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LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

Setting goals is the first step in turning the invisible into the visible.

➤ **IBC | Homebuyers Can't Be Denied Flat Possession If Their Claims Were Verified & Admitted By Resolution Professional : Supreme Court**

The Supreme Court on Tuesday (Sep.9) observed that once a claim is verified and admitted by the Resolution Professional (RP), it cannot be treated as "belated" to deny substantive relief under a resolution plan.

A bench of **Justices Sanjay Kumar and Satish Chandra Sharma** ruled in favour of the homebuyers, holding that their verified and admitted claims could not be downgraded to 'unverified' merely because of delayed filing, especially when such treatment had wrongly denied them flat possession and confined them to a partial refund despite having paid substantial consideration.

"What is critical to note is that this is not a case of entertaining a fresh claim beyond the Resolution Plan. It concerns an allottee whose claim was verified and admitted by the Resolution Professional and reflected in the list of financial creditors well before approval of the Plan by the Adjudicating Authority. To disregard such an admitted claim and confine the Appellants to the limited benefit under Clause 18.4(xi) is not to preserve the binding effect of the plan but to misapply it.

Relegating bona fide allottees, who have paid substantial consideration years in advance, to the status of mere refund claimants runs contrary to the very object of the legislative framework.... To deny them possession today, despite their claim having been duly verified and admitted, would inflict unfair and unwarranted prejudice.", the Court said.

Source: Live Law

Read Full news: [IBC | Homebuyers Can't Be Denied Flat Possession If Their Claims Were Verified & Admitted By Resolution Professional : Supreme Court](#)

➤ Any Defect In Title Of Security Does Not Vitate Duly Executed Personal Guarantee: NCLT Mumbai

The **National Company Law Tribunal (NCLT), Mumbai** Bench, Court VI, comprising Justice Nimesh Sharma (Member-Judicial) and Sameer Kakar (Member-Technical), has held that any defect in the title of the security does not vitiate the personal guarantee, duly executed, specifically when the person admits the execution.

The application under rule 11 of the NCLT Rules, 2016, was filed by the personal guarantor, Rinki Prakash Kumar, praying for dismissal of the section 95 petition filed by the financial creditor on the grounds of maintainability, fraud, and non-disclosure. The applicant also prayed for the stay of ex-parte admission of the section 95 petition.

Source: *Live Law*

Read Full news: [Any Defect In Title Of Security Does Not Vitate Duly Executed Personal Guarantee: NCLT Mumbai](#)

➤ No relief for Logix Infra in insolvency process appeal

NOIDA: The National Company Law Appellate Tribunal (NCLAT) has upheld a February 2025 order of the National Company Law Tribunal (NCLT), which cancelled the admission of insolvency proceedings against Logix Infrastructure, builder of the delayed Blossom County project in Noida Sector 137. The appeal was filed by Experts Realty Professionals, the financial creditor that started the corporate insolvency resolution process (CIRP).

A bench of Justice N Seshasayee and Arun Baroka dismissed the appeal, saying: “The petition under the Insolvency and Bankruptcy Code (IBC) was fraudulent and aimed at protecting Logix from its dues to homebuyers and the Noida authority.”

With this new order, the ₹55 lakh penalty imposed earlier by NCLT—stayed during the appeal—must now be paid by Experts Realty to the Prime Minister’s National Relief Fund (PMNRF). The costs of CIRP will also be borne by the financial creditor.

Source: *Hindustan Times*

Read Full news: [No relief for Logix Infra in insolvency process appeal | Hindustan Times](#)

