V.K. delivered a comprehensive talk on "The Art of Writing a Judgment". He began by quoting Justice Felix Frankfurter's insight on legal analysis and stressed that a judgment serves not only the parties involved but also lawyers, law students, and future litigants. He emphasized that judgments should be unambiguous and cater to a diverse audience and highlighted that a good judgment stems from well-presented arguments, underlining the importance of patient listening to counsels regardless of their experience. He cited instances that illustrated the need for judgments to be intelligible to the common public, while still engaging and interesting. Moving to the core components of a judgment, he referred to Order 20 Rule 4(2) of the Civil Procedure Code (CPC), stating that judgments must contain a concise case summary, issues for determination, the decision, and reasons for the decision. He cautioned against extraneous comments and advocated for precise language. He also acknowledged the boundaries within which judgments must be written, citing the doctrine of Stare Decisis as a constraint that judges need to adhere to and concluded by discussing the place of dissent in legal history and its significance.

Session on Members Perspective on Resolution Plan

Hon'ble Member (T) Shri. Sameer Kakkar delivered an extensive presentation about his experiences while dealing with the Resolution Plan. He highlighted the importance of "Form H," which is a crucial document that needs to be referred to in order to gain a bird's-eye view of the plan. Additionally, he explained the relevance of the Information Memorandum and the Request for Resolution Plan (RFRP) document. Furthermore, he delved into the concept of the Commercial Wisdom of the Committee of Creditors (CoC), a concept established by the Hon'ble Supreme Court in a plethora of judgments. He referenced several landmark judgments related to these matters. In addition, Hon'ble Member provided insights into how to address objections to the Resolution Plan, as the entire process is time-bound.

Session on Timeline and Effective Adjudication- Members Perspective

Shri. Prasanta Kumar Mohanty discussed about the timelines through various statutory provisions of the Insolvency and Bankruptcy Code, 2016. He stated that the timelines with regards to Corporate

Insolvency Resolution Process Proceedings, Pronouncement of Orders by the Adjudicating Authority are to be adhered to in letter and spirit. He explained that for quick disposal of cases, Due Debt, Date of Default, Threshold, and Limitation Period needs to be analyzed.

Session on IBC & other Laws

Mr. Sudhir Makkar discussed about the interplay between IBC and the SARFAESI Act, Income Tax Act, Prevention Of Money Laundering Act, Contract Act, Arbitration Act, Companies Act, other laws. He also discussed various landmark cases such as Gujarat Urja Vikas Nigam Ltd. Vs. Amit Gupta & Ors, Indus Biotech Private Limited Vs. Kotak India Venture (Offshore) Fund and Ors and State Tax Officer Vs. Rainbow Papers Ltd. wherein conflicts arising between the provisions of IBC and the above-mentioned laws were settled by Hon'ble NCLAT and Supreme Court. Towards the end of the session, it was concluded that the effect of moratorium on actions undertaken under other statutes, coupled with the overriding provision under the IBC has given it a lot of teeth in order to achieve the object of time bound resolution of insolvency and maximisation of assets of the corporate debtor during the process of resolution.



NCLT-IBBI-NESL JOINT COLLOQUIUM ON EVOLVING CODE & BEST PRACTICES

Chennai (3rd November 2023 to 4th November 2023)

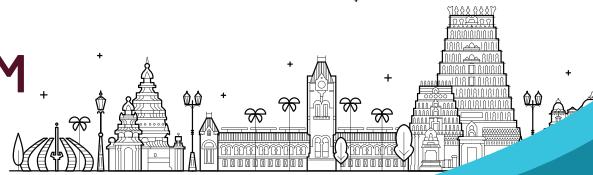
The NCLT-IBBI-NeSL Joint Colloquium was held at Chennai on 3rd and 4th November 2023 as a focused institutional initiative to deliberate on emerging legal, procedural, and operational issues under the Insolvency and Bankruptcy Code, 2016 and the Companies Act, 2013. The programme brought together Hon'ble Members of the National Company Law Tribunal from across all zones, senior officials of the Ministry of Corporate Affairs, the Insolvency and Bankruptcy Board of India, National e-Governance Services Limited, Insolvency Professionals, and officers of the NCLT Registry.

Hon'ble President, NCLT, Chief Justice (Retd.) Ramalingam Sudhakar, in his keynote address provided institutional and judicial guidance, emphasising adaptability, consistency in adjudication, and collaborative engagement among stakeholders to address systemic challenges in insolvency resolution.

The Colloquium featured thematic sessions on admission of insolvency applications, resolution plan approval and implementation, accountability of stakeholders, regulatory reforms, use of technology, and registry processes.



KEY TAKEAWAYS OF CHENNAI COLLOQUIUM



Session on Delay in Adjudication under Section 7 of the Insolvency and Bankruptcy Code, 2016

The session examined key factors contributing to delays in the adjudication of applications filed under Section 7 of the Insolvency and Bankruptcy Code, 2016, with specific reference to procedural challenges and the role of Asset Reconstruction Companies. It was noted that although the Code envisages time-bound resolution, admission timelines have been held to be directory, necessitating careful adherence to principles of natural justice due to the serious civil consequences that follow admission.

Delays were identified at both pre-filing and post-filing stages. At the pre-filing stage, improper service of applications, absence of proof of service, and failure to place assignment or transfer agreements on record were highlighted as recurring issues. Post-filing delays were attributed to ineffective service of notice, absence of fixed timelines for filing replies and rejoinders, repeated filing of additional documents, frequent adjournments, and prolonged oral arguments.

The session emphasised the need for stricter procedural discipline, including early verification of service, timely substitution of assignees, fixation of timelines for pleadings, and discouragement of avoidable adjournments. It was observed that effective case management and firm judicial oversight are essential to balance procedural fairness with the objective of expeditious admission under the Code.

The discussion concluded by reiterating that timely adjudication at the admission stage is critical to achieving the objectives of the IBC and preventing misuse of procedural delays.

Session on MSME Insolvency and Resolution Framework under IBC

Professor Jaydev presented a data-driven analysis of insolvency outcomes under the Insolvency and Bankruptcy Code, 2016, with a specific focus on Micro, Small and Medium Enterprises (MSMEs). The session highlighted the economic significance of MSMEs as major contributors to employment, GDP, and exports, while underscoring the structural vulnerabilities faced by MSMEs due to delayed payments, limited access to credit, and prolonged insolvency processes.

The presentation examined the application of CIRP, Fast Track CIRP, and the Pre-Packaged Insolvency Resolution Process (PPIRP) for MSMEs, noting that conventional CIRP is often time-consuming and financially onerous for smaller enterprises. Key legislative interventions, particularly the insertion of Section 240A of the IBC and the introduction of PPIRP, were discussed

as critical measures to enable promoter participation, expedite resolution, and preserve enterprise value.

Empirical insights were shared from a Ministry of Corporate Affairs-supported research project using statistical and machine-learning models, covering over 10,000 listed and several million unlisted firm-years. The findings demonstrated improved post-IBC default probabilities and reinforced the role of data analytics in predicting distress and improving resolution outcomes.

The session also identified emerging research and policy focus areas, including credit supply dynamics, investor and managerial behaviour, pre- and post-insolvency performance, and cross-country comparisons. The potential of advanced technologies such as artificial intelligence and blockchain for strengthening insolvency infrastructure, improving transparency, and enhancing decision-making was briefly outlined.

The overall takeaway emphasised the need for a differentiated, data-informed insolvency framework for MSMEs that balances speed, cost-efficiency, and value maximisation, while supporting both MSMEs as corporate debtors and as operational creditors within the IBC ecosystem.

Session on Pre-Packaged Insolvency Resolution Process (PPIRP) under the Insolvency and Bankruptcy Code, 2016

This session provided a structured overview of the Pre-Packaged Insolvency Resolution Process (PPIRP) introduced under Chapter III-A of the Insolvency and Bankruptcy Code, 2016, specifically for Micro, Small and Medium Enterprises (MSMEs). The presenter traced the legislative intent behind PPIRP, which was notified and made operational in April 2021, as a debtor-in-possession model aimed at achieving faster, cost-effective, and value-preserving insolvency resolution for MSMEs.

The session explained the eligibility conditions and key statutory requirements for initiating PPIRP, including MSME classification, minimum default threshold, creditor approval, and appointment of the Resolution Professional. The process framework, timelines, and regulatory compliances were discussed, highlighting the distinct features of PPIRP in comparison to the regular Corporate Insolvency Resolution Process (CIRP).

The benefits of PPIRP were emphasised, particularly its time-bound nature, reduced disruption to business operations, and greater scope for promoter participation through Base Resolution Plans and Best Alternate Plans. At the same time, the session candidly addressed challenges such as limited moratorium, concerns regarding transparency, treatment of minority creditors, potential misuse of the pre-initiation stage, and the preference of certain lenders for CIRP over PPIRP.

Illustrative case studies, including Amrit India Limited, Enn Tee International Limited, and Shree Rajasthan Syntex Limited, were discussed to demonstrate practical issues arising during implementation and the manner in which these were addressed by the Adjudicating Authority.

The session concluded with suggestions for strengthening the PPIRP framework, including greater stakeholder awareness, continuous monitoring of outcomes, targeted handholding for MSME

promoters, institutional support mechanisms, and possible expansion of the PPIRP regime to further enhance its effectiveness in preserving enterprise value and promoting timely resolution.

Session on Accountability of the Committee of Creditors in Failed Resolution Plans

This session examined the accountability framework of the Committee of Creditors (CoC) in cases where resolution plans fail under the Insolvency and Bankruptcy Code, 2016. Shri Ashok Kumar Bhardwaj highlighted that while the CoC is vested with paramount commercial wisdom in approving or rejecting resolution plans, such authority carries a corresponding duty to act fairly, transparently, and in furtherance of the objectives of the Code.

The presentation traced the statutory role of the CoC during CIRP, emphasising that its decisions directly impact the survival of the corporate debtor and the interests of all stakeholders. Judicial precedents were discussed to reiterate that the Adjudicating Authority generally does not interfere with the commercial decisions of the CoC, except where there is non-compliance with mandatory provisions of law or demonstrable procedural impropriety.

The session analysed circumstances leading to failed resolution plans, including unrealistic assumptions, funding constraints, creditor disagreements, regulatory hurdles, and market uncertainties. It was observed that repeated plan failures often result in liquidation, erosion of asset value, loss of employment, and diminished stakeholder confidence in the insolvency framework.

Comparative international practices and domestic judicial scrutiny were referred to underline the need for greater accountability and structured conduct of the CoC. The session underscored the importance of adopting a clear code of conduct for CoC members to ensure integrity, objectivity, avoidance of conflicts of interest, timely decision-making, and adherence to statutory timelines.

The session concluded with the observation that while commercial wisdom remains central to the IBC framework, accountability, transparency, and responsible decision-making by the CoC are essential to ensure successful resolutions, value maximisation, and sustained confidence in the insolvency regime.

Session on Amendments to the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2023

This session provided an overview of the key amendments introduced through the IBBI (Insolvency Resolution Process for Corporate Persons) (Second Amendment) Regulations, 2023, aimed at strengthening procedural efficiency, transparency, and accountability in the Corporate Insolvency Resolution Process (CIRP).

The amendments relating to assistance and cooperation by the corporate debtor's management and promoters were highlighted as a significant step towards ensuring timely handover of assets and

records to the Resolution Professional. A structured mechanism has been introduced for preparation, verification, and requisition of lists of assets and records, thereby enabling more effective invocation of Section 19(2) in cases of non-cooperation.

Changes to the timelines for submission and verification of claims were discussed, with emphasis on extending the claim submission period up to ninety days from the insolvency commencement date or the date of issue of the latest request for resolution plans, whichever is later. The revised framework empowers the Resolution Professional to deal with late claims in a structured manner while reducing unnecessary burden on the Adjudicating Authority.

The session also covered the expansion of duties of Authorised Representatives representing creditors in a class, including facilitating informed decision-making, assisting in evaluation of resolution plans, improving asset marketability, and enhancing communication between creditors and the Resolution Professional. Correspondingly, revisions relating to fees of Authorised Representatives and a formal mechanism for their replacement were discussed to ensure accountability and effectiveness.

Another important amendment relates to audit requirements in CIRP, enabling the Committee of Creditors to decide on conducting audits, with defined scope and costs forming part of the insolvency resolution process costs. Amendments addressing inconsistencies in timelines for issuance of the Information Memorandum and Request for Resolution Plans were noted as measures to bring procedural clarity.

The inclusion of relevant minutes of Committee of Creditors' meetings in Form H was highlighted as a transparency-enhancing reform, assisting the Adjudicating Authority in understanding deliberations leading to approval of resolution plans. Further, the introduction of a new regulation requiring submission of a detailed chronology of debt and default was discussed as a measure to address disputes relating to limitation at the admission stage.

Finally, amendments prescribing timelines for intimation of assignment or transfer of debt to the Resolution Professional were noted as facilitating smoother conduct of the CIRP and reducing procedural uncertainties.

Overall, the amendments were noted as reinforcing the objectives of the IBC by promoting cooperation, reducing delays, enhancing transparency, and strengthening the role of key stakeholders in the resolution process.

Session on Key Takeaways from Previous Colloquia and the Road Ahead for NCLT

This session synthesised the institutional learnings and strategic outcomes emerging from earlier NCLT colloquia, particularly "NCLT – The Road Ahead – 2022" and the Bengaluru Colloquium held on 25-26 March 2023. Shri Avinash K. Srivastava highlighted that these colloquia have evolved into a vital institutional platform for collective deliberation, enabling active participation of Members,

interaction with regulators such as the Ministry of Corporate Affairs (MCA) and the Insolvency and Bankruptcy Board of India (IBBI), and sharing of best practices across Benches to promote consistency in adjudication.

The session noted that these colloquia were the first of their kind with participation of Members from all Benches, inspired by the vision and leadership of the Hon'ble President, NCLT. They have helped in identifying systemic challenges, discussing latest judicial precedents in insolvency and company law, and avoiding conflicting decisions. Emphasis was placed on the role of NCLT as the guardian of corporate law and its contribution to economic growth through timely and effective dispute resolution, including during the COVID-19 period when a substantial volume of cases was disposed of.

Key recommendations for deliberation with MCA included the need for additional NCLT Benches, filling up of Member vacancies, creation of a permanent cadre of officers and staff, enhancement of the Registry's role, recruitment of young and tech-savvy personnel, and funding support for hybrid hearings and artificial intelligence initiatives. The importance of dedicated systems officers and technical support for e-Courts was also underlined.

Recommendations for IBBI focused on regulatory amendments and process improvements, including integration of insolvency data among IBBI, NCLT, and MCA, strengthening the Information Utility framework, improving handling of records and forensic audit reports, and reinforcing the accountability framework for insolvency professionals. Several of these recommendations were noted as already implemented through amendments to CIRP Regulations in September 2023.

The session also outlined actionable recommendations for NCLT, such as constituting special benches for admissions and resolution plan approvals, value-based listing of cases, discouraging unnecessary interlocutory applications and adjournments, adopting separate numbering systems for different stages of proceedings, grouping similar objections for common disposal, and leveraging artificial intelligence to expedite admission and merger proceedings under Sections 230-232 of the Companies Act.

Overall, the session reaffirmed that structured follow-up of colloquium recommendations has translated into tangible procedural reforms and technological initiatives, and that continued institutional dialogue remains central to strengthening efficiency, uniformity, and credibility of the NCLT's adjudicatory framework.

Session on Post-Resolution Plan Approval Interlocutory Applications

This session focused on the growing category of interlocutory applications (IAs) arising after approval of resolution plans under the Insolvency and Bankruptcy Code, 2016, and their impact on timely implementation and value realisation. The presenter outlined the typical types of post-plan IAs, including belated claims by real estate allottees and creditors, applications by successful resolution applicants (SRAs) seeking statutory or regulatory approvals, PUFE-related applications, and grievances alleging faulty or delayed implementation of approved plans.

Key issues discussed included non-provision for genuine but belated claims reflected in the books of accounts, set-off of past losses against future income, delays due to pending environmental or statutory clearances, non-adherence to plan obligations by SRAs, failure to transfer leasehold rights or register sale deeds in favour of allottees, inability of SRAs to meet payment obligations under the plan, and requests for waiver of penalties under allied laws. Judicial precedents were referred to illustrate the recurring nature of these disputes and their consequences on plan finality.

The session analysed systemic causes behind such IAs, such as incomplete or inadequately marketed Information Memoranda, insufficient scrutiny of sources of funds of the SRA, low performance security amounts, incomplete assessment of existing contracts, and submission of under-developed or “half-baked” resolution plans. These deficiencies were noted to be major contributors to post-approval litigation and implementation delays.

Strategies for adjudication and prevention were emphasised, including prioritising post-plan IAs due to their direct impact on release of productive assets, careful examination of sources of funds and feasibility by the Resolution Professional, Authorised Representative, CoC, and the Adjudicating Authority, and resolving objections to plans contemporaneously with plan approval. The importance of adequate performance security, staged payment of performance-linked incentives to Resolution Professionals, transparency through publication of approved plans or their salient features, and equitable treatment of stakeholders—particularly in real estate projects—was highlighted.

The session concluded by noting that NCLT achieved record approval of resolution plans in 2022–23 and underscored expectations of even higher disposals in future. It stressed that timely, well-structured, and comprehensive resolution plans, coupled with focused adjudication of post-approval issues, are essential to minimise appeals, ensure effective implementation, and maximise value for all stakeholders under the Code.

Session on Resolution Plan Approval: Legal Framework, Judicial Review and Best Practices

This session provided a comprehensive and practice-oriented examination of the statutory framework, judicial principles, and procedural safeguards governing approval of resolution plans under the Insolvency and Bankruptcy Code, 2016. The presentation traced the resolution plan lifecycle from submission by the Resolution Applicant to approval by the Committee of Creditors and final sanction by the Adjudicating Authority, highlighting the mandatory requirements under Sections 30 and 31 of the Code and the IBBI (CIRP) Regulations, 2016.

The scope of judicial review was a central theme of the session. Drawing from landmark judgments such as Essar Steel, K. Sashidhar, Maharashtra Seamless, and Ghanashyam Mishra, it was reiterated that the Adjudicating Authority’s role is limited to verifying statutory compliance and does not extend to substituting the commercial wisdom of the CoC. The presentation also clarified the distinct roles and limitations of Resolution Professionals, Resolution Applicants, and the CoC, supported by relevant judicial precedents.

Practical challenges in resolution plan approval were discussed through detailed case studies, including issues relating to treatment of related parties, distribution of value among different classes of creditors, reconsideration of approved plans, and limits on granting reliefs, waivers, and concessions beyond the jurisdiction of the NCLT. The session underscored that while related parties are excluded from the CoC and resolution applicant eligibility, their claims are not automatically excluded from consideration under the distribution framework.

Key implementation issues such as post-approval enforcement, non-implementation of plans, treatment of leasehold rights, and the limits of NCLT's powers in ordering eviction or granting statutory waivers were also addressed. The importance of a complete and transparent Information Memorandum, fair and reasoned distribution under the plan, and timely resolution of objections was emphasised to minimise post-approval litigation.

