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LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

Perfection is not attainable, but if we chase perfection we can catch excellence.

➤ **NCLT President Cannot Transfer Cases Beyond Territorial Jurisdiction Of Bench: Gujarat High Court In Essar Steel Insolvency Case**

The Gujarat High Court has recently held that the President of the National Company Law Tribunal (NCLT) has no authority to transfer cases from one State to another through administrative orders. The ruling came in proceedings linked to the Essar Steel insolvency process, where the court also found that repeated recusals by NCLT Members in Ahmedabad were neither "legal" nor "justified."

A single bench of **Justice Niral R Mehta** made the finding in a petition filed by Arcelormittal Nippon Steel India Limited (formerly Essar Steel India Limited). The petition challenged an order of the NCLT, Delhi, which had, through administrative directions, transferred several insolvency related disputes concerning Essar Steel from the NCLT Ahmedabad Bench to the NCLT Mumbai Bench, even though those transfer applications were still pending before the Tribunal.

The court observed, *"The President of the NCLT has no administrative power to alter or extend the territorial jurisdiction of any Bench. Such an administrative decision directly affecting pending judicial proceedings is, therefore, subject to judicial review. Accordingly, the orders dated 6th June 2024 and 10th February 2025 passed by the NCLT, New Delhi, on the administrative side, are without any legal authority and are liable to be quashed and set aside."*

The case stemmed from the aftermath of the Corporate Insolvency Resolution Process (CIRP) of Essar Steel, which was approved by NCLT, Ahmedabad, in 2019 and upheld by the Supreme Court later that year. After completion of the process, some respondents filed contempt and recall petitions alleging non-compliance.

Source: Live Law

Read Full news: [NCLT President Cannot Transfer Cases Beyond Territorial Jurisdiction Of Bench: Gujarat High Court In Essar Steel Insolvency Case](#)

➤ **Can Multi-State Cooperative Societies Submit Resolution Plans Under IBC? Supreme Court To Consider**

The Supreme Court recently directed that the Central Registrar of Multi-State Cooperative Societies be made a party to the appeal filed by a multi-state co-operative society against a National Company Law Appellate Tribunal (NCLAT) judgment that had held the society ineligible to submit a resolution plan for a company under the Insolvency and Bankruptcy Code, 2016.

A bench of **Justice JB Pardiwala** and **Justice KV Viswanathan** sought a response from the Central Registrar on whether multi-state cooperative societies are barred from submitting a resolution plan for a corporate entity under the Insolvency and Bankruptcy Code.

Source: Live Law

Read Full news: [Can Multi-State Cooperative Societies Submit Resolution Plans Under IBC? Supreme Court To Consider](#)

➤ **NCLT Chennai Admits Insolvency Plea Against Ozone Homes**

The National Company Law Tribunal (NCLT), Chennai Bench - II, has admitted an application filed by IDBI Trusteeship Services Ltd. under Section 7 of the Insolvency and Bankruptcy Code (IBC) against Ozone Homes, a real estate developer.

The application was filed by IDBI in its capacity as the Debenture Trustee representing the Debenture Holders. The petition arose from a financial debt amounting to Rs 389.20 crore. This debt originated from the issuance of secured, redeemable, non-convertible debentures. According to the petition, Ozone Homes defaulted on its repayment obligations under the Debenture Trust Deed, despite receiving several opportunities to make good the payments.

Source: BW Legal World

Read Full news: [NCLT Chennai Admits Insolvency Plea Against Ozone Homes - BW Legal World](#)



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