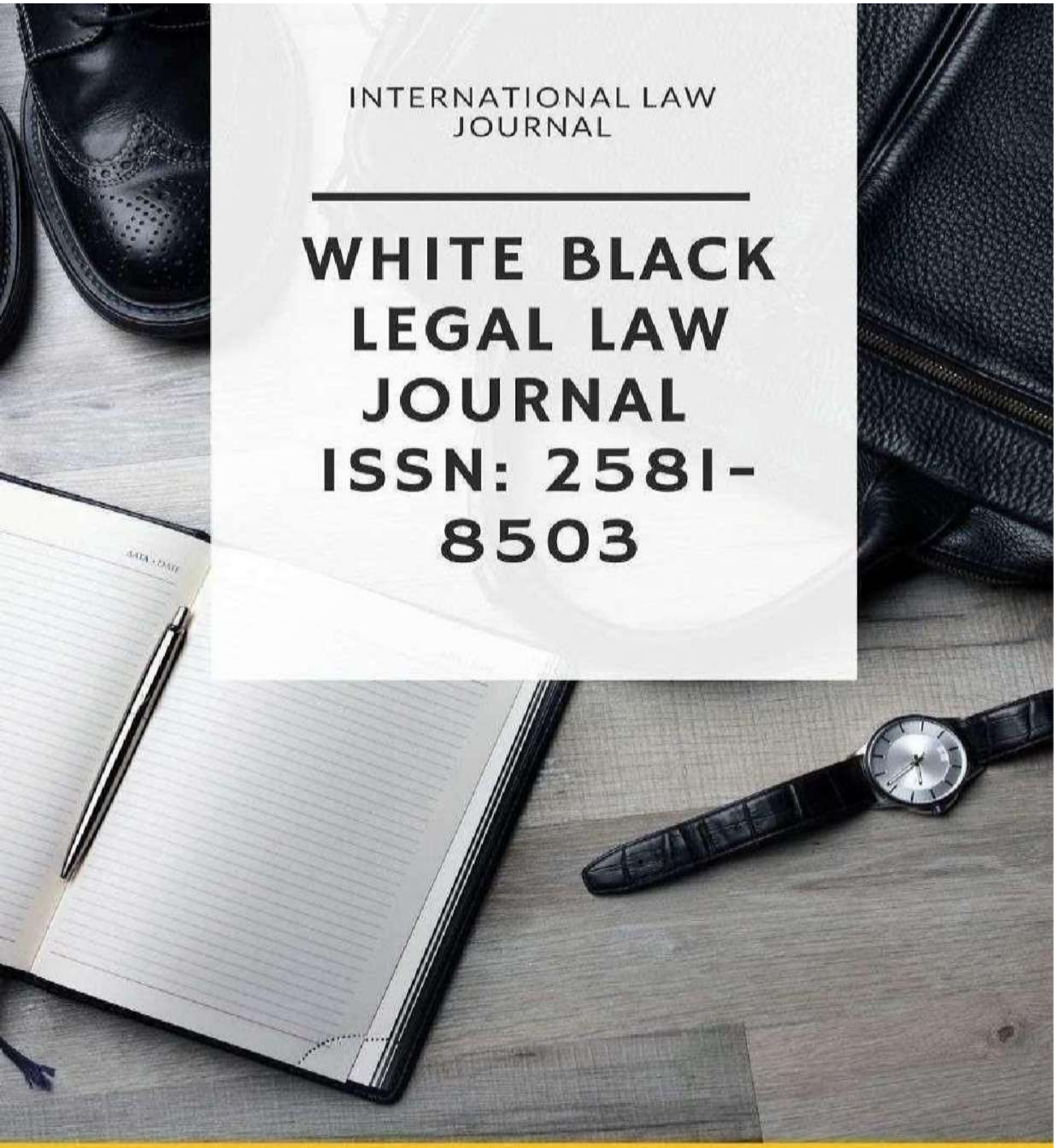


INTERNATIONAL LAW JOURNAL

WHITE BLACK LEGAL LAW JOURNAL

ISSN: 2581-8503

Peer - Reviewed & Refereed Journal

The Law Journal strives to provide a platform for discussion of International as well as National Developments in the Field of Law.

WWW.WHITEBLACKLEGAL.CO.IN

DISCLAIMER

No part of this publication may be reproduced, stored, transmitted, translated, or distributed in any form or by any means—whether electronic, mechanical, photocopying, recording, scanning, or otherwise—without the prior written permission of the Editor-in-Chief of *White Black Legal – The Law Journal*.