The session concluded by stressing the need to strike a balance between value maximisation, equitable stakeholder treatment, and respect for commercial wisdom, reaffirming that consistent adherence to statutory mandates and judicial discipline is essential for effective and credible insolvency resolution.

Session on Admission under Sections 7, 9 and 10 of the Insolvency and Bankruptcy Code, 2016: Challenges and Best Practices

This session examined the practical and legal challenges encountered at the admission stage of insolvency applications under Sections 7, 9, and 10 of the Insolvency and Bankruptcy Code, 2016, with particular emphasis on collusive, malicious, and abuse-driven filings. Shri Arvind Devanathan highlighted that the admission stage is critical, as it determines whether the corporate insolvency resolution process is triggered in a time-bound and objective manner.

With respect to Section 7 applications, the session identified recurring issues such as incomplete documentation, improper proof of default, collusive filings, and applications filed for purposes other than genuine resolution. The need for careful scrutiny of debt, default, limitation, and locus standi was emphasised to prevent misuse of the Code. The role of the Adjudicating Authority in identifying malicious intent and invoking Section 65, where warranted, was underscored.

In relation to Section 9 applications, challenges discussed included existence of pre-existing disputes, improper service of demand notices, incorrect classification of claims as operational debt, and filing of applications as a pressure tactic. The session reiterated that strict compliance with statutory requirements and judicial precedents is essential to filter non-maintainable applications at the threshold.

Section 10 applications were examined from the perspective of voluntary initiation of insolvency, highlighting concerns regarding strategic filings by corporate debtors to stall recovery proceedings. The session stressed the importance of examining bona fides, financial stress indicators, and surrounding circumstances to detect collusive or motivated filings. The interaction between

insolvency proceedings and sectoral laws, particularly RERA, was also discussed, noting the need for judicial balance while ensuring that the objectives of the IBC are not diluted. The session concluded by emphasising adoption of uniform best practices across Benches, proactive case management, and disciplined scrutiny at the admission stage to uphold the integrity, efficiency, and credibility of the insolvency framework.

Session on Resolution Plan: Legal Issues and Practical Challenges

This session examined recurring legal and procedural challenges arising at the stage of consideration and approval of resolution plans under the Insolvency and Bankruptcy Code, 2016, from the perspective of Legal Research Assistants. The discussion focused on objections commonly raised by suspended directors, erstwhile promoters, and unsuccessful resolution applicants, particularly allegations relating to non-sharing of valuation reports, claims that resolution plan value is lower than liquidation value, and contentions that proposals under Section 12A were not duly considered by the Committee of Creditors.

The session also addressed issues specific to real estate insolvency, including the status of homebuyers and their classification in the resolution process. It was noted that while homebuyers are recognised as financial creditors, aligning the interests of numerous homebuyers, financial creditors, and landowners within a single resolution framework presents significant practical challenges.

Post-approval interlocutory applications relating to priority of payout were identified as a frequent source of delay. The session emphasised that detailed disclosure by the Resolution Professional, prior to plan approval, regarding distribution of proceeds in accordance with Section 53 of the Code could substantially reduce post-approval litigation.

Another key area of discussion was the treatment of reliefs and concessions sought by successful resolution applicants. Reference was made to the Supreme Court's decision in *Ghanashyam Mishra & Sons Pvt. Ltd. v. Edelweiss ARC*, affirming the "clean slate" principle under the IBC, while also highlighting the need for careful scrutiny of extensive reliefs and concessions sought in resolution plans. Particular caution was advised in MSME resolution plans submitted by suspended directors where forensic or PUFE audits are pending, to ensure that potential avoidance actions are not compromised.

The session concluded by underscoring the importance of structured checklists and systematic scrutiny of resolution plans by the Resolution Professional, Committee of Creditors, and the Adjudicating Authority to ensure compliance, minimise disputes, and facilitate effective implementation of approved plans.

Session on Reduction of Share Capital and Oppression & Mismanagement under the Companies Act, 2013

This session provided a comprehensive overview of the legal framework governing reduction of share capital and remedies relating to oppression and mismanagement under the Companies Act, 2013. The presentation explained that reduction of share capital is a carefully regulated process, as share capital constitutes the primary security for creditors, and cannot be used to evade liabilities or statutory obligations.

The statutory scheme under Sections 52 and 66 of the Companies Act, 2013, read with the National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016, was discussed in detail. It was highlighted that reduction of share capital requires authorisation in the Articles of Association, approval by special resolution, and confirmation by the Tribunal, subject to protection of creditor interests and conformity with prescribed accounting standards. Circumstances where securities premium may be reduced without following Section 66 were also outlined.

The session further examined reduction of share capital as a consequential relief under Section 242 in cases of oppression and mismanagement. Judicial precedents, including *Cosmosteels Pvt. Ltd. v. Jairam Das Gupta and Tata Consultancy Services Ltd. v. Cyrus Investments*, were referred to elucidate the wide yet structured powers of the Tribunal, while underscoring that reduction of capital in such cases is intended to bring an end to oppressive or prejudicial conduct rather than serve as a routine corporate tool.

The presentation also covered reduction of share capital as part of schemes of arrangement or amalgamation under Sections 230–232, clarifying that when reduction is embedded in a scheme, separate compliance with Section 66 may not be required. Key principles emerging from landmark judgments were highlighted, including the limited scope of judicial interference where statutory requirements are met and the necessity of ensuring fairness to shareholders and creditors.

In conclusion, the session emphasised that while the Tribunal is vested with wide discretionary powers, reduction of share capital and reliefs in oppression and mismanagement cases must be exercised judiciously, balancing corporate restructuring needs with protection of stakeholder interests and adherence to statutory safeguards.

Session on Admission under Sections 7, 9 and 10 of the Insolvency and Bankruptcy Code, 2016

This session focused on the statutory framework, jurisprudential principles, and practical challenges relating to the admission of applications under Sections 7, 9, and 10 of the Insolvency and Bankruptcy Code, 2016. Shri Ashok Kumar Bhardwaj emphasised that the IBC is not a debt recovery mechanism but a legislation aimed at revival and resolution of distressed corporate debtors through a time-bound insolvency process.

For Section 7, the session highlighted the essential requirements of establishing the existence of a financial debt, default, and the status of the applicant as a financial creditor. Judicial pronouncements were discussed to reiterate that once default is established, admission is mandatory, subject only to completeness of the application and absence of disciplinary proceedings against the proposed Resolution Professional. The co-extensive liability of guarantors and permissibility of parallel proceedings against principal borrowers and corporate guarantors were also examined.

In relation to Section 9, the presenter underlined the importance of strict compliance with procedural requirements, particularly issuance and proper service of demand notice under Section 8. The concept of "pre-existing dispute" was analysed in light of landmark judgments, clarifying that the Adjudicating Authority's role is limited to examining whether a real and plausible dispute exists, without adjudicating its merits.

For Section 10, the session discussed applications initiated by corporate applicants, outlining mandatory preconditions such as occurrence of default, shareholder or partner approval, and proposal of an Interim Resolution Professional. The absence of a statutory requirement to issue prior notice to creditors was also explained, subject to observance of principles of natural justice during adjudication.

The session further examined issues of collusive, fraudulent, and malicious filings, stressing that applications tainted by such conduct may be rejected under Section 65 of the Code. The overriding effect of the IBC under Section 238, particularly in cases involving overlap with statutes such as RERA, was also highlighted.

The session concluded by reinforcing that disciplined adherence to statutory requirements, judicial precedents, and procedural rigor at the admission stage is critical to achieving the objectives of timely resolution, value maximisation, and maintaining stakeholder confidence in the insolvency framework.

Session on Resolution Plan Approval: Key Areas for Focus

This session focused on critical legal and practical issues arising at the stage of approval of resolution plans under the Insolvency and Bankruptcy Code, 2016. The presentation highlighted that challenges to resolution plans commonly emanate from promoters, unsuccessful resolution applicants, operational creditors, dissenting financial creditors, and statutory authorities such as Provident Fund, tax, and labour departments. These objections, if not addressed promptly, often lead to avoidable delays in plan approval.

Shri Sameer Kakar emphasised the importance of early and decisive disposal of interlocutory applications connected with resolution plans, particularly those questioning eligibility, valuation, distribution, or statutory compliance. Reference was made to judicial precedents such as GBJ Hotels (NCLAT), Vasan Healthcare (Supreme Court), and Perfect Boring Pvt. Ltd. (NCLAT), which

reaffirm that unsuccessful resolution applicants lack locus to challenge an approved resolution plan and that the commercial wisdom of the Committee of Creditors is paramount.

The session also examined the treatment of statutory dues, especially provident fund liabilities, clarifying that pre-CIRP statutory dues require careful computation and adjustment. The distinction between dues under Sections 7A and 7Q of the EPF Act and damages under Section 14B was specifically discussed, drawing from NCLAT jurisprudence.

The session concluded by reiterating that disciplined handling of objections, strict adherence to timelines, and alignment with settled judicial principles are essential to ensure certainty, finality, and effective implementation of resolution plans, thereby advancing the core objectives of value maximisation and timely insolvency resolution.

Session on Resolution Professional Perspectives: Regulatory, Procedural, and Implementation Challenges under the IBC

This session presented first-hand perspectives of Insolvency Professionals on practical challenges encountered during Corporate Insolvency Resolution Process and liquidation proceedings. The discussion focused on regulatory developments, procedural bottlenecks, and implementation issues affecting timely and effective insolvency outcomes.

Key regulatory insights included recent amendments to the IBBI(CIRP) Regulations effective from 18 September 2023, and revised timelines for submission and treatment of belated claims. Concerns were expressed regarding increased scope for litigation due to delayed claims, voting thresholds for their inclusion, and their impact on approved resolution plans.

The impact of interlocutory applications on the insolvency timeline was highlighted as a major impediment. Frequent sources of delay included EPFO and government dues, promoter-driven litigation, avoidance transaction applications, and appeals filed to stall proceedings. The session stressed the importance of early adjudication of PUFE transactions, especially in cases involving promoter-led resolution plans or schemes under Section 230 of the Companies Act, 2013, given their implications under Section 29A.

Liquidation-related challenges were also discussed, including lack of uniform valuation standards, ambiguity regarding security interests due to interplay between the IBC and Companies Act, delays caused by change of liquidators, and difficulties in dealing with not readily realisable assets. Suggestions included creation of standard valuation frameworks, regulatory clarity on security interests, streamlining Section 230 schemes for companies in liquidation, and institutional mechanisms to handle NRRA assets.

The session concluded by emphasising the need for procedural clarity, regulatory fine-tuning, early stakeholder coordination, and adoption of best practices by Insolvency Professionals to reduce litigation, ensure certainty, and enhance the overall efficiency and credibility of the insolvency framework under the Code.

Session on Admission under Sections 7, 9 and 10 of the Insolvency and Bankruptcy Code, 2016: Challenges, Collusive Filings and Interface with RERA

This session examined the statutory framework and practical challenges involved in the admission of applications under Sections 7, 9 and 10 of the Insolvency and Bankruptcy Code, 2016, with specific focus on collusive and malicious filings and issues arising from overlap with other legal regimes, including RERA. Shri Sanjiv Jain reiterated that the IBC is not a recovery tool but a resolution-oriented legislation aimed at revival and continuation of the corporate debtor, maximisation of asset value, and balancing the interests of all stakeholders.

The statutory timelines prescribed under Sections 7(5), 9(5) and 10(4) were discussed in light of judicial pronouncements, including Surendra Trading Company v. Juggilal Kamlapat Jute Mills and Vidarbha Industries Power Limited v. Axis Bank Limited. It was noted that these timelines are procedural and directory in nature, intended to expedite proceedings without compromising fairness and principles of natural justice. The discretionary nature of admission under Section 7, even upon proof of debt and default, was highlighted as an important judicial development.

The session identified recurring causes of delay at the admission stage, including defaults covered under Section 10A, reliance on arbitral awards that have not attained finality, claims of pre-existing disputes, filing of additional documents at advanced stages of proceedings, applications to set aside ex parte orders, omission of the date of default in pleadings, prolonged settlement discussions, non-filing of Record of Default issued by Information Utilities, and repeated adjournments in cases involving government companies.

The relevance of promoters in the Indian business ecosystem, particularly in closely held and MSME entities, was also discussed, noting that promoter resistance to loss of control often contributes to prolonged litigation and strategic delays. The session emphasised that excessive recovery-driven litigation could undermine the collective resolution objective of the Code and lead to economic inefficiency.

To address these challenges, the session suggested strict scrutiny of applications at the registry level, early directions for completion of pleadings, imposition of costs for non-compliance with timelines, rejection or return of incomplete applications, and discouragement of repeated adjournments sought on the ground of settlement talks. The importance of procedural discipline and proactive case management by the Adjudicating Authority was underscored as essential to uphold the objectives, credibility, and effectiveness of the insolvency framework.

Session on Reasons for Delay in Admission of Applications under Sections 7, 9 and 10 of the Insolvency and Bankruptcy Code, 2016

This session examined the persistent delays at the admission stage of insolvency applications under Sections 7, 9 and 10 of the Insolvency and Bankruptcy Code, 2016, from a Members' perspective. Shri Prabhat Kumar highlighted empirical findings published by the Insolvency and Bankruptcy Board of India, noting that a substantial majority of cases take well beyond the statutory timelines for admission, with several petitions remaining pending at the admission stage for extended periods.

The discussion categorised admission-stage applications into those filed by financial creditors, operational creditors, and corporate applicants, and identified collusive and strategically motivated filings as a major source of delay. Particular emphasis was placed on applications filed to thwart enforcement of security interests or to gain leverage for settlement rather than genuine resolution. Key issues attributable to applicants included delays in curing filing defects, insufficient pleadings, incorrect determination of the date of default, incomplete documentary evidence to establish debt and default, and disputes regarding the date reflected in Records of Default. It was also observed that operational creditors frequently file applications with recovery-oriented intent, and that inadequate preparation by advocates—especially in high-value matters—results in ineffective hearings and repeated adjournments. Requests for rejoinders on the ground of newly raised facts were also identified as contributing to delay.

From the perspective of corporate debtors, common causes of delay included claims of non-receipt of petitions or notices, prolonged settlement discussions, sudden appearance after ex parte proceedings are initiated, frequent changes of counsel, and non-availability of arguing counsel on scheduled dates.

The session also examined the challenge of balancing adherence to principles of natural justice with the need for expeditious admission, noting that excessive indulgence can dilute the time-bound objective of the Code. Infrastructure-related constraints were highlighted as systemic contributors to delay, including acute shortage of staff due to high attrition, non-availability of complete records before the Bench, delays in uploading and finalising orders, and prolonged defect scrutiny by the Registry, often without consolidated defect intimation.

The session concluded by underscoring the need for stricter procedural discipline, improved registry efficiency, better preparedness by litigants and counsel, and proactive case management by the Adjudicating Authority to ensure timely admission and uphold the objectives of the IBC.

Session on Scrutiny of Documents and Procedural Compliance before NCLT

This session focused on the critical role of effective scrutiny of documents by the Registry in ensuring procedural compliance and expeditious adjudication before the National Company Law Tribunal. The presentation outlined the common deficiencies observed in filings under the

Insolvency and Bankruptcy Code, 2016 and the Companies Act, 2013, and emphasised that robust scrutiny at the threshold stage is essential to reduce delays, repeated objections, and unnecessary adjournments.

Key aspects of scrutiny under the IBC were discussed, covering applications under Sections 7, 9, 10, 94 and 95, including verification of prescribed fees, correct statutory forms, proof of service, affidavits, certification by Insolvency Professionals, and compliance with requirements such as demand notices, limitation, and Records of Default. Emphasis was placed on ensuring proper authorisation, filing of Form 2 and Form B, and adherence to mandatory affidavits in Section 9 matters.

The session also detailed scrutiny requirements under the Companies Act, 2013 for petitions under Sections 241-242, 230-232, 252 and related provisions. Verification of territorial jurisdiction with MCA master data, completeness of pleadings, filing of Memorandum and Articles of Association, board resolutions, financial statements, auditors' reports, and statutory certifications were highlighted as essential checks.

General scrutiny standards applicable to all interlocutory applications were outlined, including proper pagination, indexing, legibility, prescribed font size, signed pleadings, duly attested affidavits, true-copy certification of annexures, valid vakalatnamas or memoranda of appearance, and mandatory advance service to the opposite party. The importance of maintaining paper books within prescribed page limits and ensuring uniformity in documentation was also emphasised.

The session concluded by underscoring that meticulous scrutiny by the Registry, coupled with compliance-conscious filing by stakeholders, is a foundational requirement for efficient case management, reduction of procedural delays, and timely disposal of matters by the Tribunal.



COLLOQUIUM ON CORPORATE GOVERNANCE INSOLVENCY PROCESS WAY-FORWARD 2023-24

Bhubaneswar (15th March 2024 to 17th March 2024)

The Bhubaneswar Colloquium was convened as a focused institutional dialogue on strengthening corporate governance and refining insolvency adjudication under the Insolvency and Bankruptcy Code. The programme brought together Hon'ble Members of the National Company Law Tribunal, IBBI, and stakeholders to deliberate on evolving jurisprudence, procedural discipline, and systemic reforms required for the next phase of the insolvency regime.

The Colloquium commenced with an opening address by Hon'ble Justice (Retd.) Ramalingam Sudhakar, Former Chief Justice of the Manipur High Court and Hon'ble President, National Company Law Tribunal. His Lordship emphasised that consistency, speed, and credibility must guide insolvency adjudication, particularly at a time when economic revival and investor confidence are closely linked to timely and predictable outcomes under the Code. The address set the tone for deliberations rooted in institutional responsibility and judicial discipline.

Building upon the continuum of institutional learning, the Colloquium drew from the deliberations of the earlier Chennai Colloquium. Mr. Subrata Kumar Dash, Member (Technical), and Mr. Kamal Sultanpuri, Joint Registrar, NCLT, presented a concise synthesis of key takeaways, highlighting best practices in case flow management, structured hearings, and uniformity in drafting orders. The emphasis was on cross-bench learning as an essential tool for ensuring systemic coherence and reducing avoidable delays.

Regulatory perspectives were articulated by Mr. Sandip Garg, Member, Insolvency and Bankruptcy Board of India, who outlined evolving compliance expectations within the insolvency ecosystem. His address underscored the importance of data integrity, accountability of insolvency professionals, and the regulator's consultative approach towards continuous refinement of the insolvency framework.

Overall, the Bhubaneswar Colloquium served as a forward-looking platform, reinforcing institutional alignment between adjudication, regulation, and administration, while charting a clear path for strengthening the insolvency process in the coming years.

KEY TAKEAWAYS OF BHUBANESWAR COLLOQUIUM



Session on Challenges in the Corporate Insolvency Resolution Process

Presented by Ms. Neha Aggarwal, Legal Research Associate, the session highlighted key legal and procedural challenges affecting the Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016. Discussion focused on delays arising at the admission and resolution plan stages due to unclear asset ownership, belated claims, multiple interlocutory applications, eligibility disputes under Section 29A, and irregularities in voting processes.

The session emphasised the need for careful judicial discretion at the admission stage, noting that not every default necessarily warrants CIRP admission, particularly in real estate matters where alternative mechanisms may better serve stakeholder interests. It also underscored the importance of early adjudication of objections and PUFE transactions to maximise value and minimise creditor haircuts.

