



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

19 | August | 2026

IBC AU-COURANT

LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

The future belongs to those who prepare for it today.

➤ **Bank's internal policies cannot override IBC or RP appointment order: NCLT Guwahati**

The Guwahati National Company Law Tribunal (NCLT) on 24 July held that a bank's internal policies cannot override the statutory scheme of the Insolvency and Bankruptcy Code, 2016 (IBC) or the Tribunal's order appointing a Resolution Professional (RP).

A Bench comprising Judicial Member Rammurti Kushawaha and Technical Member Yogendra Kumar Singh made the observation while dismissing an application filed by Indian Bank seeking the replacement of Resolution Professional Sudha Sarma in the personal insolvency resolution process of Rita Mandal. They held: *"The Applicant's reliance on its internal risk management policy is misconceived. The internal policy of a banking company has no statutory force and cannot override the Tribunal's order of appointment made in exercise of its powers under the Code."*

Indian Bank had initiated personal insolvency resolution proceedings against Mandal, in which Sarma was appointed as the RP. It sought her replacement, alleging a conflict of interest, an adversarial relationship and a reasonable apprehension of bias arising from pending proceedings between the Bank and Sarma.

The Bank relied on proceedings between it and Sarma in the liquidation of Nayak Infrastructure Private Limited, where Sarma was acting as Liquidator. It claimed that the proceedings had resulted in an adversarial relationship and that it had lost confidence in Sarma's ability to act impartially. It also relied on its internal policies concerning professionals having a conflict of interest with the Bank.

Sarma opposed the application, pointing out that the Bank had earlier sought her removal through a similar application, which it withdrew without liberty to file afresh. She contended that the Bank had not identified any instance of bias, partiality or misconduct in the present insolvency process and was relying on proceedings arising from an unrelated matter. She further argued that the Bank's internal policies could not override the IBC or the Tribunal's order appointing her as RP.

Source: Live Law Biz

Read Full News: [Bank's internal policies cannot override IBC or RP appointment order: NCLT Guwahati](#)

➤ **SARFAESI proceedings, ED provisional attachment do not bar CIRP: NCLT Ahmedabad**

The Ahmedabad bench of the National Company Law Tribunal (NCLT) has held that ongoing SARFAESI proceedings and provisional attachment of a secured property by the Directorate of Enforcement do not bar initiation of the Corporate Insolvency Resolution Process (CIRP) against Capbridge Venture LLP.

"The contention that proceedings under the SARFAESI Act, 2002 bar the present Petition is untenable. The remedies available under the SARFAESI Act and the Insolvency and Bankruptcy Code operate in different fields, and initiation of statutory recovery measures does not preclude proceedings under Section 7 of the Code," the tribunal observed.

The bench comprised Judicial Member Shammi Khan and Technical Member Sanjeev Sharma. It also held that the attachment may have implications during CIRP, but does not affect the petition's maintainability or extinguish the financial debt or default.

Source: Live Law Biz

Read Full News: [SARFAESI proceedings, ED provisional attachment do not bar CIRP: NCLT Ahmedabad](#)

➤ **'Judicial Discipline' requires HC to refrain from entertaining writ against appealable NCLT Order: Supreme Court**

The Supreme Court has set aside a Kerala High Court order that entertained a writ petition challenging an NCLT order passed during liquidation proceedings.

The court held that judicial discipline requires the High Court to refrain from entertaining such a challenge when the aggrieved person can pursue an appeal under the Insolvency and Bankruptcy Code (IBC).

A Bench of Justices Manoj Misra and Vijay Bishnoi observed that Section 61 of the IBC gives a broad right of appeal to any "person aggrieved" by an order of the adjudicating authority under Part II of the Code.

Source: Live Law Biz

Read Full News: ['Judicial Discipline' requires HC to refrain from entertaining writ against appealable NCLT Order: Supreme Court](#)



**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, Uttar Pradesh - 201309