All copyrights in the articles published in this journal vest with *White Black Legal – The Law Journal*, unless otherwise expressly stated. Authors are solely responsible for the originality, authenticity, accuracy, and legality of the content submitted and published.

The views, opinions, interpretations, and conclusions expressed in the articles are exclusively those of the respective authors. They do not represent or reflect the views of the Editorial Board, Editors, Reviewers, Advisors, Publisher, or Management of *White Black Legal*.

While reasonable efforts are made to ensure academic quality and accuracy through editorial and peer-review processes, *White Black Legal* makes no representations or warranties, express or implied, regarding the completeness, accuracy, reliability, or suitability of the content published. The journal shall not be liable for any errors, omissions, inaccuracies, or consequences arising from the use, interpretation, or reliance upon the information contained in this publication.

The content published in this journal is intended solely for academic and informational purposes and shall not be construed as legal advice, professional advice, or legal opinion. *White Black Legal* expressly disclaims all liability for any loss, damage, claim, or legal consequence arising directly or indirectly from the use of any material published herein.

ABOUT WHITE BLACK LEGAL

White Black Legal – The Law Journal is an open-access, peer-reviewed, and refereed legal journal established to provide a scholarly platform for the examination and discussion of contemporary legal issues. The journal is dedicated to encouraging rigorous legal research, critical analysis, and informed academic discourse across diverse fields of law.

The journal invites contributions from law students, researchers, academicians, legal practitioners, and policy scholars. By facilitating engagement between emerging scholars and experienced legal professionals, *White Black Legal* seeks to bridge theoretical legal research with practical, institutional, and societal perspectives.

In a rapidly evolving social, economic, and technological environment, the journal endeavours to examine the changing role of law and its impact on governance, justice systems, and society. *White Black Legal* remains committed to academic integrity, ethical research practices, and the dissemination of accessible legal scholarship to a global readership.

AIM & SCOPE

The aim of *White Black Legal – The Law Journal* is to promote excellence in legal research and to provide a credible academic forum for the analysis, discussion, and advancement of contemporary legal issues. The journal encourages original, analytical, and well-researched contributions that add substantive value to legal scholarship.

The journal publishes scholarly works examining doctrinal, theoretical, empirical, and interdisciplinary perspectives of law. Submissions are welcomed from academicians, legal professionals, researchers, scholars, and students who demonstrate intellectual rigour, analytical clarity, and relevance to current legal and policy developments.

The scope of the journal includes, but is not limited to:

- Constitutional and Administrative Law
- Criminal Law and Criminal Justice
- Corporate, Commercial, and Business Laws
- Intellectual Property and Technology Law
- International Law and Human Rights
- Environmental and Sustainable Development Law
- Cyber Law, Artificial Intelligence, and Emerging Technologies
- Family Law, Labour Law, and Social Justice Studies

The journal accepts original research articles, case comments, legislative and policy analyses, book reviews, and interdisciplinary studies addressing legal issues at national and international levels. All submissions are subject to a rigorous double-blind peer-review process to ensure academic quality, originality, and relevance.

Through its publications, *White Black Legal – The Law Journal* seeks to foster critical legal thinking and contribute to the development of law as an instrument of justice, governance, and social progress, while expressly disclaiming responsibility for the application or misuse of published content.