The role of the Resolution Professional in conducting diligent scrutiny, ensuring transparency, and facilitating timely resolution was highlighted as critical. The session concluded by reiterating the need for procedural discipline and balanced judicial oversight while respecting the commercial wisdom of the Committee of Creditors.

Session on Corporate Governance and Effective Adjudication

The session, presented by Shri Avinash K. Srivastava, focused on strengthening corporate governance and improving adjudicatory efficiency under the Insolvency and Bankruptcy Code, 2016 and the Companies Act, 2013. It highlighted the importance of specialised tribunals with a balanced composition of Judicial and Technical Members, as affirmed by constitutional jurisprudence.

Emphasis was placed on best practices to reduce delays, including focused hearings, controlled adjournments, issue-based pleadings, and effective use of inherent powers under the NCLT Rules. The critical role of the Registry in ensuring procedural discipline, timely listing, consolidation of related matters, and prompt uploading of orders was underscored.

The session concluded by reaffirming the need for reasoned orders, institutional coordination, and governance-oriented adjudication to enhance transparency, consistency, and effectiveness of the insolvency framework.

Session on Oppression and Mismanagement

The session, presented by Shri Shyam Babu Gautam, Hon'ble Member (Technical), examined the legal framework governing oppression and mismanagement under Sections 241 and 242 of the Companies Act, 2013. It highlighted the balance between the principle of majority rule and the need for judicial intervention where conduct is oppressive, prejudicial, or detrimental to corporate governance.

Key judicial principles, including exceptions to the rule in *Foss v. Harbottle*, were discussed to illustrate circumstances warranting Tribunal intervention. The wide equitable powers of the NCLT under Section 242, aimed at protecting minority interests without resorting to winding up, were emphasised.

The session concluded by reaffirming the relevance of oppression and mismanagement remedies as essential tools for ensuring fairness, accountability, and stability in corporate affairs.

Session on Mergers and Amalgamations

The session, presented by Shri Subrata Kumar Dash, Hon'ble Member (Technical), examined key aspects of merger and amalgamation proceedings under Sections 230–232 of the Companies Act, 2013, with emphasis on timely disposal and stakeholder accountability.

The discussion highlighted the need for focused and evidence-based objections by statutory authorities, strict adherence to statutory timelines, and streamlined communication to avoid delays. It reiterated the settled principle that tribunals generally do not interfere with valuation or share exchange ratios unless the scheme is illegal, unfair, or against public interest.

The session concluded by stressing that merger approvals must balance commercial freedom with transparency, regulatory compliance, and protection of public interest, with the Tribunal exercising informed and restrained oversight.

Session on Admission of Applications under Sections 7 and 9 of the IBC

The session, presented by Shri Sameer Kakar, Hon'ble Member (Technical), focused on ensuring timely admission of insolvency applications through strict procedural discipline and effective case management. Emphasis was placed on robust pre-admission scrutiny, adherence to statutory timelines for replies and rejoinders, and discouraging repeated adjournments sought on the ground of settlement.

The discussion highlighted challenges relating to determination of the date of default and misuse of insolvency proceedings through collusive filings, underscoring the need for careful scrutiny of creditor relationships and transaction history. The session concluded by reiterating that expeditious admission is essential to preserve the time-bound framework and objectives of the Insolvency and Bankruptcy Code.

Session on Avoidance Applications under the Insolvency and Bankruptcy Code, 2016

The session, presented by Shri Rahul Prasad Bhatnagar, Hon'ble Member (Technical), provided a structured overview of avoidance transactions under the Insolvency and Bankruptcy Code, 2016, focusing on their rationale, statutory framework, and adjudicatory challenges. The discussion covered the four categories of avoidable transactions—preferential, undervalued, transactions defrauding creditors, and extortionate credit transactions—highlighting their role in protecting creditor interests and ensuring equitable distribution of assets.

The session emphasised the duties of Resolution Professionals and Liquidators to identify and pursue avoidance actions within prescribed look-back periods, and examined the nature of reliefs available to the Adjudicating Authority, including restoration of assets, reversal of security interests, and contribution orders against delinquent promoters and directors. Key judicial precedents, including *Anuj Jain v. Axis Bank and Venus Recruiters*, were discussed to clarify the distinct ingredients of PUFE transactions and their treatment vis-à-vis resolution plans.

Practical challenges in adjudication were highlighted, particularly the absence of statutory timelines for disposal of avoidance applications, evidentiary complexities due to poor maintenance of books of account, involvement of multiple parties, and funding constraints faced by creditors and insolvency professionals. The session also noted that avoidance applications can continue independently of resolution plan approval, with recoveries ultimately benefiting creditors.

The session concluded by reiterating that timely and effective adjudication of avoidance transactions is essential for value maximisation, deterrence of fraudulent conduct, and strengthening the integrity of the insolvency resolution framework.

Session on Powers of NCLT and Pendency under the Companies Act

The session, presented by Shri Sanjay Shorey, Director General of Corporate Affairs, outlined the extensive jurisdiction of the National Company Law Tribunal under the Companies Act, 2013, covering over 100 statutory provisions relating to corporate regulation, enforcement, mergers and amalgamations, oppression and mismanagement, investigation, and winding up.

The presentation also highlighted pendency trends in key enforcement matters filed by the Ministry of Corporate Affairs, particularly under provisions relating to reopening of accounts, removal of auditors, asset protection, mergers, and oppression and mismanagement. The session underscored the need for efficient case management and institutional strengthening to address pendency in view of the Tribunal's wide statutory mandate.

Session on Reliefs and Concessions in Resolution Plans

The session was presented by Shri Shammi Khan, Hon'ble Member (Judicial), NCLT Ahmedabad Bench, and examined the legal treatment of reliefs and concessions sought by resolution applicants and successful bidders under the Insolvency and Bankruptcy Code, 2016 .

It was highlighted that while the Code does not expressly provide for reliefs and concessions, such requests are commonly made to facilitate effective resolution or acquisition of the corporate debtor as a going concern. Drawing from the landmark judgment in Ghanashyam Mishra and Sons Pvt. Ltd. v. Edelweiss ARC, the session reiterated the “clean slate” principle, while cautioning that blanket approval of reliefs may lead to post-approval ambiguity.

The session emphasised that reliefs and concessions should be examined individually rather than as a composite whole. Where such reliefs fall within the domain of other statutory authorities, the successful resolution applicant must approach the concerned authority, in line with principles of natural justice. Judicial precedents, including GMSRA Infracon Pvt. Ltd. v. Shreebhav Polyweaves Pvt. Ltd., were discussed to affirm that the Adjudicating Authority may direct applicants to seek appropriate reliefs from competent authorities.

The session concluded by underscoring the need for clarity, statutory compliance, and structured treatment of reliefs and concessions to ensure smooth implementation of resolution plans and avoid future litigation.

Session on Faster Admission of Applications under Sections 7, 9 and 10 of the Insolvency and Bankruptcy Code, 2016

The session was presented by Shri Prabhat Kumar, Hon'ble Member (Technical), NCLT Mumbai Bench, and focused on identifying procedural bottlenecks and practical measures for expediting admission of insolvency applications under the IBC .

The presentation highlighted key deficiencies at the registry level, including non-compliance with service requirements under Regulations 5, 6 and 7, absence of mandatory affidavits under Section 9(3)(b), and disputes regarding the filing and evidentiary value of Records of Default in operational creditor applications. These lapses were identified as recurring causes of delay at the threshold stage.

Principal causes of delay discussed included inconsistencies between the pleaded date of default and the Record of Default, multiple dates of default, introduction of new facts by corporate debtors necessitating rejoinders, bulky pleadings, disputes regarding existence of debt, and adjournments due to counsel unavailability. Contentious issues such as appropriation of payments, reconciliation of invoices, investments in joint ventures or joint development projects, interest on CCDs/CCPS, and accommodation transactions were also noted as frequent complicating factors.

To fast-track admissions, the session recommended shorter adjournments, focused arguments confined to core issues, allocation of time limits for counsel, restrictive permission for rejoinders only on new facts, listing of realistic numbers of cases per day, routine acceptance of compliances without oral hearing, and mandatory filing of the latest financial statements of the corporate debtor to establish undisputed acknowledgment of debt.

The session concluded by emphasising that disciplined procedure, robust registry scrutiny, and proactive case management by the Bench are essential to preserve the time-bound mandate of the Insolvency and Bankruptcy Code.

Session on Resolution Plan Approval – Legal Research Assistant Perspective

Presented by Shri F. Raymond Albyness, Legal Research Assistant, the session highlighted recurring legal and procedural issues arising at the stage of resolution plan approval under the Insolvency and Bankruptcy Code, 2016. Key concerns included non-placement of modified plans before the Committee of Creditors, lack of clarity regarding Special Purpose Vehicles, open-ended implementation timelines, and unresolved interlocutory applications relating to claims, related party status, and statutory dues.

The session also examined disputes concerning treatment of provident fund dues and reiterated that unsuccessful resolution applicants have limited locus to challenge approved plans. Recent judicial pronouncements were referred to emphasise the restricted scope of inherent powers of the NCLT and the importance of finality in insolvency proceedings.

The discussion concluded by underscoring the need for procedural completeness, transparency, and timely disposal of pending applications to ensure effective implementation and reduce post-approval litigation.





LANDMARK JUDGMENTS

**Section 7 Of The Insolvency and
Bankruptcy Code, 2016 read with
Rule 4 of The Insolvency and
Bankruptcy (Application to
Adjudicating Authority) Rules,
2016**

Taking note of the decision in *Edelweiss Asset Reconstruction Co. Ltd. v. Perfect Engine Components (P) Ltd.*, 2022 SCC OnLine NCLAT 1622, we are of the view, that ordinarily the Date of NPA can be considered as Date of Default but the right to apply under the Code accrues once there is a default (which is three months prior to Date of NPA). Hence, in the present case, even if we consider the Date of Default to be three month prior to the Date of NPA i.e. from 29.10.2016, the right to file the application was to be exercised within 3 years. It is noteworthy to mention herein that there has been subsequent acknowledgment by the Corporate Debtor acknowledging the debt through letter dated 31.03.2019, 02.12.2020, 03.04.2020, 02.04.2021, 05.04.2022. It has been settled by the catena of judgments that Section 18 of the Limitation Act is applicable to IBC proceeding. The Code does not exclude the application of Section 6, 14 or 18 or any other provision of Limitation Act to proceeding under IBC provided that the said acknowledgments are made before the expiry of 3 years. Once an acknowledgment is done, a fresh cause of action arises, thereby extending the limitation period. The objection regarding applicant not mentioning the Date of Default, is wholly misconceived as the Adjudicating authority is hardly left with any

discretion to refuse the admission of the application under Section 7 once it is satisfied that the default has occurred (*M. Suresh Kumar Reddy v. Canara Bank*, (2023) 8 SCC 387). to establish that the aforesaid transaction of Rs. 2,00,00,000/- (Rupees Two Crores Only) was in the nature of a loan advance to the CD which would constitute a "financial debt" for the purpose of this Code.

Another issue was related to whether a Section 7 Application can be entertained solely for the recovery of Interest Component. The court considered the objective of the code and held as under Debt means a 'liability' or an 'obligation' under a financial arrangement whereas Default refers to 'non-fulfillment' of the 'liability' or 'obligation.' In order to initiate a Section 7 application under The Code the existence of "debt" and its non-payment i.e. "default" is sine a qua non. Applying the same to the code, Debt under S. 3(11) of the code includes a 'Financial Debt' and an 'Operational Debt.' Section 5(8) defines financial debt to be 'debt along with interest,' if any, which is disbursed against 'time value of money. once 'financial debt' is disbursed, having a commercial effect of borrowing (S. 5(8)f)) qualifies to be a financial debt, which includes the interest along with that debt. Section 5(8) of the Code explicitly includes interest. In other words, a 'debt' or 'interest' when become 'due' and is thereby 'defaulted' triggers the 'right to sue' under the Code. The court enunciated that it is not a profitable task to extract a sentence here and there from a judgment and to build

upon it. As a case is only an authority for what it actually decides, it cannot be quoted for a proposition that may seem to follow logically from it *Quinn v. Leathem [1901] AC 495, State of Orissa v. Sudhansu Sekhar Misra, (1968) 2 SCR 154*). Therefore, Reliance placed on behalf of the CD on S.S. Polymer (supra) and Permali Wallace (supra) is therefore of no avail.

The court relied upon *Base Realtors (P) Ltd. v. Grand Realcon (P) Ltd., 2022 SCC OnLine NCLAT 1603* and stated that that an application filed under Section 7 of The Code, can be filed solely for the interest component once the interest becomes 'due' and is 'defaulted' by the Corporate Debtor.

- Chief Justice (Retd.) Ramalingam Sudhakar, Hon'ble President and Shri Avinash Kumar Srivastava, Hon'ble Member (T)
[State Bank of India vs. Raebareilly Allahabad Highway Private Limited, CP (IB)
No.130/(PB)/2023]
Order Dated : 01.02.2024

Section 241-242 of the Companies Act 2013

A company under liquidation can be represented only through its Liquidator appointed by the Court of jurisdiction whereas the former director has no authority to act for or on behalf of the Company. Hence, petition filed by erstwhile director under Section 241-242 of the Companies Act 2013 cannot be maintained.

Reliefs under Section 241-242 of the Companies Act 2013 cannot be claimed against the Liquidator in management of the Company, as the acts of such Liquidator being confined to / governed under respective law cannot be construed to be oppressive / prejudicial to the Shareholders.

- Chief Justice (Retd.) Ramalingam Sudhakar, Hon'ble President and Shri Avinash Kumar Srivastava, Hon'ble Member (T)
[M/s Flovel Hydro Technologies Private Limited & Ors. Vs. M/s Mecamidi Hpp India Private Limited & Ors., Company Petition No. 35 of 2022]

Order Dated : 01.02.2024

NEW DELHI BENCH - COURT - II

Section 7 of the Insolvency and Bankruptcy Code, 2016

The captioned petition was filed by Globe Capital Market Ltd. to initiate CIRP under Section 7 of the Code against M/s Narayan Securities Ltd. The applicant was Clearing Member (CM) of National Securities Clearing Corporation Ltd. and executed/ execute deals/trades, on the "Currency Derivatives Segment" of NSEIL. The question before the Bench was whether the debt claimed by the Applicant is a Financial Debt or not?

The Bench held that a claim arising out of an arbitral award relating to currency derivative transactions does not ipso facto constitute a financial debt under Section 5(8) of the Insolvency and Bankruptcy Code, 2016. The Tribunal reiterated that the nature of the underlying transaction, and not the existence of a decree or arbitral award, determines whether a debt is financial or operational in nature.

It also observed that amounts claimed towards brokerage, fees, penalties, margin shortfalls, and losses on liquidation of derivative positions do not involve disbursement against consideration for time value of money, nor do they have the commercial effect of borrowing.

Consequently, such claims fall outside the ambit of Section 5(8)(g) of the IBC.

The Bench further held that the Respondent, being a SEBI-registered entity engaged in dealing with financial products, qualifies as a 'Financial Service Provider' under Sections 3(16) and 3(17) of the IBC and is therefore excluded from the definition of a 'corporate person' under Section 3(7). Accordingly, no insolvency proceedings under Sections 7, 9 or 10 of the IBC are maintainable against such an entity.

*- Shri Ashok Kumar Bhardwaj, Hon'ble Member (J) and Shri L. N. Gupta, Hon'ble Member (T)
[Globe Capital Market Limited vs. Narayan Securities Limited
(Company Petition No. (IB)- 856(ND)/2022)]
Order Dated: 03.07.2023*

Section 9 of the Insolvency and Bankruptcy Code, 2016

The Applicant and the Respondent entered into a 'Clearing and Forwarding Agreement' dated 30.01.2020, having the ramification of appointment of the Applicant as Clearing and Forwarding Agent (CFA) for All India Operations with Mother Warehouse for the products manufactured, marketed and distributed by the Respondent (Corporate Debtor). In terms of the agreement, the Operational Creditor deposited an amount of Rs. 1,50,00,000/- as fully secured and refundable Security Deposit, refundable within 14 days after the termination of the contract by either side. When the agreement was terminated on 15.09.2021, the security amount was to be refunded by the Respondent to the Applicant by 29.09.2021 but the Respondent did not pay the MGC/Interest/Expenses/ Hamali and Freight charges amounting to Rs. 51,04,773/-, for the

months of October, November and December of the years 2020 and for the months of January, February and March of the years 2021.

It was the case of the Applicant that the Security Deposit and the outstanding amount payable in terms of the agreement should fetch interest @ 18% per annum, if not paid. The total outstanding amount defaulted to be paid by the Respondent as mentioned in Part-IV (41) of the application is Rs. 1,05,01,273/- + Rs. 1,50,00,000/-.

The Bench held that in terms of the provisions of Section 5(8)(f) of IBC, 2016, the security amount paid in terms of the agreement constitutes financial debt. A debt constitutes operational debt when the claim is in respect of provisions of goods and services including employment or a debt in respect of payment of dues arising under any law for the time being in force and payable to the Central Government, State Government, any State Government or any local authority. The security amount does not fall in any of the categories referred to in Section 5(21) of IBC, 2016. As far as the balance amount was concerned, the Bench observed that the rent for Lock in period i.e. Rs. 26,69,160/- did not meet the threshold limit of Rs. One Crore.

The Bench rejected the application as devoid of merits with liberty to Applicant to resort to the remedies available to it to seek the relief regarding its entitlement to the dues payable to it by the Respondent.

*- Shri Ashok Kumar Bhardwaj, Hon'ble Member (J) and Shri L. N. Gupta, Hon'ble Member (T)
[Dadha Pharmacare vs. Nava Healthcare Pvt. Ltd.
(Company Petition No. (IB)-764(ND)/2021)]
Order Dated: 11.01.2024*

Section 9 of the Insolvency & Bankruptcy Code, 2016

The Application under Section 9 of IBC, 2016 has been filed by M/s. FedEx Express Transportation and Supply Chain Services (India) Private Limited seeking initiation of CIRP against M/s. Zipker Online Services Private Limited, the Corporate Debtor herein. The matter was heard and order was reserved on 17.04.2023. Subsequently, it came to light that the Corporate Debtor Company has been struck off by the RoC. The Corporate Debtor filed a short reply affidavit enclosing therein a copy of the Company Master Data which shows that the Corporate Debtor Company has been struck off by the RoC in the present application, but the date is not mentioned in the said MCA Data.

It was held that no Corporate Insolvency Resolution Process can be initiated against such entity under Section 9 of the Insolvency and Bankruptcy Code, 2016. The Tribunal observed that despite multiple opportunities, the Operational Creditor failed to appear or place on record any material to controvert the fact of striking off. In the absence of a legally existing corporate person, the initiation of CIRP was held to be impermissible in law, and consequently, the Section 9 application was dismissed.

The said order of the NCLT was challenged before the Hon'ble National Company Law Appellate Tribunal; however, the Hon'ble NCLAT, upon consideration, concurred with the findings of the NCLT and dismissed the appeal on 01.05.2024 in Comp. App. (AT) (Ins) No. 1498 of 2023, holding that no interference is warranted with the impugned order.

