



INSOLVENCY PROFESSIONAL AGENCY
OF INSTITUTE OF COST ACCOUNTANTS OF INDIA
PROMOTED BY THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

03 | July | 2026

IBC AU-COURANT

LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

"Don't settle for what life gives you; make life better and build something."

➤ NCLT Dismisses Unity Small Finance Bank's Insolvency Plea Against Awas Developers Over Default Date

The Mumbai bench of the National Company Law Tribunal (NCLT) has dismissed an insolvency petition filed by Unity Small Finance Bank against Awas Developers and Constructions Pvt Ltd, holding that the lender failed to establish the correct date of default and that the application was barred by limitation.

The tribunal, however, clarified that the dismissal would not prevent Unity Small Finance Bank from pursuing other legal remedies, including proceedings based on subsequent developments such as the arbitral award, in accordance with law.

The petition, filed under Section 7 of the Insolvency and Bankruptcy Code (IBC), sought initiation of the corporate insolvency resolution process (CIRP) against Awas Developers over an alleged default of ₹140.12 crore. The bank treated October 7, 2019-the date on which it issued a demand notice-as the date of default.

Rejecting the lender's contention, the NCLT held that a demand or recall notice cannot alter or postpone the date of default. It observed that the borrower's account had already been classified as a non-performing asset (NPA) on August 31, 2012, and that the first default-not a subsequent recovery action-is the relevant trigger for computing limitation under the IBC.

The bench also flagged inconsistencies in the bank's pleadings, noting that three different dates of default had been cited during the proceedings-October 7, 2019 in the petition, March 31, 2019 in the NeSL Form C, and October 22, 2019 in the written submissions. It held that the petition failed to correctly identify the date of default.

Source: *The Economic Times*

Read Full News: [NCLT dismisses Unity Small Finance Bank's insolvency plea against Awas Developers over default date - The Economic Times](#)

➤ **Perjury Cannot Be Invoked For Every Pleading Omission If Correct Financial Position Was Considered: NCLT Delhi**

The National Company Law Tribunal (NCLT) in New Delhi has held that perjury jurisdiction cannot be invoked to penalise every pleading defect or omission. The tribunal observed that this principle applies where it has already examined the correct financial position while deciding the substantive proceedings.

The bench of Judicial Member Manni Sankariah Shanmuga Sundaram and Technical Member Atul Chaturvedi observed, "Perjury jurisdiction cannot be invoked to penalize every pleading defect or omission, particularly where the matter has already been examined in the substantive proceedings and the Tribunal has adjudicated upon the correct financial position."

Source: Live Law Biz

Read Full News: [Perjury Cannot Be Invoked for Every Pleading Omission If Correct Financial Position Was Considered: NCLT Delhi](#)

➤ **NCLT Chandigarh Rejects Recasting of Claims Based on Pre-CIRP Refunds, Upholds RP Methodology**

The Chandigarh Bench of the National Company Law Tribunal (NCLT) on 5 June 2026 held that homebuyers cannot reappropriate amounts refunded before commencement of the Corporate Insolvency Resolution Process (CIRP) towards interest to enhance their admitted claims.

Judicial Member Khetrabasi Biswal and Technical Member Shishir Agarwal dismissed applications filed by homebuyers challenging the Resolution Professional's adjustment of a pre-CIRP refund of Rs. 40,00,000 against principal instead of interest and upheld the Resolution Professional's method of computation.

Source: Live Law Biz

Read Full News: [NCLT Chandigarh Rejects Recasting of Claims Based on Pre-CIRP Refunds, Upholds RP Methodology](#)



**INSOLVENCY PROFESSIONAL AGENCY
OF INSTITUTE OF COST ACCOUNTANTS OF INDIA**
PROMOTED BY THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

INSOLVENCY PROFESSIONAL AGENCY OF INSTITUTE OF COST ACCOUNTANTS OF INDIA
(A Section 8 Company registered under Companies Act, 2013)
Delhi Office: CMA Bhawan, 3 Institutional Area, Lodhi Road, New Delhi -110003
Noida Office: CMA Bhawan, C-42 Sector 62, Noida- 201309