www.whiteblacklegal.co.in
Volume 4 Issue 3 | Nov 2026 ISSN: 2581-8503

INSOLVENCY RESOLUTION UNDER THE IBC, 2016: CHALLENGES, OUTCOMES AND EMERGING TRENDS IN ODISHA

AUTHORED BY - BIGHNESH MAHAPATRA

Abstract

The Insolvency and Bankruptcy Code, 2016 (IBC) completed a decade of operation in 2026, a period marked by measurable gains in creditor discipline alongside persistent delay and deep haircuts. By June 30, 2026, 9,166 corporate insolvency resolution processes (CIRPs) had been admitted nationally; 4,227 corporate debtors were rescued through resolution plans, settlements or withdrawals, yet 3,074 were sent to liquidation, and average resolution time exceeded twice the statutory outer limit of 330 days. This paper evaluates insolvency resolution under the IBC with specific reference to Odisha, a mineral-rich State whose corporate distress is concentrated in steel, sponge iron, ferro-alloys and mineral logistics, and whose matters are heard by the National Company Law Tribunal (NCLT), Cuttack Bench, functional only since March 2019 and shared with Chhattisgarh. Adopting a mixed doctrinal–empirical method, the study combines analysis of the Code, the Insolvency and Bankruptcy Code (Amendment) Act, 2026 and leading jurisprudence with secondary data from the Insolvency and Bankruptcy Board of India and a purposive sample of eight Odisha-linked matters, including Odisha Slurry Pipeline Infrastructure, VISA Steel, Jagannath Sponge, OCL Iron and Steel and Bhushan Power and Steel. The analysis finds that Odisha-specific delay is largely extra-statutory, arising from writ interventions and statutory-dues litigation by State-linked electricity utilities, while value erosion is accentuated by the time-sensitivity of commodity-based assets. The 2026 Amendment — mandating admission within fourteen days, codifying the clean-slate doctrine, excluding statutory dues from 'security interest' and introducing a creditor-initiated process — resolves most doctrinal uncertainties but leaves institutional constraints of bench capacity, professional depth and sub-national data unaddressed. The paper recommends strengthening the Cuttack Bench, publishing bench-wise statistics, judicial restraint in writ jurisdiction, early notification of creditor-initiated and group-insolvency rules, and safeguards for mining-licence continuity during insolvency.

Keywords: *Insolvency and Bankruptcy Code; Corporate Insolvency Resolution Process; NCLT Cuttack Bench; Odisha; Committee of Creditors; Clean-Slate Doctrine; IBC (Amendment) Act, 2026; Creditor-Initiated Insolvency Resolution Process; Statutory Dues; Steel and Sponge Iron Sector.*

I. Introduction

The enactment of the Insolvency and Bankruptcy Code, 2016 marked a decisive break from India's fragmented and debtor-friendly insolvency architecture.[1] Before the Code, a creditor confronting corporate default had to navigate the Sick Industrial Companies (Special Provisions) Act, 1985, the Recovery of Debts Due to Banks and Financial Institutions Act, 1993, the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and the winding-up provisions of the Companies Act, with overlapping fora and no unified moratorium.[2] The Bankruptcy Law Reforms Committee (BLRC) diagnosed the core pathology as the absence of a credible, time-bound mechanism that shifted control from a defaulting promoter to creditors — the now-familiar "creditor-in-control" model — and the Code was designed around that insight.

A decade after its commencement, the Code is simultaneously celebrated and contested. It has rescued 4,227 corporate debtors and yielded realisations exceeding ₹4.35 lakh crore under resolution plans, yet the average resolution now consumes roughly twice the statutory outer limit of 330 days and liquidation still outnumbers resolution by a ratio of about two to one.[3] Parliament's response has been the most comprehensive overhaul since 2016 — the Insolvency and Bankruptcy Code (Amendment) Act, 2026 — which makes admission of complete applications mandatory, codifies the "clean slate" doctrine, reverses the elevation of statutory dues to secured status and introduces a creditor-initiated insolvency resolution process (CIIRP).[4]

National aggregates, however, conceal significant regional variation. Odisha presents a distinctive laboratory for examining the Code in operation. The State hosts a concentration of capital-intensive, commodity-cyclical industries — integrated steel, sponge iron (direct-

[1]The Insolvency and Bankruptcy Code, 2016 (Act 31 of 2016) (hereinafter "IBC" or "the Code").

[2]Bankruptcy Law Reforms Committee, *The Report of the Bankruptcy Law Reforms Committee, Volume I: Rationale and Design* 10–14 (Ministry of Finance, Government of India, Nov. 2015).

[3]Insolvency and Bankruptcy Board of India, *Insolvency and Bankruptcy News: The Quarterly Newsletter*, Vol. 39 (April–June 2026), Table 1; ICSI Institute of Insolvency Professionals, *IBC Update-2/2026* (Aug. 21, 2026).

[4]The Insolvency and Bankruptcy Code (Amendment) Act, 2026 (Act 6 of 2026), assented to on April 6, 2026; Ministry of Corporate Affairs, Notification S.O. 2625(E) (May 22, 2026), bringing specified provisions into force on May 26, 2026.

reduced iron), ferro-alloys, mining logistics and captive power — which are prone to correlated stress when commodity prices or mining policy shift.[5] Corporate insolvency matters of Odisha-registered companies are adjudicated by the National Company Law Tribunal (NCLT), Cuttack Bench, carved out of the Kolkata Bench in 2018 and functional only from March 18, 2019, with territorial jurisdiction over both Odisha and Chhattisgarh.[6] The Orissa High Court, co-located at Cuttack, adds a further layer of writ jurisdiction which, as this paper demonstrates, has materially shaped the trajectory of several Odisha CIRPs.