- *Shri Bachu Venkat Balaram Das, Hon'ble Member (J) and Dr. Binod Kumar Sinha, Hon'ble Member (T)*

[*Fedex Express Transportation and Supply Chain Services (India) Pvt. Ltd., vs. Zipker Online Services Pvt. Ltd. IA-5401/2022 In IB-542(ND)/2020*]

Order Dated: 05.09.2023

Section 7 of the Insolvency & Bankruptcy Code, 2016

During the pendency of Section 7 Application, the Respondent/Corporate Debtor filed IA-1452/2023 seeking dismissal of the Company Petition No. 359/2021 on the ground that the petition is barred by Section 10A of IBC, 2016.

The Applicant/Financial Creditor filed IA-1547/2023 seeking rectification of the date of default and submitted that the date of defaults committed by the Corporate Debtor were continuing in nature and one of the defaults had occurred on 30.09.2020. The Applicant seeking rectification of date of default, i.e., 30.09.2020 as mentioned in Part IV of the Application.

NCLT held that it found force in the submissions advanced by the Applicant and that the Respondent/Corporate Debtor had defaulted in discharging its payment obligations under the Facility Agreement, with such defaults being continuing in nature.

The NCLT held that under the Facility Agreement, interest was payable on a monthly basis and the principal amount was repayable quarterly, and that non-payment of either on their respective due dates would amount to an event of default giving rise to a fresh cause of action on each such date.

The NCLT further held that amendment of pleadings in an application filed under Section 7 of the IBC is permissible at any stage of the proceedings.

In view of the above findings, the NCLT rejected the objection raised under Section 10A of the IBC, directed that the date of default be treated as 05.04.2021, allowed IA-1547/2023, and listed the main petition for further orders.

- *Shri Bachu Venkat Balaram Das, Hon'ble Member (J) and Shri Atul Chaturvedi, Hon'ble Member (T)*

[IA-1547/2023 in Company Petition No.

IB-359(ND)/2021]

Order Dated: 05.12.2023

The Adjudicating Authority dismissed the application as not maintainable, holding that operational debt under Section 5(21) excludes interest. With principal paid by admission date, no qualifying default existed. CIRP cannot be triggered for interest recovery alone, following NCLAT precedents in *Rohit Motawat v. Madhu Sharma* [(2023) ibclaw.in 128 NCLAT] and *Permalil Wallace Pvt. Ltd. v. Narbada Forest Industries Pvt. Ltd.* [(2023) ibclaw.in 49 NCLAT]. The contested interest (unaccrued in books) does not warrant insolvency proceedings; the Creditor may pursue recovery via other forums.

- *Shri P.S.N. Prasad, Hon'ble Member (J) and Dr. Binod Kumar Sinha, Hon'ble Member (T)*
[*Rashtriya Polymers & Solvents vs. Kanodia Technoplast Ltd.* [(2023) ibclaw.in 334 NCLT (New Delhi Bench-IV)]
Company Petition No.(IB)-656(ND)/2021]
Order Dated: 12.07.2023

NEW DELHI BENCH - COURT - IV

Section 9 of the Insolvency and Bankruptcy Code, 2016

The Operational Creditor, Rashtriya Polymers & Solvents, filed a Section 9 IBC application seeking CIRP against Kanodia Technoplast Ltd. for default of ₹2.76 crore (principal ₹1.71 crore + interest ₹1.05 crore at 24% p.a. on invoices from Oct 2018-Sep 2021, due from 20.09.2021). During pendency of the matter, the Corporate Debtor paid the full principal (₹1.79 crore) via RTGS on 02.03.2023. The Creditor argued this was unauthorized payment aimed at evading the Section 4 threshold, with interest calculated per contract terms after a 90-day credit period via debit note.

The core issue was whether CIRP can be initiated solely for unpaid interest when the principal debt stands fully discharged.

Section 9 of the Insolvency and Bankruptcy Code, 2016

The application was filed under Section 9 of the IBC, 2016 by M/s DB Power Limited (Operational Creditor) with a prayer to initiate of Corporate Insolvency Resolution Process in respect of M/s Kreate Energy (I) Private Limited for defaulting the payment of Rs. 9,62,38,371/-.

The Applicant was operating a 1200 (2x600) MW coal-based thermal power plant in District Janjgir Champa, Chhattisgarh. The Respondent offered to purchase 105 MW of RTC power for the period 01.09.2020 to 30.09.2020 @ Rs 2.75/KWh at Regional Periphery and the same offer was accepted by the Applicant. The Applicant supplied 105 MW of RTC powers for which invoice of Rs. 20.87 Crores was raised and the same became due

on 01.12.2020. The Respondent defaulted in payment and therefore the Applicant served a Demand notice on 21.10.2021 u/s 8 of IBC for payment of the operational debt. The Applicant submitted that the Respondent via various emails acknowledged its liability to pay the operational debt and through its mail dated 09.03.2021, the Respondent agreed to pay the debt during the period 25.03.2021 – 31.03.2021 i.e., after the expiry of the period mentioned under Section 10A. Therefore, giving a fresh cause of action which is beyond the Section 10A of IBC. The Applicant further stated that the Respondent issued a cheque for Rs. 10.87 Crores on 09.07.2021. However, the cheque was dishonoured and returned on 05.10.2021, giving rise to a fresh cause of action again. The Respondent submitted that that the date of default mentioned in the filed application is 01.12.2020 which is covered under the Section 10A of IBC. Section 10A restricts the filing of any application under Sections 7, 9, and 10 of IBC if the default occurred on or after 25.03.2020, for duration of six months. Later this period was extended till 24.03.2021.

The Adjudicating Authority held that the criteria for determining the limitation period with respect to the debt and the criteria for determining the date of default with respect to the debt are two different questions of law and fact and cannot be tested on the same scale. The submission of the applicant that the dates of acknowledgement of liability towards the operational debt, the date of the last part payment, the date of issuance of cheque, the date of dishonour of the said cheque, the date of sending the demand notice, and consequential failure of the Respondent to pay the operational debt, would give rise to a fresh cause of action can only be sustained for the purposes of Limitation Act, 1963.

- *Shri Manni Sankariah Shanmuga Sundaram, Hon'ble Member (J) and Dr. Binod Kumar Sinha, Hon'ble Member (T)*
[*M/s DB Power Limited vs. M/s Kreate Energy (I) Private Limited, C.P. IB/521/ND/2022*]
Order Dated: 31.10.2023

NEW DELHI BENCH - COURT - V

Section 60(5) of Insolvency and Bankruptcy Code, 2016

NCLT New Delhi Bench V has dealt with multiple Interlocutory Applications (IAs) in CP (IB) No. 264/PB/2023 (Go Airlines (India) Ltd.) after initiation of CIRP under Section 10 of the Code. In the said IA important questions about were raised about aircraft lessor rights, operational continuity during insolvency, moratorium protection, and treatment of leased assets. Multiple IAs were filed by the Lessors of the Aircraft (seeking directions relating to the leased aircraft, including possession and use, amidst commencement of CIRP. The said order addressed key questions about protecting and preserving leased aircraft during CIRP and the duties of the Resolution Professional to preserve assets. Go Airlines (India) Ltd. voluntarily initiated CIRP under Section 10, however lessors of the Aircraft had served termination/grounding notices just before filing. The NCLT Bench V in the said IAs had to balance contractual termination vs. moratorium under IBC and the said order had granted interim directions on issues such as protection and maintenance of aircraft.

- *Shri Mahendra Khandelwal, Hon'ble Member (J) and Shri Rahul Bhatnagar, Hon'ble Member (T)*
[*Go Airlines (India) Limited, I.A. No. 3280/2023, IA No. 3277/2023, IA No. 2944/2023, IA No. 3254/2023 IA No. 3048/2023, IA No. 2850/2023 in Company Petition No. (IB)- 264/(PB)/2023*]
Order Dated: 26.07.2023

Section 7 of Insolvency and Bankruptcy Code, 2016

NCLT New Delhi Bench V has dealt with a petition under Section 7 of the Code filed by 13 homebuyers (allottees) against M/s Anushree Home Developers Pvt. Ltd., alleging default in delivery of residential units. The major issue which was discussed in this order was with respect to the minimum threshold limit for the Financial Creditors who are allottees under a real estate project. The Adjudicating Authority in this matter held that determining the threshold under Section 7, all allottees of the real estate project must be counted, including those to whom flats had already been sold or possession had been handed over. The Financial Creditor in the said matter excluded the apartments of which construction was complete, for the purposes of calculating the threshold limit of the allottees. However, the instant case was dismissed and it was observed that the project could not be artificially segmented to exclude completed or sold units for the purpose of meeting the statutory threshold. It was further held that all the allottees of a real estate project—whether possession is given or not—must be included when computing the threshold under Section 7 IBC.

*- Shri P.S.N Prasad, Hon'ble Member (J) and Dr. Binod Kumar Sinha, Hon'ble Member (T)
[Uttam Singhal & Ors. vs. M/s Anushree Home Developers Pvt. Ltd. & Anr., CP IB (IBC) NO. 762 of 2020]*

Order Dated: 20.04.2023

NEW DELHI BENCH - COURT - VI

Section 60(5) of Insolvency and Bankruptcy Code, 2016

The Applicant filed an application under Section 60(5) of the IBC, 2016 seeking the declaration and simultaneous quashing off of the layoff notice dated 01.02.2020 for being illegal and arbitrary. The Applicant contended that the Resolution Professional (RP) issued the impugned lay-off notice dated 01.02.2020 in violation of the due procedure laid down in the Industrial Disputes Act, 1947 without clearing the legitimate dues as well as statutory dues of the workmen. The RP took a stance that all those claims (filed by the employees) which were not in accordance with the Rules laid under the Code were informed to the employees. Further, with intent to keep the Corporate Debtor as a going-concern, the RP made efforts to secure interim finance. However, the same was not approved by the CoC. Therefore, due to lack of work and financial burden, the Adjudicating Authority advised workers not to come to the factory, leading the RP to issue a lay-off notice on 01.02.2020 with a purpose to reduce surplus labor and more so, because the CoC had decided to liquidate, though the liquidation was stayed by the Hon'ble NCLAT and subsequently, the Resolution Plan was approved by the CoC. The Adjudicating Authority held that the RP is well within its powers to take appropriate steps to preserve and protect the assets of the Corporate Debtor including the continued business operations of the Corporate Debtor. Accordingly, the RP is duty bound to protect the interests of the Corporate Debtor and in furtherance thereof had issued the notice dated 01.02.2020 as the Corporate Debtor lacked funds to pay the salaries of the

workers. With respect to the derogation of provisions of the Industrial Disputes Act, 1947, the Adjudicating Authority observed that Section 238 of the IBC, 2016 overrides other inconsistent laws. Therefore, the Adjudicating Authority found no illegality in actions of the RP in discontinuing the services of the workmen and the layoff notice dated 01.02.2020 to that effect. The aforesaid Order of Adjudicating Authority was upheld by the Hon'ble NCLAT in its recent decision on 16.09.2025 in Company Appeal (AT) (Ins) No. 1418 of 2023.

- Shri Bachu Venkat Balaram Das, Hon'ble Member (J) and Shri Rahul Bhatnagar, Hon'ble Member (T)

*[Unitech Machines Karmchari Sangh vs. Mr. Vivek Raheja, RP of M/s Unitech Machines Limited, IA/3780/2021 in CP IB-937/PB/2018]
Order Dated: 06.10.2023*

Section 7 of the Insolvency and Bankruptcy Code, 2016 and Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority), Rules, 2016.

Silver Bank Limited filed a petition under Section 7 of the Insolvency and Bankruptcy Code, 2016 seeking initiation of CIRP against M/s Mideast Integrated Steels Limited for default in repayment of financial debt amounting to Rs. 12.96 crore. The application was filed through its authorised representative pursuant to a board resolution dated 16.03.2022.

The Financial Creditor had advanced three foreign currency loans to the Corporate-Debtor:

- i. USD 2.5 million under a loan agreement dated 16.12.2014, secured by a personal guarantee, wherein default occurred in

principal from December 2018 and interest from October 2019;

- ii. USD 0.4 million under a loan agreement dated 08.06.2015, where the Corporate Debtor defaulted in repayment of both principal and interest; and
- iii. USD 0.7 million under a loan agreement dated 15.04.2017, wherein default occurred in principal from March 2019 and interest from October 2019. Attempts at refinancing through an indicative term sheet dated 15.02.2020 failed due to non-creation of security. Demand notices were issued on 20.12.2021, but no payment was made, leading to the filing of the petition.

The Corporate Debtor opposed admission on the ground that its financial distress arose due to penalties imposed pursuant to the Supreme Court judgment in Common Cause v. Union of India (02.08.2017), Covid-19 impact, and pending monetisation of mining assets. It relied on Vidarbha Industries Power Ltd. v. Axis Bank Ltd. to contend that CIRP should not be initiated as the company was a going concern. The Tribunal held that under Section 7 of the Code, once existence of financial debt and default is established, admission must follow. Relying on the Supreme Court judgment in M. Suresh Kumar Reddy v. Canara Bank (2023), the Tribunal clarified that Vidarbha Industries does not dilute the settled position in Innovative Industries that NCLT has minimal discretion once default is proved. Since the Corporate Debtor admitted the debt and default, no ground existed to reject the application.

Accordingly, the petition was admitted, CIRP was initiated against the Corporate Debtor, moratorium under Section 14 was declared, and Resolution Professional was appointed as

Interim Resolution Professional with directions to carry out statutory duties under the Code.

- *Shri Bachu Venkat Balaram Das, Hon'ble Member (J) and Shri Rahul Bhatnagar, Hon'ble Member (T)*
[*Silver Bank Limited vs. M/s. Mideast Integrated Steels Limited in CP IB No.-421/ND/2022*]
Order Dated: 24.05.2023

AHMEDABAD BENCH - COURT - I

Petition Under Section 425 Of The Companies Act (2013), Seeking Initiation of Proceedings For 'Civil Contempt Of Court' And 'Criminal Contempt Of Court' For Defiant Non-Compliance With Para 28 (B) Of The Order Dated 08-093-2019, Which Mirrors Section 208(2)(d) Of The Code.

The Petitioners filed a contempt petition alleging non-compliance of Para 28(b) of the NCLT order dated 08.03.2019, which required the Resolution Professional (RP) of Essar Steel India Ltd. (ESIL) to forward all CIRP records and the resolution plan to IBBI. Petitioners alleged that the RP, his advisors, members of the CoC, IBBI officials and legal advisors colluded to suppress records relating to alleged fraud in the ESIL resolution process, particularly concerning a Rs. 4,000 Crore pipeline belonging to OSPIL and unpaid RTU charges. Petitioners sought civil and criminal contempt proceedings against 42 Respondents, along with directions to produce certain documents. The Tribunal examined maintainability first and held that (i) Petitioners were not parties to the original ESIL proceedings, (ii) no document

established them as operational creditors, and (iii) under Section 15 of the Contempt of Courts Act, third-party contempt petitions require written consent of the Advocate General, which was absent. The Tribunal noted that no time-line was fixed in Para 28(b) for compliance. As per Supreme Court law (Oswal Woollen Mills), contempt cannot lie when no time limit exists for compliance. The Tribunal held that Petitioners failed to produce any evidence of wilful disobedience by the RP or IBBI. IBBI itself had not sought contempt. The Tribunal also observed that Petitioners were simultaneously alleging non-compliance of the order and at the same time claiming the very same order (and subsequent NCLAT & Supreme Court approvals) to be void. Such contradictory positions rendered the petition inherently defective. The Tribunal concluded that Petitioners had no locus, no proof of contempt, and were attempting to interfere in matters unrelated to them. The petition was held misconceived and unwarranted. The contempt petition was dismissed with costs of Rs. 25,000/- to be deposited in the PM National Relief Fund within seven days.

- *Shri Shammi Khan, Hon'ble Member (J) and Shri Sameer Kakar, Hon'ble Member (T)*
[*Gujarat Operational Creditors Association & Anr. vs. Mr. Satish Kumar Gupta & Ors. Contempt Application No. 19 of 2023 in C.P.(IB) No. 40 of 2017*]
Order Dated : 08.01.2024

Whether CIRP can be terminated where all Financial Creditors and Operational Creditors withdrew their claims and Creditor who initiated CIRP is punishable under Section 65(1) of IBC 2016? – Manish Kumar Bhagat, IRP Pankaj Events and Celebrations Pvt. Ltd. – NCLT Ahmedabad Bench

In this case, the CoC was comprised of two financial creditors, two operational creditors and one other creditor. Both the financial creditors have withdrawn their claims. Both the operational creditors withdrew their claims. NCLT held that:

- i. In the circumstances, when the financial and operational creditors have withdrawn their claims, neither the operational creditor nor the financial creditors, nor the corporate debtor are responding/interested in the conducting CIRP and there being no realizable assets with the corporate debtor, we deem it appropriate to terminate the CIRP of the Corporate Debtor.
- ii. Issue a show cause notice, under Rule 59 of the National Company Law Tribunal Rules, 2016 to the Operational Creditor through its Directors as to why penalty as stipulated under Section 65(1) of IBC, 2016 should not be imposed on it.

*- Shri Shammi Khan, Hon'ble Member (J) and
Shri Ajai Das Mehrotra, Hon'ble Member (T)
[Gujarat Operational Creditors Association &
Anr. vs. Mr. Satish Kumar Gupta & Ors.]
Contempt Application No. 19 of 2023 in C.P.(IB)
No. 40 of 2017]*

Order dated : 09.08.2023

AHMEDABAD BENCH - COURT - II

Section 60(5) of Insolvency and Bankruptcy Code, 2016

In this case, application was moved by a successful auction purchaser against a Security Guard who stated that he has been staying in the subject premises in a small room with his family (and has been working as security guard) for last 39 years and the corporate debtor/suspended management used to deduct the rent amount of the room situated at disputed premises. As he has been in peaceful, continuous, uninterrupted and unobstructed possession of room, he is entitled to own the premises on the basis of "The Doctrine of Adverse Possession" and the principles laid down by Hon'ble Supreme Court in various matters. This Tribunal noted that at the time of confirming sale, the vacant possession of the premises was handed over to the applicant. As the vacant possession is handed over, it means that it was not occupied by any person at that time. It was held that after taking vacant possession from the liquidator it was duty of the purchaser to protect his properties. Therefore, now this cause will not fall within the ambit of liquidation process. When the vacant possession was given to the applicant, the liquidator is no more responsible in the matter. So also, this Tribunal is not having jurisdiction to entertain the applications which fall outside the ambit of liquidation process. Accordingly, the application filed by the applicant was rejected by this tribunal.

