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# IBC AU-COURANT

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*"You don't control most things that happen in your life. Focus on your attitude and your effort."*

## ➤ **Calcutta High Court Bars WBSEDCL from seeking Pre-CIRP Late Surcharge from SRA for New Electricity Connection**

The Calcutta High Court has recently held that West Bengal State Electricity Distribution Company Limited (WBSEDCL) could not insist that Pinax Paper Mills Private Limited pay Pre-CIRP Late Payment Surcharge (LPSC) before granting a fresh electricity connection after approval of the company's Resolution Plan.

Justice Ravi Krishan Kapur held that the successful Resolution Applicant was entitled to the benefit of the "Clean Slate" principle and that claims not forming part of the approved Resolution Plan could not be recovered indirectly. *"In such circumstances, the demand on the petitioner for LPSC as a pre-condition for reconnection of electricity is arbitrary and without authority of law."*, the Court ruled.

The dispute arose after Pinax Paper Mills Private Limited became the successful Resolution Applicant for India Pulp & Paper Private Limited. India Pulp & Paper entered the Corporate Insolvency Resolution Process in July 2022 and a Resolution Plan was approved in December 2024.

After the plan was approved, Pinax sought a fresh electricity connection. On May 6, 2025, WBSEDCL demanded about ₹1.29 crore towards outstanding electricity charges and about ₹1.27 crore towards LPSC before providing the connection.

During the hearing, WBSEDCL dropped its claim for the outstanding electricity charges but continued to defend its demand for LPSC. It argued that the liability arose only when the demand was raised in May 2025.

**Source:** *Live Law Biz*

**Read Full News:** [Calcutta High Court Bars WBSEDCL from seeking Pre-CIRP Late Surcharge from SRA for New Electricity Connection](#)

➤ **GST Compliance Services during CIRP qualify as IRP Costs, but fees must be reasonable: NCLT Kolkata**

The National Company Law Tribunal (NCLT) at Kolkata has held that GST compliance services rendered during a Corporate Insolvency Resolution Process may form part of Insolvency Resolution Process costs when they are necessary for running the Corporate Debtor as a going concern. However, the tribunal declined to direct payment of an additional claim of ₹6.48 lakh after finding the fees sought were unreasonable in light of the work performed.

A coram of Judicial Member Bidisha Banerjee and Technical Member Siddharth Mishra dismissed an application filed by GST consultant Prateek S. Jain & Associates. The firm had sought payment of outstanding professional fees arising from the Insolvency Process of Nandini Impex Private Limited.

**Source: Live Law Biz**

**Read Full News:** [GST Compliance Services during CIRP qualify as IRP Costs, but fees must be reasonable: NCLT Kolkata](#)

➤ **NCLT Allahabad Clears GSW Enterprises ₹95 Crore Resolution Plan for Hind Agro Industries**

The Allahabad Bench of the National Company Law Tribunal (NCLT) has approved the Resolution Plan submitted by G.S.W. Enterprises Private Limited for Hind Agro Industries Limited.

The Plan provides for payment of ₹95 crore towards settlement of stakeholder claims. It also envisages ₹200 crore towards working capital and capital expenditure over a five-year period. The bench of Judicial Member Praveen Gupta and Technical Member Ashish Verma passed the order. The tribunal observed that once creditors approve a Resolution Plan with the required majority after assessing its feasibility, viability and value maximisation, its role is limited to examining whether the plan complies with the requirements of the Insolvency and Bankruptcy Code.

**Source: Live Law Biz**

**Read Full News:** [NCLT Allahabad Clears GSW Enterprises' ₹95 Crore Resolution Plan for Hind Agro Industries](#)



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