A. Research Problem, Questions and Methodology

Existing scholarship on the IBC is overwhelmingly national in scope and doctrinally centred on Supreme Court jurisprudence. Sub-national analysis — particularly of eastern States whose insolvency matters are heard by smaller, newer benches — is scarce. This paper addresses that gap through four research questions:

- **(i)** How has the IBC performed in aggregate against its statutory objectives of time-bound resolution and value maximisation?
- **(ii)** What institutional and jurisprudential features characterise insolvency resolution for Odisha-linked corporate debtors?
- **(iii)** Which challenges are specific to, or accentuated in, Odisha?
- **(iv)** To what extent do the 2026 amendments and emerging trends respond to these challenges?

The study adopts a mixed doctrinal–empirical method. The doctrinal component analyses the Code, the 2026 Amendment Act, IBBI regulations and leading judgments of the Supreme Court, the National Company Law Appellate Tribunal (NCLAT) and the NCLT, Cuttack Bench. The empirical component draws on secondary data from IBBI quarterly newsletters (to June 30, 2026), parliamentary replies on NCLT pendency, and rating-agency analyses, supplemented by a purposive sample of eight Odisha-linked insolvency matters identified from the IBBI order database, NCLT orders and stock-exchange disclosures. Because the IBBI does not publish bench-wise or State-wise outcome series on a continuing basis, the Odisha analysis is qualitative and case-based; quantitative inferences are confined to national data. This

[5]Odisha is the largest producer of sponge iron in India with an annual capacity of about 12–13 million tonnes. See OfBusiness, "Indian Steel Manufacturers Turned Bullish Post Notice to Odisha-based Sponge Iron Plants" (Dec. 26, 2022), *available at*: https://www.ofbusiness.com/blog/metals/ (last visited on Nov. 3, 2026).

[6]Ministry of Corporate Affairs, Notification S.O. 3430(E) (2018), issued under s. 419(1), Companies Act, 2013 (Act 18 of 2013); National Company Law Tribunal, "NCLT Bench – Cuttack", *available at*: https://nclt.gov.in/node/42538 (last visited on Nov. 3, 2026).

limitation is acknowledged and is itself a finding with policy implications.

II. Literature Review

A. Foundational Policy Literature

The intellectual foundations of the Code lie in the BLRC's two reports, which drew on the comparative law-and-economics literature on creditor bargains and the separation of the "financial failure" and "business failure" questions.[7] The BLRC insisted that commercial decisions on viability must rest with financial creditors, while the adjudicating authority's role is supervisory. This design choice was subsequently tested and refined by the Insolvency Law Committee, whose 2018 report led to the homebuyer and section 29A amendments, and whose 2020 report examined cross-border and group insolvency.[8] The Parliamentary Standing Committee on Finance's 2021 report candidly catalogued "pitfalls" — excessive haircuts, delays and the under-capacity of the NCLT — that remain salient today.[9]

B. Empirical and Law-and-Economics Scholarship

Early empirical work by Sengupta, Sharma and Thomas mapped the pre-IBC landscape and emphasised that recovery rates in India were among the lowest of comparable economies, chiefly because of delay.[10] Post-enactment evaluations are more ambivalent. India's ranking on the World Bank's "resolving insolvency" indicator improved from 136 in 2017 to 52 in 2020, signalling institutional credibility.[11] Yet subsequent studies relying on IBBI data observe that a substantial share of resolved corporate debtors were already defunct or under the erstwhile Board for Industrial and Financial Reconstruction (BIFR) when admitted, depressing realisation relative to claims.[12] A 2026 descriptive study of 8,308 CIRPs found liquidation to be the single largest outcome (33.19 per cent) and resolution plans only 14.37 per cent, attributing the pattern to late initiation.[13] Rating agencies corroborate this: CareEdge reports an

[7]Bankruptcy Law Reforms Committee, *Interim Report* (Feb. 2015) and *Final Report*, *supra* note 2.

[8]Ministry of Corporate Affairs, *Report of the Insolvency Law Committee* (Mar. 2018); Ministry of Corporate Affairs, *Report of the Insolvency Law Committee* (Feb. 2020).

[9]Standing Committee on Finance (2020–21), *Thirty-Second Report: Implementation of Insolvency and Bankruptcy Code – Pitfalls and Solutions* (Lok Sabha Secretariat, Aug. 2021).