*- Mrs. Chitra Hankare, Hon'ble Member (J) and
Dr. V.G. Venkata Chalapathy, Hon'ble Member (T)*

*[P. G. Sales Corporation vs. Laxmanbhai
Mohanbhai Vegad and Ors., IA No. 752 (AHM)
2023 in C.P.(IB)77/AHM/2018]*

Order Dated: 17.01.2024

Section 9 of the Insolvency and Bankruptcy Code, 2016

The Tribunal held that the Corporate Debtor's reliance on alleged shipment delays, uncredited incentives, or commercial disagreements did not constitute a "pre-existing dispute" under Section 9, particularly in light of the unequivocal admission of liability in the Settlement Agreement. It observed that once the debt stood acknowledged in writing, limitation stood extended under Section 18 of the Limitation Act, rendering the application fully within time. The objection that the claim was extinguished due to subrogation in favour of the insurer was rejected on the ground that subrogation does not bar the creditor from enforcing its claim. The Tribunal further clarified that the debtor's lack of assets or commercial viability is irrelevant at the admission stage, as the Code requires only proof of operational debt, default, service of demand notice, and absence of dispute. In view of these findings, the application was allowed and CIRP was directed to commence.

- *Mrs. Chitra Hankare, Hon'ble Member (J) and Dr. V.G. Venkata Chalapathy, Hon'ble Member (T)*

- *[SABIC Asia Pacific Pte. Ltd. vs. JBF Industries Limited, CP (IB) No. 55/AHM/2021]*

Order Dated: 25.01.2024

ALLAHABAD BENCH

Section 244 of the Companies Act, 2013

The Applicant sought dismissal of Company Petition No. 64/2023, filed by Mahendra Mohan Gupta and others against Jagran Media Network Investment Private Limited (JMNIPL, Respondent No. 18) and Jagran Prakashan Limited (JPL, Respondent No. 19), alleging oppression and mismanagement under Sections 241 and 242 of the Companies Act, 2013. The non-applicants argued the petition was not maintainable, as the petitioners' combined shareholding in JPL was only 0.29%, below the 10% threshold required under Section 244(1)(a), and that a composite petition under Sections 241-242 was statutorily barred. The Tribunal, however, upheld the petition's maintainability by lifting the corporate veil. It noted that JMNIPL, wholly owned by the Gupta Family, holds 67.97% of JPL's shares and is designed to control JPL's affairs. The Articles of Association of both companies confirm the Gupta Family's pervasive control, including the requirement that JPL's Chairman and Managing Director be Gupta family members. Citing precedents like LIC vs Escorts (1986), the Tribunal justified lifting the corporate veil due to the intertwined relationship between JMNIPL and JPL, where JMNIPL's decisions directly influence JPL's governance. Thus, the petition was deemed maintainable, as JMNIPL's control over JPL warranted examining their combined affairs.

- *Mr. Praveen Gupta, Hon'ble Member (J) and Mr. Ashish Verma, Hon'ble Member (T)*
[Sanjay Gupta and Ors. Versus Mahendra Mohan Gupta & Ors.

CA No.31/2023 IN CP No. 64/ALD/2023]

Order Dated: 04.09.2023

Section 60(5) of the Insolvency and Bankruptcy Code, 2016

The NCLT Allahabad, in its judgment dated June 1, 2023, dismissed IA No. 89/2022 and IA No. 98/2022 filed against the Liquidator of JVL Agro Industries Ltd. The applicants, including the Employee Welfare Trust, challenged the liquidation process and sale notices dated January 24, 2022, and March 4, 2022, alleging non-compliance with IBBI Liquidation Regulations, improper formation of the Stakeholders' Consultation Committee (SCC), and failure to sell the company as a going concern. The Tribunal noted that the Liquidator, after receiving no Expressions of Interest (EOIs) for a going-concern sale, decided, with SCC's advice, to sell assets individually. It partly upheld the Liquidator's *res judicata* argument, as the challenge to the January 24, 2022, sale notice was previously withdrawn in a contempt petition without liberty to re-agitate. Citing precedents like Ebix Singapore Pte Ltd. v. CoC of Educomp, the Tribunal confirmed that *res judicata* applies to IBC proceedings. It also emphasized its limited jurisdiction to interfere with the Liquidator's and SCC's commercial decisions, referencing cases like R.K. Industries (Unit-II) LLP v. H.R. Commercials Pvt. Ltd. Finding no regulatory violations and noting that repetitive litigation delayed the process, the Tribunal vacated the interim stay on sale certificates and dismissed both applications.

- *Mr. Praveen Gupta, Hon'ble Member (J) and Mr. Ashish Verma, Hon'ble Member (T)*
[Standard Chartered Bank vs. M/s JVL Agro Industries Ltd (CP (IB) No.223/ALD/2018) along with Satya Narayan Jhunjhunwala vs. Mr. Supriyo Kumar Chaudhuri (IA No.89 of 2022) and Employee Welfare Trust vs. Supriyo Kumar Chaudhuri (IA No.98 of 2022) (Date of CIRP 25.7.2018)]

Order Dated: 01.06.2023

AMRAVATI BENCH

Section 9 of Insolvency and Bankruptcy Code, 2016:

The present case concerns a petition filed under Section 9 of the Insolvency and Bankruptcy Code, 2016 by Posco Daewoo Corporation (Operational Creditor) against Mohana Cotton Ginning Private Limited (Corporate Debtor) seeking initiation of CIRP for alleged default of USD 30,000 claimed as compensation. The core issue before the NCLT, Amaravati Bench was whether the claimed amount constituted an "operational debt" and whether the petition was maintainable in the presence of a pre-existing dispute and an arbitration clause.

The Tribunal noted that the amount claimed arose out of alleged compensation for breach of contractual terms under an International Shipment Contract and not from supply of goods or services. It held that a claim for compensation or damages does not fall within the definition of "operational debt" under Sections 5(20) and 5(21) of the IBC. The Bench further observed that there existed a bona fide dispute between the parties much prior to the issuance of the demand notice, as reflected in email correspondence and contractual disagreements.

Relying on judgments including Mobilox Innovations Pvt. Ltd. v. Kirusa Software Pvt. Ltd. and BRS Refineries Ltd. v. Mr. Supriyo Kumar Chaudhuri, the Tribunal reiterated that IBC cannot be used as a recovery mechanism for disputed claims or compensation arising from breach of contract. The existence of an arbitration clause and unresolved disputes reinforced the conclusion that the petition was not maintainable.

Accordingly, the NCLT dismissed the Section 9 petition, holding that the claim was in the nature of compensation, did not qualify as operational debt, and was hit by a pre-existing dispute, thereby barring the invocation of CIRP under the IBC.

- *Smt. Telaprolu Rajani, Hon'ble Member (J)
[osco Daewoo Corporation vs. Mohana Cotton
Ginning Private Limited (TCP
(IB)/51/9/AMR/2019)]
Order Dated: 01.09.2023.*

BENGALURU BENCH

Sections 5(21), 70 & 14B read with Sections 53(1)(e)(i) and 36(4)(a)(iii)

In *Shri Addanki Haresh, Liquidator of Right Engineers & Equipments India Pvt. Ltd. v. Recovery Officer, EPFO, I.A. 232/2022 in C.P.(IB) No. 320/BB/2019*, order dated 20 July 2023, the Bench held that principal provident fund contributions constitute "operational debt" under Section 5(21) and thus fall within the CIRP estate, whereas penalties and interest under Sections 70 and 14B of the EPF Act qualify as government dues under Section 53(1)(e)(i) and lie outside the liquidation estate per Section 36(4)(a)(iii). It directed payment of admitted principal dues to EPFO and classified penalties and interest accordingly, reinforcing strict adherence to claim submission timelines and the statutory payment waterfall.

- *Justice T. Krishnavalli, Hon'ble Member (J)
and Shri Manoj Kumar Dubey, Hon'ble Member
(T)
[Shri Addanki Haresh, Liquidator of Right
Engineers & Equipments India Pvt. Ltd. vs.
Recovery Officer, EPFO, I.A. 232/2022 in
C.P.(IB) No. 320/BB/2019]
Order Dated: 20.07.2023*

Section 66 of Companies Act, 2013 read with Section 52 and NCLT (Capital Reduction) Rules, 2016

In *Due North Yoga Private Limited v. Registrar of Companies, Karnataka, C.P.No. 71/BB/2020*, order dated 28 June 2023, the NCLT Bengaluru Bench considered the applicant's petition for reduction of paid-up share capital. Although the company had passed the special resolution, obtained the auditor's certificate, issued the public notice, and secured creditor consent under Rule 17, the Registrar of Companies' and Regional Director's reports found that the accounts did not conform with the applicable Accounting Standards. The Tribunal held that the proviso to Section 66(3) was thus Judgements 2023-2024 Bengaluru Bench not satisfied and declined to sanction any reduction of share capital.

- *Justice T. Krishnavalli, Hon'ble Member (J)
and Shri Manoj Kumar Dubey, Hon'ble Member
(T)
[Due North Yoga Private Limited vs. Registrar
of Companies, Karnataka, C.P. No.
71/BB/2020]
Order Dated: 28.06.2023*

Section 230-232 of the Companies Act, 2013

The present matter involved a scheme of amalgamation between NAM Estates Pvt. Ltd., and Embassy One Commercial Property Developments Pvt. Ltd. with Indiabulls Real Estate Ltd. A minority shareholder holding 0.003 percent shareholding objected to the scheme citing non-disclosure of assets, flawed valuation and pending litigations. During pendency, the objector transferred his shares to Tejo Ratna Kongara, who sought substitution to continue the objections and simultaneously approached SEBI which rejected his representation.

The Tribunal held that objections under Section 230(4) of the Companies Act may be raised only by shareholders holding not less than 10 percent of the share capital. Since the original shareholder lacked eligibility, no litigation right could be transferred. Mere purchase of shares does not permit substitution as an objector. Entertaining such objections would undermine the statutory process of mergers. This view was affirmed by the Securities Appellate Tribunal which held that the purchaser was not an aggrieved person under Section 15T of the SEBI Act and that the challenge constituted impermissible forum shopping. The doctrine of election applied as the issues had already been decided under the Companies Act.

- *Shri Harnam Singh Thakur, Hon'ble Member (J) and Shri Subrata Kumar Dash, Hon'ble Member (T)*
[*Tejo Ratna Kongara vs. Indiabulls Real Estate Ltd. & Ors. [CA 9 of 2023 and CA 29 of 2023]*
Order Dated: 09.05.2023]

Section 33 of the Insolvency and Bankruptcy Code

The Tribunal examined proceedings initiated by the EPFO under Sections 14(b) and 70 of the EPF Act for levy of damages covering January 2016 to March 2020. Despite objections raised by the Liquidator that such proceedings could not continue due to the moratorium imposed under Section 33(5) of the Insolvency and Bankruptcy Code, the EPFO issued orders demanding payment of damages amounting to Rs.11,18,184/- and interest of Rs.5,71,768/-. The Tribunal noted that the EPFO had failed to file its claim either during CIRP or during liquidation, contrary to the timelines mandated under the Code. As the liquidation estate had already been realised and assets distributed, no justification existed for entertaining the belated claim at this stage. However, the Tribunal clarified that the EPFO is free to pursue its remedies if permitted under law but held that claims relating to the moratorium period are not maintainable under the Code.

- *Shri P. S. N. Prasad, Hon'ble Member (J) and Shri Umesh Kumar Shukla, Hon'ble Member (T)*
[*Bank of India vs. Vegan Colloids Ltd. [IA 622 of 2022 in C.P. (IB) 72/Chd/Hry/2017]*
Order Dated: 09.05.2023]

Section 12A of the Insolvency and Bankruptcy Code, 2016 finds place under Chapter-II of IBC, 2016

In this important judgment on withdrawal of Liquidation process, the NCLT Chennai Bench held that: (i) It is to be noted here that IBC, 2016 treats CIRP and Liquidation as two different parts. All the provisions under Chapter-II of IBC, 2016 which deals with CIRP cannot be made applicable under Chapter-III of IBC, 2016 which deals with Liquidation of the Corporate Debtor. (ii) As regards the order passed by the coordinate Benches of NCLT, the same has only a persuasive value and cannot have any binding effect. (iii) Moreover, IBBI which is the Regulator of IBC, 2016 has still not proposed for withdrawal of cases during the liquidation process. Law and attended regulations are yet to be notified by the IBBI. (iv) In the absence of any express provisions either under the provisions of IBC, 2016 for withdrawal of Applications during Liquidation process or under the Regulations framed by IBBI, an Application for withdrawal cannot be filed during the Liquidation process.

— Shri Sanjiv Jain, Member, Hon'ble Member (J) and Shri Sameer Kakar, Hon'ble Member (T)
[Narayan Maheshwari vs. Kavitha Surana Liquidator, (2023) ibclaw.in 372 NCLT, "IA(IBC)/193(CHE)/2023 in CP/229/(IB)/2018]
Order Dated: 19.07.2023

Section 60(5) of Insolvency and Bankruptcy Code, 2016

Liquidation Is A Time-Bound Process And Liquidator Is Accountable To Explain Delay In Liquidation Process. Daehsan Trading India

Pvt. Ltd. was placed under liquidation on 27.03.2018, with S. Rajendran appointed as the Liquidator. The State Tax Department, despite being aware of the liquidation, did not submit its claim to the Liquidator until 11.05.2019, requesting Rs.33.49 crores. By the time the claim was submitted, the Liquidator had already initiated distribution to the stakeholders under Section 53 of the Insolvency and Bankruptcy Code (IBC). The Liquidator then filed an application seeking dissolution of the company, which was still pending. The State Tax Department sought to modify the rejection of its claim and requested that it be accepted. Issues Raised: The main issue was whether the late claim of the State Tax Department could be entertained, given that it was submitted after the liquidation distribution had already been completed. The Tax Department argued for the acceptance of its claim despite the delay, while the Liquidator maintained that the claim could not be accepted as it was filed after the distribution had been concluded.

The NCLT Chennai dismissed the application, emphasizing that liquidation is a time-bound process. The Tribunal noted that the claim was filed after the stipulated timeline and after the distribution of assets had already occurred. The NCLT referred to the NCLAT's decision in Deputy Commissioner Commercial Taxes (Audit), Raichur vs Surana Industries Ltd. (In Liquidation), which reinforced the importance of adhering to timelines in the liquidation process. The Tribunal also referenced the Supreme Court's ruling in Gaurav Hargovindbhai Dave vs Asset Reconstruction Company (I) Ltd. which reinforced the principle that there is no equity in delaying the liquidation process. Therefore, the NCLT ruled that the Tax Department's claim could not be entertained due to the expiration of the prescribed period for filing claims.

- Shri Sanjiv Jain, Hon'ble Member (J) and Shri Venkataraman Subramaniam, Hon'ble Member (T)
[State of Tamil Nadu vs. S. Rajendran, Liquidator of Daehsan Trading India Pvt. Ltd. and Anr. IA/1318/IB/2020 in TCP/111/IB/2017]
Order Dated: 21.01.2024

CHENNAI BENCH - COURT - II

Section 7 of the Insolvency and Bankruptcy Code, 2016 read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016)

The Adjudicating Authority held that for entertaining an application under Section 7 of IBC, 2016 the debt should also be qualified as a financial debt as per Section 5(8) of IBC, 2016. To qualify as financial debt, the debt should be disbursed against consideration for the time value of money. In the instant case, there is neither disbursement of debt nor the time value of money for the debt. 14% interest component in the MoU will take effect only in the event of delay in payment, in such case it cannot be considered as the time value of money.

– Shri Sanjiv Jain, Member, Hon'ble Member (J) and Shri Sameer Kakar, Hon'ble Member (T)
[IBA/403/2020, Step Stone Infras Pvt. Ltd. vs. Yes and Yes Infracon (P) Ltd.]
Order Dated: 24.04.2023

Section 54 of the Insolvency and Bankruptcy Code, 2016 read with Regulation 45 of IBBI (Liquidation Process) Regulations, 2016 and Rule 11 of NCLT Rules, 2016)

M/s Boss Profiles Limited ("Corporate Debtor") was admitted to the Corporate Insolvency Resolution Process (CIRP) by the NCLT Chennai on 11.08.2017. However, no resolution was reached, leading to an application for liquidation under Section 33(1)(a) of the Insolvency and Bankruptcy Code, 2016 (IBC). The Tribunal ordered the liquidation of the Corporate Debtor on 24.01.2018. Public announcements were made calling for claims, and the Liquidator admitted claims of Rs. 338.74 crores from Financial Creditors and Rs. 6.69 crores from Operational Creditors. Despite attempts to sell the assets through e-auctions, the assets were eventually sold privately for Rs. 9.75 crores. Issues Raised, the primary issue was whether the dissolution of M/s Boss Profiles Limited should be ordered after the liquidation process had been completed, and whether all compliance requirements under the IBC and its regulations had been met. The case also involved assessing the adequacy of the liquidation process, given the private sale of assets and the distribution of the liquidation amount to the secured creditors. The NCLT Chennai, after reviewing the liquidation process, including the sale of assets, the distribution of the liquidation amount to the Secured Financial Creditors in accordance with Section 53 of the IBC, and the compliance with IBC provisions, ordered the dissolution of M/s Boss Profiles Limited. The Tribunal concluded that all necessary procedures had been followed, and therefore, it was appropriate to dissolve the Corporate Debtor as per Section 54 of the IBC, 2016.

- Shri Sanjiv Jain, Hon'ble Member (J) and Shri Sameer Kakar, Hon'ble Member (T)
[M/s Boss Profiles Limited IA(IBC)/892(CHE)/2021 in TCP/126/IB/2017]
Order Dated: 28.04.2024

CUTTACK BENCH

Section 7 of the Insolvency and Bankruptcy Code, 2016

The NCLT Cuttack Bench held that an advance amount paid by the petitioner to the respondent cannot be treated as a financial debt, as the respondent forfeited it before the filing of the application under Section 7 of the Code. The Adjudicating Authority observed that the petitioner and the respondent entered into an MoU, and in pursuance of it, the petitioner paid an advance amount; however, due to failure to pay the entire amount, the MoU was revoked by the respondent, and the advance amount was forfeited. The Adjudicating Authority held that unless full consideration is paid as per the MoU, no enforceable right accrues and the petitioner cannot use IBC to enforce a contractual dispute.

– *Shri P. Mohan Raj, Hon'ble Member (J) and Shri Satya Ranjan Prasad, Hon'ble Member (T) [Ghansyam Das Rungta Foundation vs. BSR Super Speciality Hospitals Limited Company Petition (IB) No. 47/CB/2022]*

Order Dated: 29.11.2023

Section 60 (1) and Section 60(2) of Insolvency and Bankruptcy Code, 2016

The Adjudicating Authority held that no application against the corporate grantor will lie before this Cuttack Bench of NCLT as the registered office of the respondent/corporate guarantor is situated in Mumbai. It was observed by this Tribunal that Section 60(2) of the Code is applicable to a corporate guarantor only when a CIRP or liquidation of

the principal borrower is pending before the concerned bench. In the present case, the principal borrower was admitted in to CIRP by NCLT Kolkata and ultimately dissolved by NCLT Cuttack vide order 08.09.2022. Since the applicant had filed the application against the corporate guarantor on 17.03.2023 there existed no pending CIRP or liquidation against the principal borrower as on the date of the application. Hence the territorial jurisdiction of the case will be governed by Section 60 (1), and not Section 60 (2) of the Code.

