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The mind is everything. What you think you become.

➤ **NCLAT Rejects Odisha GST's ₹740 Crore Claim, Holding That Second Appeal U/S 42 IBC Is Not Maintainable: NCLAT Chennai**

The **National Company Law Appellate Tribunal**, Chennai Bench, comprising Justice Sharad Kumar Sharma (Member – Judicial) and Jatindranath Swain (Member – Technical), has considered the issue of whether the GST department could file a second appeal u/s 42 of the IBC without rectifying defects in the first appeal.

The bench observed that a second appeal u/s 42 of the IBC is not maintainable if the defects in the first appeal have not been rectified. The corporate debtor was undergoing liquidation proceedings after the failure of CIRP. The Joint Commissioner of Commercial Taxes & GST, Odisha, assessed tax dues, penalties, and interest amounting to Rs. 740.2 crore. The due remained unpaid even after the show cause and demand notice.

The liquidator invited the claims with the deadline set for September 2018. However, the Odisha GST Department submitted its claim in September 2020, and that too on an incorrect form. The GST Department attempted to ratify the defects, but the liquidator rejected the claim.

The GST Department then filed an appeal u/s 42 of the IBC challenging the rejection. But the appeal was found to be defective and remain unrectified. Subsequently, the GST department filed the second appeal in July 2023. The second appeal was challenged for being time-barred and having maintainability issues.

Source :Live Law

Read Full news: [NCLAT Rejects Odisha GST's ₹740 Crore Claim, Holding That Second Appeal U/S 42 IBC Is Not Maintainable: NCLAT Chennai](#)

➤ **Reopening Case Reserved For Orders Without Hearing Affected Party Violates Principle Of Audi Alteram Partem: NCLAT Chennai**

The National Company Law Appellate Tribunal, Chennai Bench, comprising Justice Sharad Kumar Sharma (Member – Judicial) and Jatindranath Swain (Member – Technical), has held that an order reserved for the pronouncement cannot be reopened and altered based on a unilateral mention made by a non-party without hearing the affected party.

Background of the Case

The appellant filed four applications before the adjudicating authority against the four individuals, who were the personal guarantors of M/s Ankit Ispat Pvt. Ltd. Petitions were heard and the arguments were concluded on February 19, 2025, and the matter was reserved for orders.

Source: Live Law

Read Full news: [Reopening Case Reserved For Orders Without Hearing Affected Party Violates Principle Of Audi Alteram Partem: NCLAT Chennai](#)

➤ **Amount Paid By Co-Applicant From Account Other Than That Of Corporate Debtor Is Not Covered U/S 43 Of IBC, Reversal Can't Be Directed: NCLAT**

The National Company Law Appellate Tribunal (NCLAT) New Delhi bench of Justice Ashok Bhushan (Judicial Member) and Mr. Barun Mitra (Technical Member) has held that the amount paid by the co-applicant of the corporate debtor during the Corporate Insolvency Resolution Process (CIRP), from an account other than that of the corporate debtor, cannot be directed to be reversed by the Adjudicating Authority, as it does not fall under Section 43 of the Insolvency and Bankruptcy Code, 2016 (IBC).

The present appeal has been filed against an order passed by National Company Law Tribunal (NCLT) by which it directed the Appellant to reverse Rs. 8,92,980/- into the accounts of the corporate debtor. The Appellant submitted that the amount having not been received from the corporate debtor, there was no applicability of Section 14 of the IBC and moratorium was not applicable with regard to any payment by co-applicant. After receiving the amount, the charge which was on the vehicle was released.

Source: Live Law

Read Full news: [Amount Paid By Co-Applicant From Account Other Than That Of Corporate Debtor Is Not Covered U/S 43 Of IBC, Reversal Can't Be Directed: NCLAT](#)