[10]Rajeswari Sengupta, Anjali Sharma and Susan Thomas, "Evolution of the Insolvency Framework for Non-financial Firms in India", IGIDR Working Paper No. WP-2016-018 (2016).

[11]World Bank, *Doing Business 2020: Comparing Business Regulation in 190 Economies* 4, 201 (World Bank Group, Washington DC, 2020).

[12]IBBI, *Quarterly Newsletter*, *supra* note 3, Part C.4 (noting that a large proportion of CIRPs yielding resolution plans had previously been with BIFR or were defunct).

[13]"Prudency and Outcomes of CIRP: Evidence from IBBI Data", 9(3) *International Journal of Finance and Management* 20 (2026), *available at*: https://www.allfinancejournal.com/archives/2026/vol9issue3/ (last visited

average haircut of 71.4 per cent for financial creditors in Q1 FY27, while ICRA notes the resolution-to-liquidation ratio reaching an all-time high of 0.92 by March 2026.[14]

C. Doctrinal Commentary and the 2026 Reform Debate

The doctrinal literature has tracked a pendulum. Commentators initially welcomed the Supreme Court's affirmation of the "commercial wisdom" of the committee of creditors (CoC) and the clean-slate principle, but criticised later rulings — notably *Vidarbha Industries* on discretionary admission and *Rainbow Papers* on the secured status of statutory dues — as having diluted the Code's predictability.[15] Practitioner commentary on the 2026 Amendment characterises it as a structural shift toward a creditor-driven regime with debtor-in-possession features, while cautioning that the most ambitious frameworks — CIIRP, group insolvency and cross-border insolvency — depend on delegated rules not yet notified.[16]

D. Identified Research Gap

Three gaps emerge. First, regional studies of NCLT benches are almost absent; existing bench-level digests are compilations rather than analyses.[17] Second, the interaction between sector-specific features (mineral-based industries, State-owned electricity distribution utilities as operational creditors) and IBC doctrine has not been examined. Third, there is no assessment of how the 2026 reforms map onto sub-national failure modes. This paper attempts to fill these gaps for Odisha.

III. Analysis and Discussion

A. Statutory and Jurisprudential Architecture

The Code's corporate insolvency resolution process (CIRP) begins with an application by a financial creditor, operational creditor or the corporate applicant upon default of not less than ₹1 crore.[18] Admission triggers a moratorium, the displacement of the board by an interim

on Nov. 3, 2026).

[14]CareEdge Ratings, "IBC Recovery Gains Momentum in Q1FY27, Despite Continued Delays" (Aug. 2026); ICRA Ltd., *IBC: Performance Update* (2026).

[15]See, e.g., "IBC 2.0: Has the 2025 Amendment Fixed the Cracks in India's Insolvency Regime?", *LiveLaw* (Aug. 23, 2025); Madhu Sweta and Aadrikaa Thakur, "Rewriting the Rules of Distress: Part I", *Bar & Bench* (2026).

[16]Himanshu Vidhani and Shloka Dikshit, "The Insolvency and Bankruptcy Code (Amendment) Act, 2026: A Comprehensive Analysis", *Bar & Bench* (2026); Shardul Amarchand Mangaldas & Co., *IBC Amendment Bill 2026: Re-tuning the Insolvency Framework* (Apr. 2026).

[17]See, e.g., "2025 Annual Review: NCLT Case Digest of IBC — Allahabad, Amaravati, Bengaluru, Chennai and Cuttack Benches (Part VII)", *IBC Laws* (Jan. 16, 2026).

[18]IBC, ss. 4, 7, 9 and 10; Ministry of Corporate Affairs, Notification S.O. 1205(E) (Mar. 24, 2020) (raising the

resolution professional, and the constitution of a CoC of financial creditors which alone votes on resolution plans by a 66 per cent majority.[19] The process must ordinarily conclude within 180 days, extendable by 90 days, with a mandatory outer limit of 330 days including litigation.[20] Figure 1 depicts this architecture as amended in 2026.