– *Shri P. Mohan Raj, Hon'ble Member (J) and Shri Kaushalendra Kumar Singh, Hon'ble Member (T)*

[State Bank of India (SBI) vs. M/s Concept Management Consulting Ltd. CP (IB) No. 28/CB/2023]

Order Dated: 06.03.2024

GUWAHATI BENCH

Section 7 of the Insolvency and Bankruptcy Code, 2016

The NCLT, Guwahati Bench dismissed this petition filed by Chiragsala Sales Pvt. Ltd. under Section 7 of the IBC, which sought to initiate the Corporate Insolvency Resolution Process (CIRP) against Vaishno Devi Traders Pvt. Ltd. for an alleged default of Rs. 1.66 Crore arising from an Inter-Corporate Deposit. The Tribunal found that the Petitioner had maliciously suppressed material facts, specifically a "Memorandum of Understanding" (MOU) dated 21.10.2020, which revealed that the disbursement of Rs. 1.50 Crore was actually a capital investment in a Joint Venture for a coal lifting business with a 40:60 profit-sharing ratio. Although the Petitioner relied on a Loan Agreement, the

Bench observed that it was executed on the exact same day as the MOU and served merely as a camouflage to dress up a partnership investment as a debt. The Tribunal held that the transaction lacked the commercial effect of a borrowing and was not disbursed against the consideration for the time value of money, thereby failing the test for "Financial Debt" under Section 5(8) of the IBC. Citing the NCLAT judgment in Jagbasera Infratech, the Bench reiterated that amounts invested in a partnership do not constitute financial debt. Consequently, characterizing the petition as a misuse of the IBC machinery for the recovery of investment dues, the Tribunal dismissed the application and imposed a cost of Rs. 1,00,000 on the Petitioner for the suppression of facts.

- *Shri H.V. Subba Rao, Hon'ble Member (J) and Shri Satya Ranjan Prasad, Hon'ble Member (T)*
[*Chiragsala Sales Pvt.Ltd. vs. Vaishno Devi Traders Pvt.Ltd. (CP (IB) No. 33/GB/2022)*]
Order Dated: 30.11.2023

Section 9 of the Insolvency and Bankruptcy Code, 2016

The NCLT, Guwahati Bench dismissed this petition filed by UM Green Lighting Private Limited under Section 9 of the IBC, which sought to initiate the Corporate Insolvency Resolution Process (CIRP) against CSA Corporation Private Limited for an alleged default arising from the supply of goods. The Tribunal found that the dispute originated from a strategic collaborative arrangement, specifically a Consortium/Joint Venture Agreement (JVA) dated 01.05.2017, entered into by the parties to jointly bid for an Energy Efficiency Services Limited (EESL) tender for Solar LED Street Lights. While the Petitioner argued that it had supplied goods and raised

unpaid invoices pursuant to this project, the Corporate Debtor successfully challenged the maintainability of the petition by establishing that the relationship was strictly that of "Joint Venture Partners" rather than "Vendor and Purchaser".

The Respondent argued that the claims were essentially for a share of profits or dues under the JVA, representing a civil dispute rather than an operational debt.

Accepting the Respondent's contention, the Tribunal observed that the genesis of the claim was the JVA itself and noted that the IBC is not a mechanism for enforcing contract terms between partners. The Bench held that the alleged dues were inextricably linked to the complex terms of the Consortium Agreement regarding tender execution and profit sharing, lacking the essential character of a claim for the provision of goods or services to a corporate debtor. Consequently, the Tribunal ruled that the Petitioner did not qualify as an "Operational Creditor" and characterized the petition as a veiled attempt to enforce JVA terms, a matter falling outside the summary jurisdiction of insolvency proceedings. Accordingly, the application was rejected.

- *Shri H.V. Subba Rao (J), Shri Satya Ranjan Prasad (T)*
UM Green Lighting Pvt.Ltd. vs. CSA Corporation Pvt.Ltd. (CP (IB) /11/GB/2023)
Order Dated: 10.01.2024

Section 7 of the Insolvency & Bankruptcy Code, 2016

In this case, the Adjudicating Authority held that the Financial Creditor, IDBI Bank Limited, had successfully established the existence of a financial debt exceeding rupees one crore, specifically Rs. 79,71,45,619.23 as of 31.01.2022, that was due and payable by the Corporate Debtor, M/s. Trichy-Thanjavur Expressways Limited, and thus, a default had occurred. The Adjudicating Authority noted that the Corporate Debtor's admission of executing a loan agreement dated 02.12.2006, and a letter of Revival dated 06.05.2018 acknowledged the liability. The Adjudicating Authority relied on evidence furnished by the Financial Creditor, including a Statement of Account certified under the Banker's Evidence Act and a CRISIL report showing the facilities in the category of default.

The primary defence raised by the Corporate Debtor—that the NHAI had virtually entered into the shoes of the Corporate Debtor upon termination of the Concession Agreement (dated 17.03.2023) and was solely liable for the debt—was rejected. The Adjudicating Authority found that the definition of "Debt Due" in the Concession Agreement excluded any principal sum that had fallen due for repayment one year before the Termination Date, and the debt in question did not fall within the scope of termination compensation. Furthermore, the Adjudicating Authority rejected the CD's reliance on the ruling in *Vidarbha Industries Power Limited v. Axis Bank* (concerning the financial viability of the Corporate Debtor) because, in the present case, the Corporate Debtor had itself

admitted to severe financial losses (cumulative losses of Rs. 196.79 Crores against paid-up capital of Rs. 64.65 Crores). Accordingly, the Adjudicating Authority admitted the petition, initiating the Corporate Insolvency Resolution Process (CIRP).

- Dr. Venkata Ramakrishna Badarinath Nandula, Hon'ble Member (J) and Shri Charan Singh, Hon'ble Member (T) [IDBI Bank Limited vs. M/s. Trichy-Thanjavur Expressways Limited CP (IB) No.77/7/HDB/2022]
Order Dated: 22.08.2023

Section 7 Of the Insolvency and Bankruptcy Code, 2016

In this case, the Adjudicating Authority admitted the petition filed by Edelweiss Asset Reconstruction Company Limited to initiate a Corporate Insolvency Resolution Process (CIRP) against GVK Gautami Power Limited (the Corporate Debtor). The Adjudicating Authority found that a financial debt of Rs.1447,15,01,731/- existed and that a default had occurred. The central issue was whether the petition was barred by the statute of limitations. The Corporate Debtor argued that the limitation period began on 15.07.2014, when its account was declared a Non-Performing Asset (NPA), rendering the 2022 petition invalid. However, the Adjudicating Authority rejected this argument, establishing the date of default as 15.10.2016, which was the date of the first missed payment under the loan's amortization schedule. The Adjudicating Authority further held that Revival Letters issued by the Corporate Debtor on 05.02.2018 and 25.06.2020, constituted valid acknowledgements of debt under Section 18 of the Limitation Act, 1963. These

acknowledgements, being within three years of the default, extended the limitation period, bringing the petition well within the prescribed timeframe. The Adjudicating Authority deemed the Corporate Debtor's plea of limitation "unsustainable and untenable" and, having established both the debt and the default, admitted the petition, declared a moratorium, and appointed an Interim Resolution Professional.

— *Dr. Venkata Ramakrishna Badarinath Nandula, Hon'ble Member (J) and Shri Charan Singh, Hon'ble Member (T)*
[*Edelweiss Asset Reconstruction Company Limited vs. GVK Gautami Power Limited, Company Petition No. C.P. (IB) No.391/07/HDB/2022*]
Order Dated: 20.10.2023

HYDERABAD BENCH - COURT - II

Sections 140, 145 & 147 of the Companies Act, 2013

The Adjudicating Authority considered a petition filed by a Chartered Accountant firm alleging illegal removal as a statutory auditor of the respondent company and unlawful appointment of another auditor. The petitioner contended that no special resolution was passed, no opportunity of hearing was granted, prior approval of the Central Government was not obtained, and statutory and professional norms were violated.

The respondent company argued that the petitioner was terminated due to negligence and failure to discharge audit duties, and that a termination letter dated 16.12.2013 had been issued. On the question of limitation, the

Adjudicating Authority applied Section 433 of the Companies Act, 2013 read with Article 137 of the Limitation Act, 1963, holding that the cause of action arose either on the date of termination or, at the latest, when the petitioner last signed the financial statements in September 2014.

Since the petition was filed only on 02.07.2018, well beyond the three-year limitation period, the Adjudicating Authority held it to be barred by limitation. The Adjudicating Authority further observed that even otherwise, principles of delay and laches disentitled the petitioner to relief.

Accordingly, the petition was dismissed without adjudicating the merits of the allegations.

— *Shri Rajeev Bhardwaj, Hon'ble Member (J) and Shri Sanjay Puri, Hon'ble Member (T)*
[*SPC & Associates, Chartered Accountants vs. M/s. Premier Devices Private Limited and Anr CP No. 434 of 2018*]
Order Dated: 04.10.2023

Section 60(5) of the Insolvency and Bankruptcy Code, 2016

The Adjudicating Authority allowed the application filed by the Liquidator of Sagar Infra Rail International Limited seeking eviction of the respondent from the leased premises forming part of the liquidation estate and recovery of arrears of rent. The Liquidator contended that the lease deed dated 31.12.2013 had expired on 01.01.2020, was never renewed, and that the respondent continued in unauthorised occupation despite sale of the property during liquidation. The Adjudicating Authority rejected the respondent's contention that he was a

continuing tenant based on an alleged oral understanding and a refundable security deposit of ₹8 lakhs, holding that no documentary evidence was produced to substantiate such claims. It was observed that mere participation in the e-auction and sale of the property on an "as is where is" basis does not absolve the fact that the Liquidator has to deliver vacant and peaceful possession to the successful purchaser.

Relying on Adinath Jewellery Exports v. Brijendra Kumar Mishra and other precedents, the Adjudicating Authority held that the Liquidator is not functus officio after sale of assets and is empowered to seek eviction of unauthorised occupants. The Adjudicating Authority further held that it has jurisdiction to adjudicate eviction disputes arising during the liquidation process.

Accordingly, the Adjudicating Authority held that the respondent was an unauthorised occupant after expiry of the lease, directed eviction from the scheduled property, and allowed recovery of arrears of rent as prayed.

- *Shri Rajeev Bhardwaj, Hon'ble Member (J) and Shri Sanjay Puri, Hon'ble Member (T)*
[*Mr. Sri Vamsi Kambhammettu v. Mr. Mohd Jamal Athemadnia, IA No. 692/2022 in CP (IB) No. 376/07/HDB/2018*]
Order Dated: 12.10.2023

INDORE BENCH

Section 66(1) of Companies Act, 2013

The tribunal in the matter of Chaudhary Girraj and Sons Infra Private Limited under section 66(1) of the companies Act,2013 read with the National Company Law Tribunal (procedure for Reduction of share capital Rules, 2016) seeking confirmation from this tribunal for the reduction of share capital as approved by the shareholders of the company at their Extra-ordinary General Meeting held on 24.01.2023. Accordingly, the Tribunal confirmed the reduction of share capital, approved the minute of reduction, and held that the post-reduction paid-up share capital shall be £9,90,00,000, divided into 99,00,000 equity shares of 210 each, with Reserves and Surplus at £30,815 (debit). The Company was directed to file the order with the ROC within 30 days and to pay £10,000 towards RD's legal fees. The petition was allowed and disposed of.

- *Shri. Mahendra Khandelwal, Hon'ble Member (J) and Shri Kaushalendra Kumar Singh, Hon'ble Member (T)*
[*Chaudhary Girraj & Sons Infra Pvt Ltd (CP/2(MP)2023)*]
Order Dated: 06.07.2023

Section 7 of the Insolvency and Bankruptcy Code, 2016

The Adjudicating Authority, in Canara Bank V/s Laxmi Engineering Industries (Bhopal) Pvt Ltd [CP(IB)/8(MP)2022], found that financial facilities, disbursement, default, and liability are admitted, bank statements showed no

regular payments after May 2018, and the reply dated 29.10.2018 expressly acknowledged debt. OTS proposals constituted acknowledgment, extending limitation. Objections regarding RBI norms, multiple proceedings, and alleged suppression were held irrelevant for Section 7 admissibility, as IBC has overriding effect. Technical non-compliance under Rule 4(3) was later cured and treated as sufficient compliance.

Holding that a financial debt of ₹61.02 crore exists, is payable, in default, above the ₹1 crore threshold, within limitation and defect-free, the Tribunal admitted the application, initiated CIRP, declared moratorium under Section 14, appointed Dr. Vichitra Narayan Pathak as IRP, directed public announcement, claim collation, cooperation by the Corporate Debtor, preservation of assets, management as a going concern, payment of ₹1,00,000 as initial CIRP cost, and communication of the order to all authorities. The CIRP commencement date was fixed as the date of the order.

- *Shri. Mahendra Khandelwal, Hon'ble Member (J) and Shri Kaushalendra Kumar Singh, Hon'ble Member (T)*

[Canara Bank vs. Laxmi Engineering Industries (CP(IB)/8(MP)2022]

Order Dated: 28.07.2023

JAIPUR BENCH

Sections 9, 60(5) of the IBC, 2016 read with Rule 11 of the NCLT Rules, 2016

The National Company Law Tribunal (NCLT), Jaipur Bench, in IA No. 100/JPR/2020 in CP No. (IB)-44/9/JPR/2019, held that the continuation of the Corporate Insolvency Resolution Process (CIRP) of M/s Rajasthan Land Holdings Limited (Corporate Debtor) amounted to abuse of the process of law and accordingly ordered termination of the CIRP. The tribunal observed that the CIRP was initiated on 24.09.2019 on an application filed by M/s Rajputana Constructions Private Limited (Operational Creditor) for an operational debt of approximately Rs. 26.77 lakhs, despite the Corporate Debtor having substantial liquidity.

The tribunal noted that, as on the CIRP commencement date, the Corporate Debtor had more than Rs. 3.68 crores (and subsequently over Rs. 7 crores) lying in its bank accounts, which was more than sufficient to discharge the admitted claims of all Operational Creditors. The tribunal found that the CIRP had continued for nearly four years, resulting in CIRP costs of over Rs. 73 lakhs, including excessive remuneration to the Resolution Professional (RP), which far exceeded the underlying debt sought to be resolved.

The tribunal further observed that the refusal of the Operational Creditor to accept payment of its admitted dues, despite repeated directions and availability of funds, indicated mala fide intent and misuse of the IBC mechanism. Relying on the object of the Code

as elucidated by the Hon'ble Supreme Court in *E.S. Krishnamurthy v. Bharath Hi-Tech Builders (P) Ltd. and Vallal RCK v. Siva Industries & Holdings Ltd.*, the tribunal held that the IBC is a beneficial legislation aimed at revival and not a tool for coercive recovery or for prolonging proceedings for oblique purposes.

Invoking its inherent powers under Rule 11 of the NCLT Rules and residuary jurisdiction under Section 60(5) of the Code, the tribunal terminated the CIRP, directed the RP to pay the admitted operational debts by issuing demand drafts within seven days, and ordered restoration of the Corporate Debtor to its management. The tribunal also capped the RP's remuneration at Rs. 50,000 per month and directed refund of excess fees already drawn, with CIRP costs to be borne by the Committee of Creditors proportionately. All pending interlocutory applications were disposed of as infructuous, and the application filed by IL&FS Transportation Networks Limited (ITNL) seeking voting rights in the CoC was disposed of without prejudice to its rights to pursue remedies under applicable law.

- *Shri Deep Chandra Joshi, Hon'ble Member (J) and Shri Prasanta Kumar Mohanty, Hon'ble Member (T)*
[M/s Rajputana Constructions Pvt. Ltd. vs. M/s Rajasthan Land Holdings Ltd. IA No. 100/JPR/2020 in CP No. (IB)-44/9/JPR/2019]
Order Dated: 20.04.2023

Section 7 of the Insolvency and Bankruptcy Code, 2016 read with Rule 11 of the NCLT Rules, 2016

The National Company Law Tribunal (NCLT), Jaipur Bench, in IA (IBC) No. 285/JPR/2020 in

IB No. 36/7/JPR/2018, allowed the impleadment of additional Financial Creditors (homebuyers) to the main petition seeking initiation of Corporate Insolvency Resolution Process (CIRP) against M/s Shiv Gyan Developers Pvt. Ltd. The application was filed in compliance with the Hon'ble Supreme Court's order dated 18.05.2022 in Civil Appeal No. 422/2020 which set aside earlier orders dismissing the petition and directed impleadment of at least 10% of the allottees of the concerned real estate project.

The Applicants successfully demonstrated that with the inclusion of 25 additional allottees holding 17 flats, along with original Applicants, the threshold requirement of 10% of the total 120 flats in the project was met, constituting 16%. The total debt claimed stood at over Rs. 9 crores.

The Corporate Debtor contested the maintainability, disputing the financial creditor status of several allottees on grounds including full payment and possession handed over, subrogation of debt to banks, and ongoing litigation before other forums. The Tribunal examined the status of each unit and allottee, including possession, sale deeds, and prior legal proceedings, and referred to the Supreme Court's ruling in *Manish Kumar v. Union of India* on computation of threshold and inclusion of allottees post-possession. Observing that the Applicants met the requirements under Section 7(1) proviso, the Tribunal allowed the impleadment and took the amended memo of parties on record.

- *Shri Deep Chandra Joshi, Hon'ble Member (J) and Shri Atul Chaturvedi, Hon'ble Member (T)*
[Gajraj Jain & Ors. vs. Shiv Gyan Developers Pvt. Ltd.
IA (IBC) No. 285/JPR/2020 in IB No. 36/7/JPR/2018]
Order Dated: 19.09.2023

Sections 60(5) and 14 of the Insolvency and Bankruptcy Code, 2016

The Adjudicating Authority held that coercive actions, such as searches, seizures of documents, and issuance of summons by the Goods and Services Tax Department during the moratorium period, are in clear violation of Section 14 of the Insolvency and Bankruptcy Code, 2016. The Adjudicating Authority observed that once the Corporate Insolvency Resolution Process (CIRP) is initiated and a moratorium is in force, no proceedings, whether civil or quasi-criminal in nature, can be initiated or continued against the Corporate Debtor.

The Adjudicating Authority noted that although determination or assessment of tax liability may be permissible during the moratorium period, such actions must be strictly non-coercive in nature. In the present case, the respondent conducted a raid, seized accounting records, and issued a summons invoking coercive provisions under Chapter XIV of the Kerala State Goods and Services Tax Act, 2017, including proceedings deemed to be judicial proceedings under Section 70 of the said Act, which is impermissible during the moratorium.

The Adjudicating Authority further held that the seizure of documents seriously impeded the conduct of the CIRP and undermined the authority of the Resolution Professional, in whom the management of the Corporate Debtor had vested upon commencement of the moratorium. Reliance was placed on judicial precedents and GST Circular No.

134/04/2020-GST, which prohibits coercive actions during CIRP.

While holding that the respondent's actions amounted to a violation of the moratorium, the Adjudicating Authority clarified that prosecution under Section 74(2) of the IBC, being criminal in nature, can be initiated only before the Special Court upon a complaint by the Insolvency and Bankruptcy Board of India or the Central Government. Liberty was therefore granted to the applicant to approach the IBBI in accordance with the law. Accordingly, the Adjudicating Authority directed the Goods and Services Tax Department to return all seized documents within one week, set aside the summons dated 13.03.2023, and imposed compensatory costs of Rs. 50,000/- on the respondent, payable towards CIRP costs, with liberty to recover the same from the erring officials.

