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LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

"What we do for ourselves dies with us. What we do for others and the world remains and is immortal."

➤ **NCLT Mumbai Admits Canara Bank's Insolvency Plea Against Supreme Housing Over ₹567 Crore Default**

The National Company Law Tribunal (NCLT) at Mumbai on Wednesday admitted Canara Bank's Section 7 insolvency petition against Supreme Housing & Hospitality Private Limited over a default of ₹567.43 crore and initiated corporate insolvency resolution process (CIRP) against the company.

A Bench of Judicial Member Nilesh Sharma and Technical Member Sameer Kakar observed: "Accordingly, in our view, there exists a debt which is in default and the said debt is within limitation and exceeds the threshold prescribed under Section 4 of IBC, 2016. The present Application is complete, and as per the consent of the proposed IRP as placed on record, no disciplinary proceedings are pending against the said proposed IRP."

The dispute arose from a Rs 390 crore term loan sanctioned by Canara Bank to Supreme Housing in March 2014 and disbursed in May 2014. The bank stated that the company committed default from July 1, 2017, its account was classified as a non-performing asset on September 29, 2017, and outstanding dues stood at Rs 567.43 crore as on October 31, 2025. Canara Bank submitted that earlier insolvency proceedings and multiple one-time settlement (OTS) arrangements failed after the corporate debtor repeatedly defaulted on payment commitments, including a ₹460 crore OTS accepted in June 2025.

The corporate debtor opposed the plea, arguing that insolvency proceedings initiated against its personal guarantors triggered an interim moratorium under Section 96 of the Insolvency and Bankruptcy Code (IBC), which barred the present Section 7 petition. It also contended that earlier defaults stood novated after acceptance of the OTS proposals. Rejecting these objections, the tribunal held that the moratorium applicable to personal guarantors under Section 96 would not bar proceedings against the principal borrower company under Section 7.

Source: Live Law Biz

Read Full news: [NCLT Mumbai Admits Canara Bank's Insolvency Plea Against Supreme Housing Over ₹567 Crore Default](#)

➤ **NCLT Chennai Orders Liquidation Of ARS Energy After CoC Fails To Approve Resolution Plan**

On 5 May, the Chennai Bench of the National Company Law Tribunal ordered liquidation of ARS Energy Private Limited after the Committee of Creditors failed to approve any resolution plan and the proposal to appoint the Resolution Professional as liquidator did not secure the mandatory voting threshold under the Insolvency and Bankruptcy Code, 2016.

Judicial Member Sanjiv Jain and Technical Member Venkataraman Subramaniam allowed an application filed by Resolution Professional R. Bhuvaneshwari under Section 33(2) of the Code and directed initiation of liquidation proceedings along with her appointment as liquidator. The Bench observed:

Source: *Live Law Biz*

Read Full news: [NCLT Chennai Orders Liquidation Of ARS Energy After CoC Fails To Approve Resolution Plan](#)

➤ **NCLT Rejects Insolvency Plea Against Heranba Organics as Debt Falls Below Threshold**

Heranba Industries Limited has informed the stock exchanges that the Hon'ble National Company Law Tribunal, Mumbai Bench-VI has dismissed an insolvency application filed against its wholly owned subsidiary, Heranba Organics Private Limited. The disclosure was made pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and is an update to an earlier intimation letter dated February 27, 2026.

NCLT Order and Grounds for Dismissal

The NCLT passed its final order vide Order No. CP (IB)/190(MB)2026 on May 12, 2026, rejecting and dismissing the application filed by Haresh Petrochem Private Limited under Section 9 of the Insolvency and Bankruptcy Code, 2016 against Heranba Organics Private Limited. The tribunal held that upon exclusion of the interest component claimed by the applicant, the principal operational debt amount fell below the threshold limit prescribed under Section 4 of the Insolvency and Bankruptcy Code, 2016, rendering the application not maintainable.

Source: *Scan X*

Read Full news: [NCLT Rejects Insolvency Plea Against Heranba Organics as Debt Falls Below Threshold](#)



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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