The constitutional validity of this design was upheld in *Swiss Ribbons*, where the Supreme Court accepted the differential treatment of financial and operational creditors as founded on intelligible differentia.[21] In *Innoventive Industries*, the Court held that once debt and default are established, admission of a financial creditor's application must follow.[22] The primacy of the CoC's commercial wisdom was entrenched in *K. Sashidhar* and *Essar Steel*, the latter also holding that the 330-day limit is directory rather than mandatory and that a successful resolution applicant takes over on a "clean slate".[23] *Ghanashyam Mishra* extended the clean slate to statutory dues not included in the plan.[24]

Three subsequent strands unsettled this equilibrium. *Vidarbha Industries* read discretion into section 7(5)(a), permitting the NCLT to decline admission despite proven default; although *M. Suresh Kumar Reddy* confined that ruling to its facts, uncertainty persisted.[25] *Rainbow Papers* treated a State tax authority as a secured creditor by virtue of a statutory first charge, a view distinguished in *Paschimanchal Vidyut Vitran Nigam* yet reaffirmed when review was dismissed in *Sanjay Kumar Agarwal*.[26] Finally, *Ebix Singapore* barred withdrawal or modification of CoC-approved plans by resolution applicants, while *Jaypee Kensington* clarified the limits of judicial review of plans.[27]

B. National Outcomes: A Decade in Numbers

By June 30, 2026, 9,166 CIRPs had been admitted, of which 7,301 had closed. Resolution plans accounted for 1,484 closures (16.2 per cent of admissions), settlements and appeals 1,410,

threshold from ₹1 lakh to ₹1 crore).

[19]IBC, ss. 14, 17, 21 and 30(4).

[20]IBC, s. 12, as amended by the Insolvency and Bankruptcy Code (Amendment) Act, 2019 (Act 26 of 2019).

[21]*Swiss Ribbons (P) Ltd.* v. *Union of India*, (2019) 4 SCC 17.

[22]*Innoventive Industries Ltd.* v. *ICICI Bank*, (2018) 1 SCC 407.

[23]*K. Sashidhar* v. *Indian Overseas Bank*, (2019) 12 SCC 150; *Committee of Creditors of Essar Steel India Ltd.* v. *Satish Kumar Gupta*, (2020) 8 SCC 531.

[24]*Ghanashyam Mishra and Sons (P) Ltd.* v. *Edelweiss Asset Reconstruction Co. Ltd.*, (2021) 9 SCC 657.

[25]*Vidarbha Industries Power Ltd.* v. *Axis Bank Ltd.*, (2022) 8 SCC 352; *M. Suresh Kumar Reddy* v. *Canara Bank*, (2023) 8 SCC 387.

[26]*State Tax Officer* v. *Rainbow Papers Ltd.*, (2023) 9 SCC 545; *Paschimanchal Vidyut Vitran Nigam Ltd.* v. *Raman Ispat (P) Ltd.*, (2023) 10 SCC 60; *Sanjay Kumar Agarwal* v. *State Tax Officer*, 2023 SCC OnLine SC 1406.

[27]*Ebix Singapore (P) Ltd.* v. *Committee of Creditors of Educomp Solutions Ltd.*, (2022) 2 SCC 401; *Jaypee Kensington Boulevard Apartments Welfare Assn.* v. *NBCC (India) Ltd.*, (2022) 1 SCC 401.

withdrawals under section 12A 1,333, and liquidation 3,074, with 1,865 processes ongoing (Figure 2).[28] Counting withdrawals and settlements, 58 per cent of closed cases avoided liquidation — a figure the IBBI rightly emphasises — but the persistence of liquidation as the modal outcome suggests that many debtors enter the process only after terminal value erosion.

Year-wise admissions (Figure 3) display a pronounced cycle: a peak of 1,990 in FY 2019–20, a collapse during the COVID-era suspension under section 10A, a recovery to 1,262 in FY 2022–23, and a lower plateau of roughly 650–950 thereafter.[29] The decline is consistent with a "deterrence effect": the credible threat of loss of control induces promoters to settle before admission, which is a success of the Code that conventional outcome metrics fail to capture.

On value, resolution plans have realised 30.52 per cent of admitted claims but 166.58 per cent of liquidation value and 94.72 per cent of fair value (Figure 4).[30] The apparent contradiction — deep haircuts alongside realisation close to fair value — resolves once it is recognised that admitted claims include accumulated interest on long-impaired assets; the haircut largely reflects value already destroyed before the CIRP began. The policy lesson is therefore earlier initiation, not judicial second-guessing of CoC decisions.

Time remains the Code's Achilles' heel (Figure 5). IBBI data, which exclude periods excluded by the adjudicating authority, record an average of 633 days for resolution and 540 days for liquidation; inclusive measures put average resolution time at 757 days in June 2026, up from 713 days in March 2025, with about 76 per cent of ongoing CIRPs beyond 270 days.[31] Every additional quarter of delay compounds the erosion that explains the haircuts in Figure 4.