*- Shri. P Mohan Raj, Hon'ble Member (J) and
Shri. Satya Ranjan Prasad, Hon'ble Member (T)
[K. Easwara Pillai, Resolution Professional vs.
Goods and Services Tax Department,
Interlocutory Application No. 141(KOB) of 2023]
Order Dated: 26.07.2023*

Sections 241, 242 and 213 of the Companies Act, 2013

In this case, the Adjudicating Authority held that the materials placed on record disclosed *prima facie* instances of oppression, mismanagement, diversion of funds, and serious violations of the provisions of the Companies Act, 2013, warranting a comprehensive investigation into the affairs of the Company. The Adjudicating Authority observed that the petitioners, holding 11.18% of the share capital, had established locus standi under Section 213(b) of the Act to seek

an investigation into the conduct of the Respondent Company and its promoters.

The Adjudicating Authority noted that substantial funds were raised by Respondent No. 1 Company through the issue of preference shares for the development of the Jatayu Nature Park Project, based on specific representations made in the offer letters. However, audited balance sheets and the Inspector's Report revealed that significant portions of these funds were diverted in the form of loans, advances, and investments to Respondent Nos. 6 to 10, entities controlled by Respondent No. 2, without shareholder approval, valuation, or charging of interest, in clear violation of Section 186(2) of the Companies Act, 2013.

The Adjudicating Authority further found gross violations of Section 42(6) of the Companies Act, 2013, including allotment of shares before receipt of consideration, failure to maintain a separate bank account for share application money, and utilisation of funds even before allotment. Clauses in the Bipartite and Tripartite Agreements declaring Respondent No. 2 as a permanent director were held to be ultra vires the Act and intended to circumvent Section 152(6) of the Companies Act, 2013.

It was also observed that Respondent No. 2 exercised dominant control over the affairs of the Respondent No. 1 Company, unilaterally amending agreements, terminating arrangements, and entering related-party transactions detrimental to the interests of preference shareholders. Despite statutory protections, shareholders continued to suffer prejudice, establishing oppression and mismanagement.

In view of the serious allegations, corroborated by the Inspector's Report and *prima facie* material on record, the Adjudicating Authority held that a detailed investigation is necessary to unearth conclusive evidence and facilitate appropriate action, including prosecution if warranted. Accordingly, the Ministry of Corporate Affairs was directed to appoint a competent Inspector under Section 213 of the Companies Act, 2013. The Adjudicating Authority also appointed Shri M. R. Bhat, ICLS (Retd.), as Administrator to supervise and control the affairs of Respondent No.1 Company, subject to detailed directions.

All pending Interlocutory Applications were disposed of, and the matter was directed to be listed upon receipt of the investigation report, along with proposed actions thereon.

- TMT. (Retd.) Justice T.Krishna Valli, Hon'ble Member (J) and Shri. Shyam Babu Gautam, Hon'ble Member (T)

[P. J. Mathews & Others vs. Jatayupara Tourism Private Limited & Others, Company Petition No. 21(KOB) of 2020]

Order Dated: 22.12.2023

An Application under Section 60(5) of the Insolvency and Bankruptcy Code, 2016(IBC) read with Rule 11 of the National Company Law Tribunal Rules, 2016

In *Sanjeev Kumar Mishra v. Nirmal Kumar Agarwal, Liquidator of Abhijeet Hazaribagh Toll Road Ltd.* (NCLT Kolkata, 10 October 2023), the challenge was specifically directed against the liquidator's decision to avail the benefit of the Vivad Se Vishwas-II Scheme. The applicant contended that the liquidator had acted arbitrarily and contrary to the liquidation framework by opting for settlement instead of pursuing full realisation of the arbitral award. The limitation becomes clearer when the reasoning of the Adjudicating Authority is read in continuity rather than isolation. The challenge in the present context was directed against the decision of the liquidator to avail the benefit of the Vivad Se Vishwas-II Scheme, with the allegation that the liquidator had acted arbitrarily and contrary to the statutory scheme of liquidation by opting for settlement instead of pursuing full realisation of the arbitral award. However, the Adjudicating Authority decisively rejected this framing. It found that the liquidator had not acted unilaterally or on personal discretion. On the contrary, the proposal to avail the benefit of the scheme was placed before the Stakeholders' Consultation Committee and was expressly approved in its meeting dated 10 July 2023. The decision, therefore, was not an individual choice of the liquidator but one backed by the collective commercial assessment of the SCC. The Tribunal

underscored that once a decision is supported by the Stakeholders' Consultation Committee, it acquires the character of collective commercial wisdom rather than remaining a mere administrative act of the liquidator. In such a situation, the scope of judicial interference becomes inherently limited. The Adjudicating Authority reiterated that it cannot sit in appeal over commercial decisions taken during liquidation when those decisions are supported by stakeholders who bear the financial consequences. The fact that an alternative route might hypothetically yield higher value does not, by itself, justify judicial substitution of that commercial choice.

This reasoning highlights a structural limitation in challenges of this nature. When the liquidator's decision is demonstrably anchored in SCC approval, courts are constrained from reassessing the merits of that decision on grounds of prudence or value maximisation alone. The Tribunal made it clear that it cannot act as a court of equity or exercise plenary powers to reverse a liquidation decision that is supported by stakeholder consensus, unless there is a clear violation of the Code, procedural illegality, or mala fides. What this effectively means is that the threshold for interference is deliberately set high. A challenge premised merely on disagreement with the outcome or preference for a different commercial strategy will not succeed once it is established that the liquidator acted with SCC backing. This limitation reinforces the larger insolvency principle that the Code prioritises speed, finality, and stakeholder-driven outcomes over prolonged adjudication on speculative gains. In doing so, it restricts judicial review to legality and process, rather than commercial correctness, thereby narrowing the space for

intervention even in cases involving substantial financial implications.

- *Smt. Bidisha Banerjee, Hon'ble Member (J) and Shri. Shri Arvind Devanathan, Hon'ble Member (T)*

[*Sanjeev Kumar Mishra v. Nirmal Kumar Agarwal Liquidator of Abhijeet Hazaribagh Toll Road Limited IA (IB) No. 1317/ (KB) /2023 in CP(IB) No. 2074/ (KB) /2019*]

Order Dated: 10.10.2023

Section 60(5) of the Insolvency and Bankruptcy Code, 2016 (IBC) read with Rule 11 of the National Company Law Tribunal Rules, 2011.

NCLT Kolkata held that since, the Applicant is a "decree holder" of a foreign award which is already stamped as a decree the same will have to be considered as debt. The debt arising out of these foreign awards cannot be considered as financial debt, but the same can be treated as "Other debts".

Therefore, the action of the Resolution professional in treating this debt as "other debt" cannot be faulted. The claim has reached finality as on date in the view of decree of competent foreign arbitral forums and only the execution is pending before the Hon'ble High Court, Delhi. Considering the *prima-facie* view of the Delhi High Court as already stated by the Learned Counsel for the Applicant, enforcement can be challenged only on limited grounds mentioned in Section 47 to 49 of Arbitration & Conciliation Act 1996. The Resolution Professional should have admitted the claim in full, and provision should have been made out of the Resolution plan value.

- *Smt Bidisha Banerjee, Hon'ble Member (J), Shri Arvind Devanathan, Hon'ble Member (T) [Rishima SA Investments LLC (Mauritius) vs. Avishek Gupta RP of Sarga Hotels Pvt. Ltd] I.A. (IB) No. 1131/KB/2022 in Company Petition (IB) No. 302/KB/2021 Order Date:-30.11.2023*

MUMBAI BENCH - COURT - I

Section 19(2) of Insolvency & Bankruptcy Code, 2016

This Application was filed by Sh. Ashish Chhawchharia, Erstwhile Resolution Professional ("Applicant") of Jet Airways (India) Limited ("Corporate Debtor") under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 ("Code"), seeking directions against Respondent Nos. 1 to 4 directing them to not dispose off in any way the assets of the Corporate Debtor held by them and co-operate in handing over the assets detained by them in the customs bonded warehouse and further. The Respondents were the Commissioner of Customs (Import) having offices at Chennai, New Delhi, Raigad and Mumbai. This Court directed Respondent No. 1 to release the goods. Since, the claim of the Respondent No. 1 was made prior to Insolvency Commencement Date and the Respondent No. 1 has charge over such goods for appropriation of goods, the court allowed release of these subject to payment of IGST of Rs. 2,25,990/-. Further, the court held that in view of Sundraresh Bhatt judgement, the Respondents can not detain the goods, and are obligated to release the same. As regards their demands, these pertain to imports made prior to Insolvency Commencement Date. The demands for cost recovery from 1.4.2019 has already been paid, and demand prior to that

period has been admitted as claim. No final order has been passed in relation to Show cause notice dated 25.03.2022 and even if any order has been passed, no claim can be raised against the Corporate Debtor in view of facts all such claims shall stand extinguished after the approval of the Resolution Plan in the matter of Corporate Debtor. Accordingly, the claims to the extent not made in accordance with the Code, can not be sustained as has been held by Hon'ble Supreme Court in Sundaresh Bhatt (Supra) that "The IBC would prevail over The Customs Act, to the extent that once moratorium is imposed in terms of Sections 14 or 33(5) of the IBC as the case may be, the respondent authority only has a limited jurisdiction to assess/determine the quantum of customs duty and other levies. The respondent authority does not have the power to initiate recovery of dues by means of sale/confiscation, as provided under the Customs Act". As regards claim filed in CIRP process, the same shall be dealt with in accordance with the approved resolution plan. The Court further directed that the Respondents shall release the goods, if any, pending settlement of their claims. This Application was disposed of as partly allowed.

- *Justice Sh. Virendrasingh G. Bisht, Hon'ble Member (J) and Shri Prabhat Kumar, Hon'ble Member (T)*
[*Mr. Ashish Chhawchharia, Resolution Professional vs. Commissioner of Customs (Import) & Others, M.A. 4018 OF 2019 in C.P.(IB) No. 2205/MB/2019*]

Order Dated: 02.01.2024

MUMBAI BENCH - COURT - II

Sections 30(6) read with Section 31 of the Insolvency and Bankruptcy Code, 2016 read with Regulation 39(4) of the IBCI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.

The Applicant filed IA/1007/2023 in C.P.(IB)/1765(MB)2018 seeking approval of the Resolution Plan for Lavasa Corporation Ltd. ("LCL"), whose CIRP was initiated under Section 9 of the IBC on 30th August 2018. LCL, engaged in developing a private hill station in Pune, had its Resolution Plan evaluated by the CoC, which approved Darwin Platform Infrastructure Ltd. as the Successful Resolution Applicant with 96.41% voting share. The Tribunal found the plan compliant with Sections 30(2)-30(4), covering process costs, management control, stakeholder treatment, and implementation mechanisms. The Applicant submitted all required declarations under Section 29A. The plan detailed financial provisions, including cash flows, working capital, infrastructure reinvestment, manpower retention, and timelines for payments to secured creditors, operational creditors, and homebuyers, totalling Rs. 1,814 crores, of which Rs. 1,466.50 crores were earmarked for key obligations.

The State Bank of India filed the Company Appeal (AT) (Insolvency) No. 1354 of 2023 before Hon'ble NCLAT for challenging the NCLT Mumbai Bench's order 21st July, 2023 approving Darwin's Resolution Plan. The NCLAT dismissed the appeal, holding that the delay in filing beyond 15 days was not condonable.

-Mr. Kuldip Kumar Kareer, Hon'ble Member (J) and Mr. Shyam Babu Gautam, Hon'ble Member (T)

[Shailesh Verma, Resolution Professional for Lavasa Corporation Limited., IA/1007/2023 in C.P.(IB)1765/MB/2018]

(Order dated-21.07.2023)

MUMBAI BENCH - COURT - III

Section 60(5) read with 43, 45, 49 and 66 of the Code

While the CIRP of the Corporate Debtor was ongoing and the business of the Corporate Debtor being vested with the RP, the suspended directors of the Corporate Debtor had transferred the Brand Content of the Corporate Debtor to Fun Gateway Arena Private Limited (FGAPL) vide Assignment Deed dated 19.04.2022.

Consequently, the RP filed Interlocutory Application No. 2117/2022 seeking to cancel, annul and set aside the said Assignment Deed of Brand Content dated 19.04.2022 and to further restrain FGAPL, in any manner, to claim or explicit any rights in respect of or dealing in any manner with the trademarks and / or all allied intellectual property as described in the Assignment Agreement.

This Tribunal vide order dated 22.11.2023 allowed IA/2117/2022 and thereby held the Brand Assignment as a fraudulent transaction. Consequently, the Bench directed for cancellation and annulment of the Assignment Deed dated 19.04.2022.

-Mr. H. V Subba Rao, Hon'ble Member (J) and Ms. Madhu Sinha, Hon'ble Member (T)

[Smaash Entertainment Private Limited- IA/2115/2022 in CP(IB)/935/MB-III/2020]

(Order dated-20.11.2023)

Section 60(5) of Insolvency and Bankruptcy Code, 2016 read with Rule 11 of NCLT Rules, 2016

The Applicant filed the said IA/894 seeking direction to CoC to consider its resolution plan submitted for the Corporate Debtor. It was submitted that the resolution plan submitted by it is compliant in terms of the provisions of the IBC including Section 29A, provides for value maximization of assets of the CD and effective resolution of the CD as a going concern.

The Adjudicating Authority rejected the application holding that the Applicant is a related party of the Corporate Debtor. The relevant paragraphs are extracted below:

“62. We are not persuaded by the submissions of the Applicant that even if a partnership firm is disqualified under section 29A but all its partners are not disqualified under section 29A of IBC. The fundamental principle of partnership firm is that all the partners constitute a partnership firm therefore a partnership firm represents all the partners. If a partnership is disqualified under section 29A of IBC, it leads to the disqualification of all its partners who are obviously actively involved with the business activities. In case of limited liability partnership, there is a separate and independent Act, namely, Limited Liability Partnership Act 2008 which grants an LLP a separate legal corporate entity to an LLP. That is why the Parliament has taken abundance precaution in mentioning LLP under section 5(24A)(b).

63. Further, clause (g) of 24A clearly refers to a LLP or a partnership firm whose partners in the ordinary course of business act on the advice, directions or instructions of the individual. It means that if a partnership firm has a business nexus with the Resolution

Applicant then it would be hit by section 29A. As explained in paragraph 40. We have not doubt in coming to a conclusion that Mr. Jayant Chheda and Piyush Chheda, being partners of ECW have common business activities and therefore have business connection. Mr. Piyush Chheda is connected person with Mr. Jayant Chheda and Mr. Jayant Chheda is promotor director of the Applicant Company, therefore, Applicant Company disqualified under section 29A of IBC.

64. With the above observations, the above I.A. is dismissed."

- *Ms. Lakshmi Gurung, Hon'ble Member (J) and Sh. Charanjeet Singh Gulati, Hon'ble Member (T)*

*[Prince Pipes and Fittings Limited vs. Amit Chandrashekhar Poddar, RP of Prince SWS Systems Private Limited & Anr. [IA/894/2022] in CP(IB)/4345/MB-III/2019]
(Order dated-10.01.2024)*

MUMBAI BENCH - COURT - IV

Section 30(6) of the Insolvency and Bankruptcy Code, 2016

The captioned plan-approval application was filed u/s. 30(6) of the IBC, 2016, at the behest of Siddheshwar Industries Pvt. Ltd. (Corporate Debtor), against whom the Corporate Insolvency Resolution Process stood initiated w.e.f. 14.05.2018. The CD bore a significant Liquidation Value of INR 31.57 Crores. With over six extensions granted in the CIRP period, over a cumulative period of 450 days, the timely resolution of CD was key at the backdrop of numerous objection applications.

The Resolution Plan proposed a total outlay of INR 33.93 Crores, with a cumulative term of 120 days from the date of its approval by the Adjudicating Authority. On perusal of the

same, this AA opined that the Resolution Plan provided for:

- i. Payment of CIRP Cost as specified u/s 30(2)(a) of the Code.
- ii. Repayment of Debts of Operational Creditors as specified u/s 30(2)(b) of the Code.
- iii. For management of the affairs of the Corporate Debtor, after the approval of Resolution Plan, as specified U/s 30(2)(c) of the Code.
- iv. The implementation and supervision of Resolution Plan by the RP and the CoC as specified u/s 30(2)(d) of the Code.
- v. Compliance with the requirement of the Code in terms of Section 30(2)(a) to 30(2)(f) and Regulations 38(1), 38(1)(a), 38(2)(a), 38(2)(b), 38(2)(c) & 38(3) of the Regulations.

- *Mr. Kishore Vemulapalli, Hon'ble Member (J) and Smt. Anu Jagmohan, Singh Hon'ble Member (T)*

*[I.A. NO. 3461 OF 2023 in Company Petition (IB) No. 37/MB-IV/2018]
Order Dated: 24.11.2023*

Section 35(1) and 60(5) of the Insolvency and Bankruptcy Code, 2016 r/w. Rule 11 of the National Company Law Tribunal Rules, 2016

Pursuant to initiation of CIRP of Talwalkar Healthclubs Private Limited (CD) w.e.f. 09.03.2021, Both of the applications bearing I.A. Nos. 1579 of 2023 and 3877 of 2023 were filed by the respective Applicants therein, seeking classification and acknowledgement of certain equity shares as part of the liquidation estate of the former.

This Adjudicating Authority, upon a considered view of the extant Scheme of Demerger dated 21.12.2017 a/w. SHA dated 27.12.2016, opined that the said equity shares issued by the Respondent herein form part of the asset-pool of the CD and will have to be considered as part of its liquidation estate in terms of Section 36(3) of the IBC, 2016. The AA also held that any alleged extinguishment of rights, post-moratorium, shall be illegal and violative of Section 14 of IBC, 2016.

Further, in I.A. 3877 of 2023, the Applicants prayed for possession and arrears of rent as against their property, which was leased out to CD at the relevant time. The AA, after noting that no agreement between the owner/landlord of the demised premises existed therein as the Lease Agreement had expired, and there has been no subsequent renewal thereafter. The said premises continued to be in the physical possession of the CD, on account of its assets lying therein. The AA thus held that the (erstwhile) RP had rightly accounted for the rentals due only as per the earlier available lease agreement, and that therefore the claim of the Applicant(s) for the enhanced rent including interest @ 15% p.a. was devoid of any merits. Notwithstanding the same, the Bench held that the Applicant(s) were duly entitled to their claims with regards to the unpaid rentals after expiration of the lease deed, on account of continued possession w.e.f. 09.12.2019 in terms and conditions of the Lease Agreement dated 08.11.2009. The Respondent viz. Liquidator was accordingly ordered to account for the same, thereby rendering due consideration to genuine rental claims in consonance with the enshrined objectives of the Code.

