



INSOLVENCY PROFESSIONAL AGENCY  
OF INSTITUTE OF COST ACCOUNTANTS OF INDIA



# IBC AU-COURANT

LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

*"A problem is a chance for you to do your best."*

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## ➤ NCLAT dismisses Kesoram's appeal in Birla Tyres insolvency case

The National Company Law Appellate Tribunal (NCLAT) on Friday dismissed Kesoram Industries' appeal against the National Company Law Tribunal's Kolkata ruling that had rejected its claim of being a financial creditor of Birla Tyres Ltd.

The appellate tribunal held that Kesoram had failed to prove that the transaction was a deposit of money or a loan from its account to Birla Tyres' account, and hence, "the adjudicating authority (NCLT, Kolkata) didn't commit any error in rejecting the application filed by the appellant".

BK Birla Group company Kesoram Industries Ltd had filed an application in NCLT, Kolkata, urging it to direct the resolution professional (RP) to consider it as a financial creditor of Birla Tyres. The RP had rejected Kesoram Industries' claim of ₹518.3 crore, which the company said was given to Birla Tyres as an inter-company loan.

**Source:** *The Economic Times*

**Read Full news at:** <https://economictimes.indiatimes.com/industry/auto/tyres/nclat-dismisses-kesorams-appeal-in-birla-tyres-insolvency-case/articleshow/106583311.cms>

## ➤ NCLT admits insolvency plea against Shah Builders

The National Company Law Tribunal (NCLT) has admitted Canara Bank's application to initiate the corporate insolvency resolution process (CIRP) against Mumbai-based real estate developer Shah Group Builders.

The bank had moved the bankruptcy court against the developer in 2020 following its default on loans worth nearly ₹100 crore including interest thereon. The account was declared a non-performing (NPA) in December 2016. The tribunal has appointed Srigini Rajat Naidu as the resolution professional to undertake insolvency proceedings against the developer.

**Source: The Economic Times**

**Read Full news:** <https://economictimes.indiatimes.com/industry/services/property/-construction/nclt-admits-insolvency-plea-against-shah-builders/articleshow/106583414.cms?from=mdr>

## ➤ **Supreme Court Clears Air On Right To Claim Set-Off In Corporate Insolvency Resolution Process Under IBC**

The Supreme Court, in a recent judgment, cleared air on right to claim set-off in Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code (IBC).

The Court noted that provisions of statutory set-off or insolvency set-off permitted by the Liquidation Regulations cannot be applied to a Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code. But it carved out two exceptions to this rule: contractual set-off and equitable set-off/transactional set-off.

In that context, the Bench of Justice Sanjiv Khanna and Justice SVN Bhatti observed that, "we do not think that the provisions of statutory set-off in terms of Order VIII Rule 6 of CPC or insolvency set-off as permitted by Regulation 29 of the Liquidation Regulations can be applied to the Corporate Insolvency Resolution Process."

**Source: Verdictum**

**Read Full news:** <https://www.verdictum.in/court-updates/supreme-court/2024-insc-15-bhati-airtel-limited-anr-vs-vijaykumar-v-iyer-ors-insolvency-bankruptcy-code-1513613>