WHITE BLACK LEGAL

[28]IBBI, *Quarterly Newsletter*, *supra* note 3, Table 1; *see also* CareEdge Ratings, *supra* note 14, at 2.

[29]IBC, s. 10A, inserted by the Insolvency and Bankruptcy Code (Amendment) Act, 2020 (Act 17 of 2020); PwC, *Global Insolvency Report 2025–26: India* (Feb. 2026) (reporting 944 admissions in FY 2024 and 657 in FY 2025).

[30]IBBI, *Quarterly Newsletter*, *supra* note 3; IBBI, *Quarterly Newsletter*, Vol. 35 (April–June 2025) (reporting 32.57, 170.84 and 94.89 per cent respectively).

[31]IBBI, *supra* note 3; CareEdge Ratings, *supra* note 14.

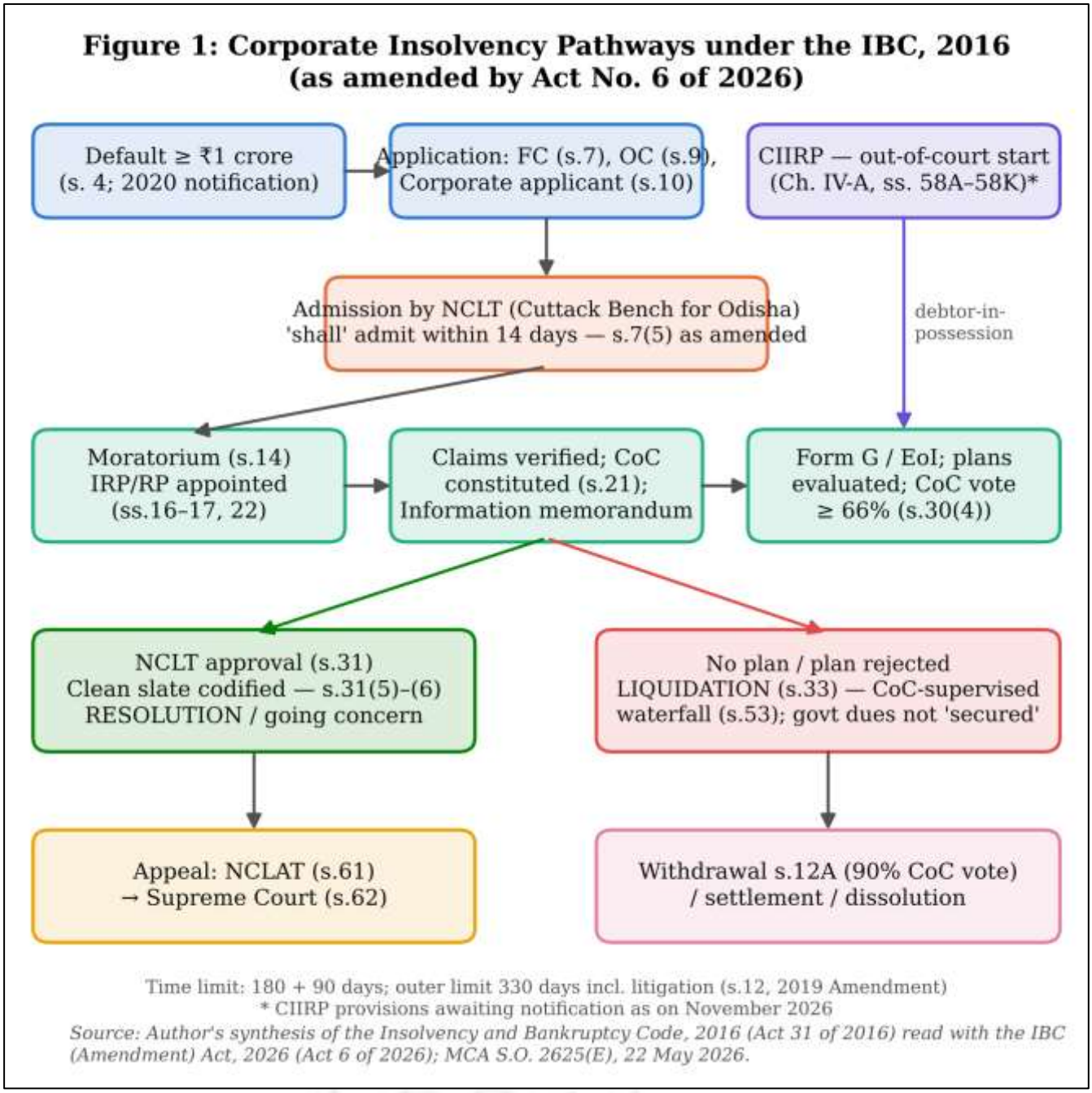


Figure 1: Corporate insolvency pathways under the IBC, 2016 as amended by Act 6 of 2026 (author's synthesis).