- Mr. Kishore Vemulapalli, Hon'ble Member (J) and Smt. Anu Jagmohan, Singh Hon'ble Member (T)
[I.A. No. 1579/MB/2023 and I.A. No. 3877/MB/2023 in C.P. (IB) No. 923/2020]
Order Dated: 07.02.2024

Section 9 of the Insolvency & Bankruptcy Code, 2016 read with Rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016

The NCLT Bench, while rejecting the Application vide its order dated 11.10.2023, held that signature made by the OC's Representative having nexus with the OC's business upon the minutes of meeting between the OC and the CD is basis of pre-existing dispute. (Para 5.2). It was also held that the date of default was 27.08.2016 as mentioned in the demand notice, and that this Application filed on 01.10.2019, was beyond 3 years i.e., 26.08.2019 from the date of default. Therefore, the Application was not within the limitation period. The said order was upheld by Hon'ble NCLAT vide order dated 09.01.2024 in Company Appeal (AT) (Ins.) No. 1679/ND/2023 & IA No. 6046/ND/2023.

- Shri K.R. Saji Kumar, Hon'ble Member (J) and Shri Sanjiv Dutt, Hon'ble Member (T)
[Style Fashion vs. Aditya Birla Fashion & Retail Ltd., CP(IB) No. 4099/MB/2019]
Order Dated: 11.10.2023

Section 95 of Insolvency & Bankruptcy Code, 2016

The RP was appointed on basis of Demand notice dated 26.09.2022 and Deed of Guarantee dated 21.01.2016. The said order for RP's appointment was challenged before Hon'ble NCLAT. However, it was dismissed vide order dated 05.04.2024 in Company Appeal (AT)(Ins.) No. 652/ND/2024 & IA No. 2295, 2337 of 2024.

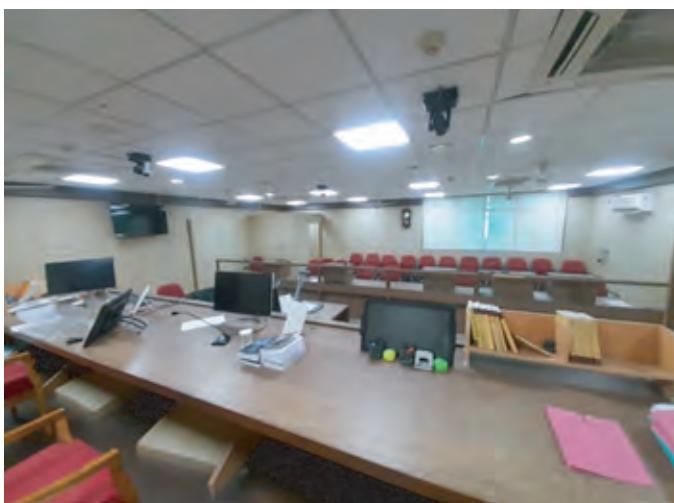
- Shri K.R. Saji Kumar, Hon'ble Member (J) and Shri Sanjiv Dutt, Hon'ble Member (T)
[Small Industries Development Bank of India vs. Parimal Chandra Dhar, C.P. (IB)/791(MB)2023]
Order Dated: 13.12.2023

INFRASTRUCTURE

INFRASTRUCTURE UPGRADATION AT NCLT BENCHES (2023-2024)

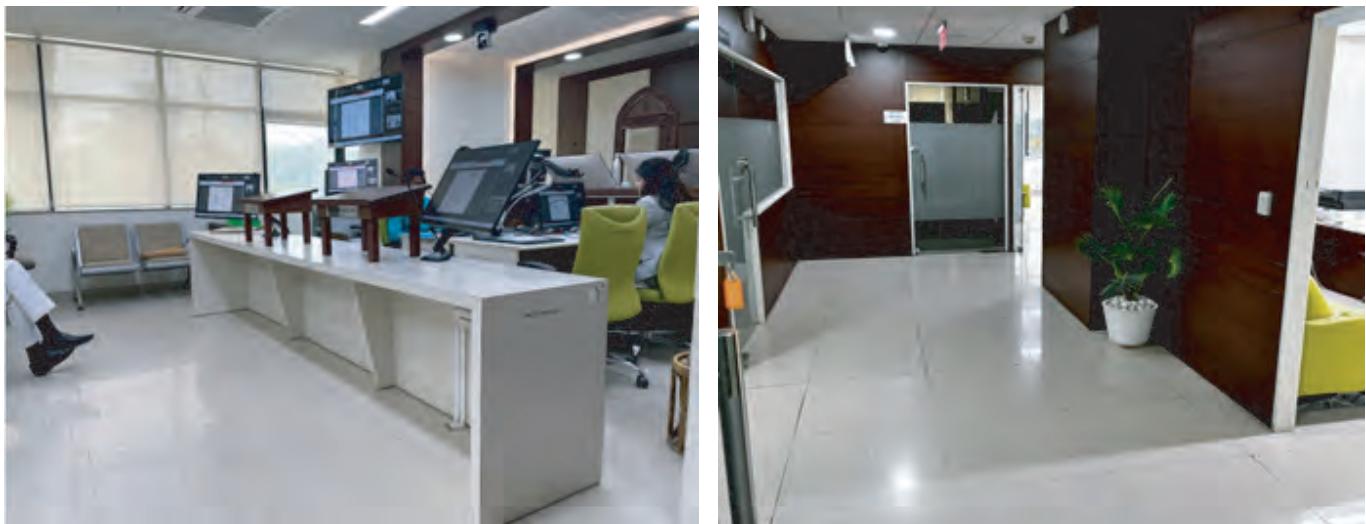
Chandigarh Bench

The Chandigarh Bench initiated a major infrastructure enhancement project during FY 2023-24, executed by CPWD. This included the renovation of Court Room-II, waiting halls for litigants and advocates, and chambers of the Hon'ble Members of Court-II. The renovation aimed to address long-standing infrastructure inadequacies and improve the working environment. With an approved project cost of Rs. 1,09,61,973/-, the refurbishment introduced modern facilities, improved aesthetics, and enhanced accessibility. These upgrades have significantly improved judicial efficiency and supporting hybrid proceedings and growing caseloads in the coming years.



Indore Bench

In FY 2023-24, the Indore Bench continued its progress by installing hybrid court technology. This system enabled seamless virtual hearings, aligning with the broader digital transformation goals of NCLT. The hybrid setup supports both in-person and online participation, enhancing access to operational efficiency. This marked a key milestone in digitizing the courtroom experience and reducing pendency caused by physical constraints. The infrastructure upgrade was executed with minimal disruption to ongoing judicial processes and contributed significantly to the modernization efforts of the newly established bench.



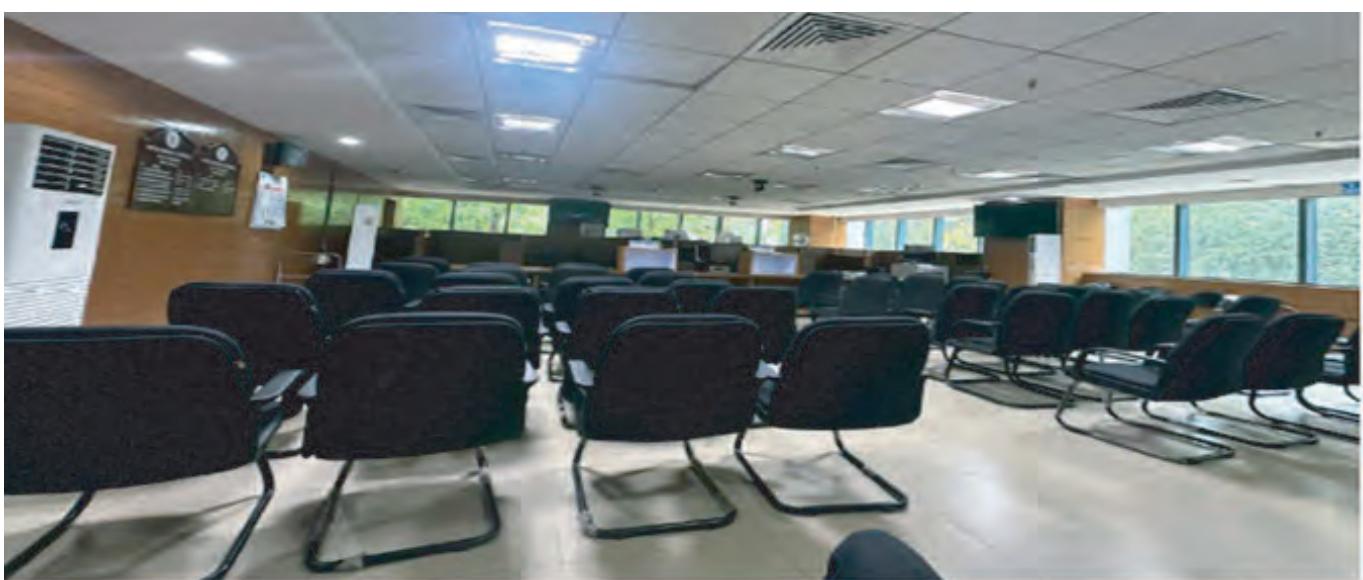
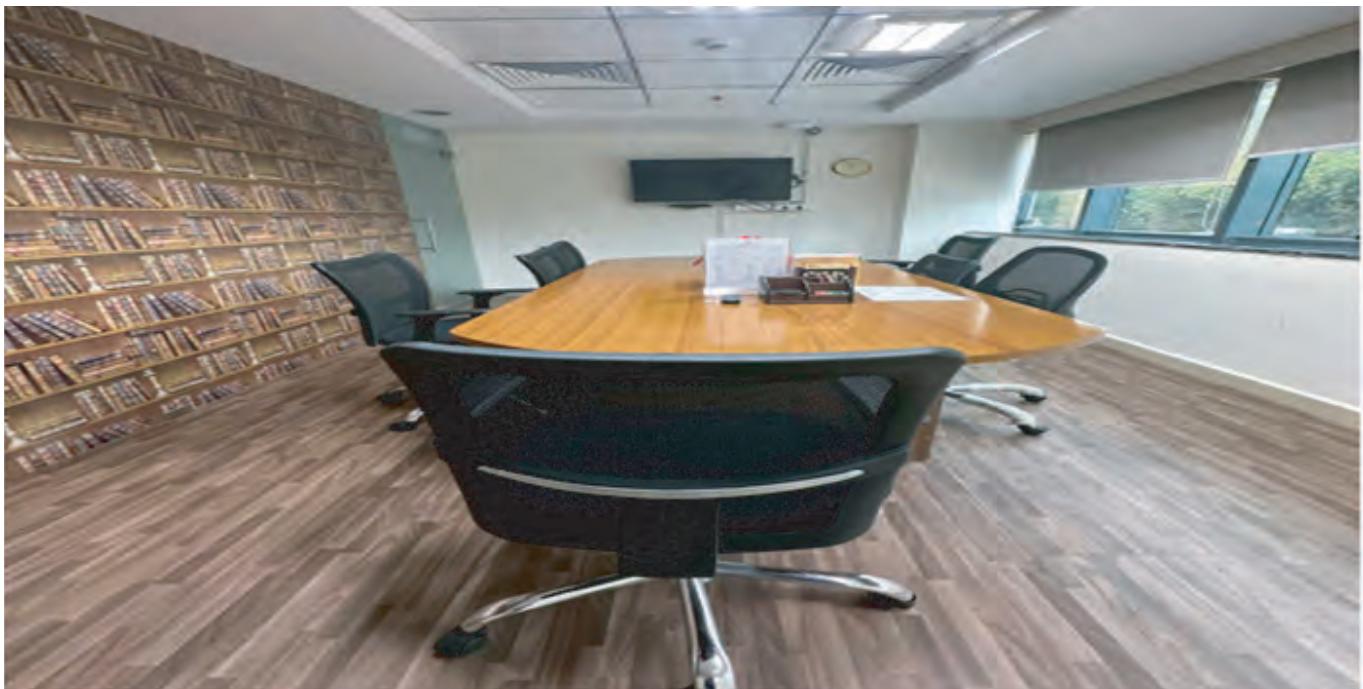
Guwahati Bench

In 2023-24, the NCLT Guwahati Bench officially commenced operations following the successful completion of its new office premises. The functional transition marked a pivotal moment in extending NCLT's jurisdictional reach in the north-eastern region. The newly constructed infrastructure, developed during the previous financial year, became operational with the addition of a hybrid court system. This technology enabled participation of parties and judicial members through digital platforms. The opening of the Guwahati Bench strengthened institutional access for local litigants and advocates.



Hyderabad Bench

In 2023-24, the NCLT Guwahati Bench officially commenced operations following the successful completion of its new office premises. The functional transition marked a pivotal moment in extending NCLT's jurisdictional reach in the north-eastern region. The newly constructed infrastructure, developed during the previous financial year, became operational with the addition of a hybrid court system. This technology enabled participation of parties and judicial members through digital platforms. The opening of the Guwahati Bench strengthened institutional access for local litigants and advocates.



RTI SETUP IN NCLT

The Right to Information (RTI) setup in the National Company Law Tribunal (NCLT) has been established in accordance with the provisions of the RTI Act, 2005, to promote transparency, accountability, and timely dissemination of information. The NCLT, being a public authority under the administrative control of the Ministry of Corporate Affairs, has designated Central Public Information Officers(CPIOs)at each of its benches to receive and process RTI applications related to the functioning of the respective benches.

The Registrar, NCLT has been designated as the First Appellate Authority (FAA) to hear appeals against the decisions of CPIOs as per the provisions of Section 19(1) of the RTI Act.

Each NCLT bench manages RTI queries independently, ensuring that responses are provided within the stipulated 30-day period. The Principal Bench oversees coordination and compliance monitoring and also consolidates RTI-related data for reporting to the Ministry or the Central Information Commission(CIC) when required.

Applications can be submitted physically at NCLT offices or through the RTI Online Portal, with the applicable fee.

Further, in compliance with Section 4 of the RTI Act, NCLT proactively publishes essential information such as organizational structure, functions, contact details, cause lists, orders, and judgments on its official website. This structured setup ensures that NCLT meets its statutory obligations while facilitating informed citizen engagement.



OTHER INITIATIVES

INTERNATIONAL YOGA DAY

The National Company Law Tribunal (NCLT) observed International Yoga Day on 21 June 2023 at all its benches, with active participation from Hon'ble Members, officers, and staff. Yoga sessions were conducted, focusing on fundamental asanas, breathing exercises, and meditation techniques. The programme aimed to enhance physical health, mental balance, and effective stress management, keeping in view the intensive and sensitive responsibilities associated with judicial functions. Sessions were also held to emphasize the benefits of incorporating yoga into everyday life. Through this initiative, NCLT reaffirmed its commitment to the well-being of its workforce while contributing to the broader national initiative promoting a healthy and balanced lifestyle.



OBSERVANCE OF "HAR GHAR TIRANGA" CAMPAIGN

The "Har Ghar Tiranga" campaign was observed under the aegis of Azadi ka Amrit Mahotsav, the 76th year of Indian Independence and to promote patriotism and awareness among all. National flags were distributed to staff members on the occasion for hoisting the same at their homes.



SWACHHATA PAKHWADA

As part of the "Swachhata Hi Seva" campaign observed during Swachhata Pakhwada (15th September - 02nd October 2023), a cleaning drive was undertaken by the Bench on 01st October 2023.



List of Abbreviations

AA	Authorization for Assignment
AI	Artificial Intelligence
CBI	Central Bureau of Investigation
CCI	Competition Commission of India
CEO	Chief Executive Officer
CIRP	Corporate Insolvency Resolution Process
COC	Committee of Creditors
DC	Disciplinary Committee
DRT	Debt Recovery Tribunal
ED	Executive Director
EMD	Earnest Money Deposit
EOI	Expression of Interest
EPFO	Employees' Provident Fund Organization
FC/FCs	Financial Creditor / Creditors
FiSP/FiSPs	Financial Service Provider/ Financial Service Providers
HC	High Court
IBA	Indian Banks' Association
IBBI / Board	Insolvency and Bankruptcy Board of India
IBC / Code	Insolvency and Bankruptcy Code, 2016
ICAI	Institute of Chartered Accountants of India
ICAI RVO	ICAI Registered Valuers Organisation
ICD	Insolvency Commencement Date
ICMAI	Institute of Cost and Management Accountants of India
ICSI	Institute of Company Secretaries of India
ICSI IIP	ICSI Institute of Insolvency Professionals
IIIP ICAI	Indian Institute of Insolvency Professionals of ICAI
IRPC	Insolvency Resolution Process Cost
IU/IUs	Information Utility/Utilities
LCD	Liquidation Commencement Date
Liquidation Regulation	IBBI (Liquidation Process) Regulations, 2016
MCA	Ministry of Corporate Affairs
MD	Managing Director
MSME	Micro, Small and Medium Enterprise
NaBFID	National Bank for Financing Infrastructure and Development
NCDRC	National Consumer Disputes Redressal Commission
NCLAT	National Company Law Appellate Tribunal
NCLT	National Company Law Tribunal
NeSL	National e- Governance Services Limited

NI Act	Negotiable Instruments Act, 1881
OC/OCs	Operational Creditor/ Creditors
PC Act	Prevention of Corruption Act, 1988
PMO	Prime Minister's Office
PG/PGs	Personal Guarantor/Guarantors
PGIP	Post Graduate Insolvency Programme
PIRP	Personal Insolvency Resolution Process
PMLA	The Prevention of Money Laundering Act, 2002
PMO	Prime Minister's Office
PPIRP	Pre-Packaged Insolvency Resolution Process
PRA	Prospective Resolution Applicant
RA	Resolution Applicant
RoD	Record of Default
RBI	Reserve Bank of India
RP/RPs	Resolution Professional/Professionals
RV/RVs	Registered Valuer/Registered Valuers
SARFAESI Act	Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SC	Supreme Court of India
SCC	Stakeholders' Consultation Committee
SCN	Show Cause Notice
SRA	Successful Resolution Applicant
UIDAI	Unique Identification Authority of India
UNCITRAL	United Nations Commission on International Trade Law
Valuation Rules	The Companies (Registered Valuers and Valuation) Rules, 2017
WP	Write Petition
WTM	Whole Time Member
CD	Corporate Debtor
CEO	Chief Executive Officer
CPE	Continuing Professional Education
CPGRAMS	Centralised Public Grievance Redress & Monitoring System
DRP	Debt Realignment Tribunal
HC	High Court
IIM	Indian Institute of Management
ITD	Income Tax Department
LCD	Liquidation Commencement Date
NITI Aayog	National Institution for Transforming India
Panel Guidelines	Insolvency Professionals to act as interim Resolutions Professional, Liquidators, Resolution Professionals & Bankruptcy Trustees Guidelines, 2024
RBI	Reserve Bank of India
RERA	Real Estate Regulatory Authority

SCRA	Securities Contracts (Regulation) Act, 1956
SEBI	Securities & Exchange Board of India Act, 1992
UPRERA	Uttar Pradesh Real Estate Regulatory Authority



બાંધીય કોમ્પાની આઇન અધિકરણ

જાતીય કોમ્પાની આઇન ટ્રોઇબુનાલ

રાષ્ટ્રીય કંપની આઇન ટ્રાડબુનાલ

રાષ્ટ્રીય કંપની કાનૂન અધિકરણ

રાષ્ટ્રીય કંપની કાનૂન ટ્રિબ્યુનલ

રાષ્ટ્રીય કંપની વિધિ અધિકરણ

રાષ્ટ્રીય કંપની કાનૂન નાયાદા મુંડણી

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રાષ્ટ્રીય કંપની વિધિ અધિકરણ

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