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

29| July | 2026

IBC AU-COURANT

LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

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

NCLT Chennai Admits Insolvency Plea Against Pradhin Limited Over ₹12.98 Crore Default

The National Company Law Tribunal (NCLT) at Chennai has admitted an insolvency petition against Pradhin Limited after finding that the financial creditor had established the existence of a financial debt and default of ₹12.98 crore.

The shares of Pradhin Limited are listed on Bombay Stock Exchange Limited. The tribunal initiated the Corporate Insolvency Resolution Process against the company and appointed Rajesh Jasti as the interim resolution professional.

A coram of Judicial Member Sanjiv Jain and Technical Member Venkataraman Subramaniam was hearing a petition filed by Tatad Nayan Gautambhai seeking initiation of CIRP against Pradhin Limited. The petition arose from a loan agreement, under which the Financial Creditor extended an unsecured loan of ₹11 crore carrying 18% interest, of which ₹10.83 crore was disbursed. The loan was repayable by September 30, 2025. The Corporate Debtor later requested the Financial Creditor not to present the post dated cheques issued towards repayment, citing financial difficulties, while acknowledging an outstanding liability of ₹12.98 crore.

Opposing the petition, Pradhin Limited contended that it was facing temporary financial stress, was taking steps to raise funds for revival, and that initiation of CIRP would frustrate its efforts to revive the company.

The Tribunal observed that the Corporate Debtor had not disputed either the debt or its liability to repay. It noted that the repayment obligation crystallised on September 30, 2025, and that the company had subsequently acknowledged the outstanding liability of ₹12.98 crore in its letter dated November 5, 2025.

Source: Live Law Biz
Read Full News: *NCLT Chennai Admits Insolvency Plea Against Pradhin Limited Over ₹12.98 Crore Default*

Forensic Audit Report Alone Cannot Prove Fraudulent Trading Under IBC Section 66: NCLT Ahmedabad

The Ahmedabad National Company Law Tribunal (NCLT) on 13 July held that a forensic audit report cannot, by itself, establish fraudulent trading under Section 66 of the Insolvency and Bankruptcy Code, 2016 (IBC), unless the Resolution Professional independently examines the transactions and forms the statutory opinion required under Regulation 35A of the CIRP Regulations.

A Bench of Judicial Member Chitra Hankare and Technical Member Dr VG Venkata Chalapathy rejected the liquidator's application against former directors of Vijay Timber Industries Pvt Ltd, holding that the Resolution Professional had failed to independently determine whether the transactions amounted to fraudulent trading.

Source: Live Law Biz
Read Full News: *Forensic Audit Report Alone Cannot Prove Fraudulent Trading Under IBC Section 66: NCLT Ahmedabad*

NCLT Ahmedabad Holds Consortium Lender Cannot Defeat Co-Creditor's Charge, Rejects SBI's Mortgage Release

The Ahmedabad National Company Law Tribunal (NCLT) on 13 July held that a consortium lender cannot unilaterally release a mortgaged property under a One Time Settlement (OTS) if such release prejudices the pari passu security interest of another secured creditor.

A Bench comprising Judicial Member Chitra Hankare and Technical Member Dr. V.G. Venkata Chalapathy allowed the application and directed the suspended management of Baid Industries to restore Rs. 5,14,24,288 along with 12% simple interest to the liquidator.

Source: Live Law Biz
Read Full News: *NCLT Ahmedabad Holds Consortium Lender Cannot Defeat Co-Creditor's Charge, Rejects SBI's Mortgage Release*