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The cost for the good life is giving up comfort.

➤ **Once CoC Agrees To Release Personal Guarantees Upon Payment, Invocation Cannot Be Directed By Adjudicating Authority: NCLAT New Delhi**

The **National Company Law Appellate Tribunal**, Principal Bench, New Delhi, comprising Justice Ashok Bhushan (Chairperson) and Barun Mitra (Member - Technical), has held that if CoC has itself agreed to release the personal guarantees upon completion of payment under the Resolution Plan, no directions can be issued to invoke such guarantees.

The appeal was filed challenging the observations made in paragraphs 28 & 39 of the order dated 27.03.2025 passed by the adjudicating authority. By the impugned order, the adjudicating authority approved the resolution plan submitted by the appellant. Although the resolution plan was approved, the observations made in paragraphs 28 & 39 directed the invocation of personal guarantees to maximize asset recovery, irrespective of the terms of the approved plan.

The appellant argued that the approved resolution plan clearly stipulates that the personal and corporate guarantees, as well as third-party assets, will be released upon making the full payment under the plan. Also, the letter by the CoC communicates that the guarantee would be released upon complete implementation of the plan.

They highlighted that the resolution plan has been approved by the 100% CoC and argued that the observations made in paragraphs 28 & 39 are contrary to the approved resolution plan and unsustainable.

In support of the appellant, the respondent also submitted that the said observation by the adjudicating authority is not necessary.

Source: Live Law

Read Full news: [Once CoC Agrees To Release Personal Guarantees Upon Payment, Invocation Cannot Be Directed By Adjudicating Authority: NCLAT New Delhi](#)

➤ **Approved Resolution Plan Can't Be Set Aside Merely Due To Dissenting Financial Creditor's Dissatisfaction With Asset Valuation: NCLAT**

The National Company Law Appellate Tribunal (NCLAT), New Delhi Bench of Justice Ashok Bhushan and Mr. Barun Mitra (Technical Member) has held that approval of a resolution plan cannot be interfered with merely on the grievance of a single financial creditor regarding improper asset valuation of the corporate debtor, when the valuer has, in fact, duly considered all assets and submitted its report.

The present two appeals have been filed against two orders passed by the National Company Law Tribunal (NCLT), Mumbai Bench. The Appellant submitted that there are serious discrepancies and errors in the third valuation report dated 16.06.2025. The third valuer has not valued the KDMC Flats 23 units and Barter Flats 66 units which makes the valuation of Corporate Debtor by third valuer incorrect and faulty. The Resolution Plan is vitiated and deserves to be set aside.

Source: *Live Law*

Read Full news: [Approved Resolution Plan Can't Be Set Aside Merely Due To Dissenting Financial Creditor's Dissatisfaction With Asset Valuation: NCLAT](#)

➤ **Litigants Can't Be Forced To Argue On Merits When They Did Not File Reply To RP's Report U/S 99 Of IBC: NCLAT**

The National Company Law Appellate Tribunal (NCLAT), New Delhi Bench of Justice Ashok Bhushan and Mr. Barun Mitra (Technical Member) has held that when a litigant has not filed a reply to the Resolution Professional's report submitted under Section 99 of the IBC, due to sufficiently explained causes, requiring them to argue on merits would be premature and unjustified.

The present appeal has been filed against an order passed by the National Company Law Tribunal (NCLT) New Delhi by which an Application filed by the Appellant was rejected.

Source: *Live Law*

Read Full news: [Litigants Can't Be Forced To Argue On Merits When They Did Not File Reply To RP's Report U/S 99 Of IBC: NCLAT](#)



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