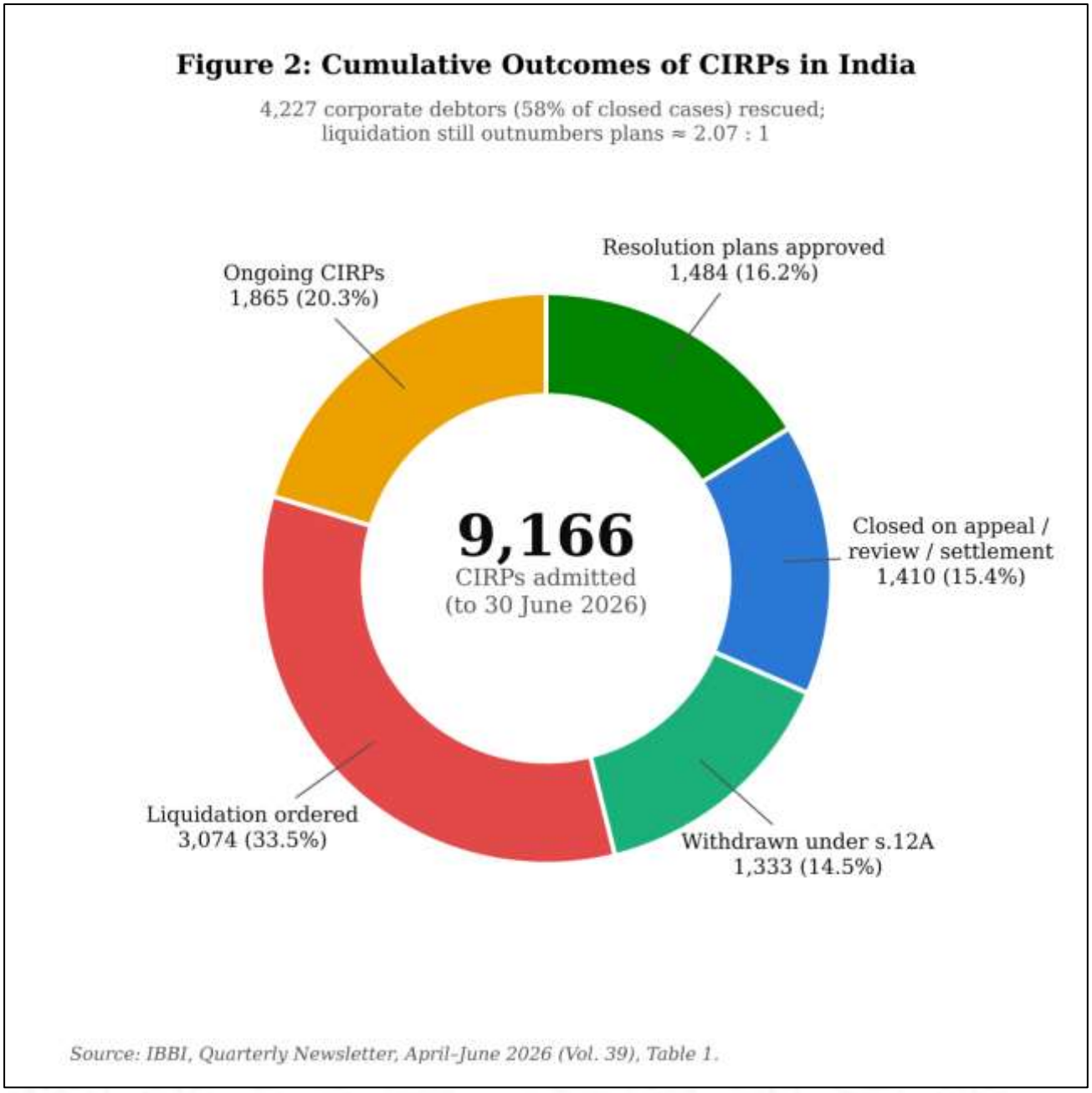


Figure 2: Cumulative outcomes of CIRPs admitted in India up to June 30, 2026.

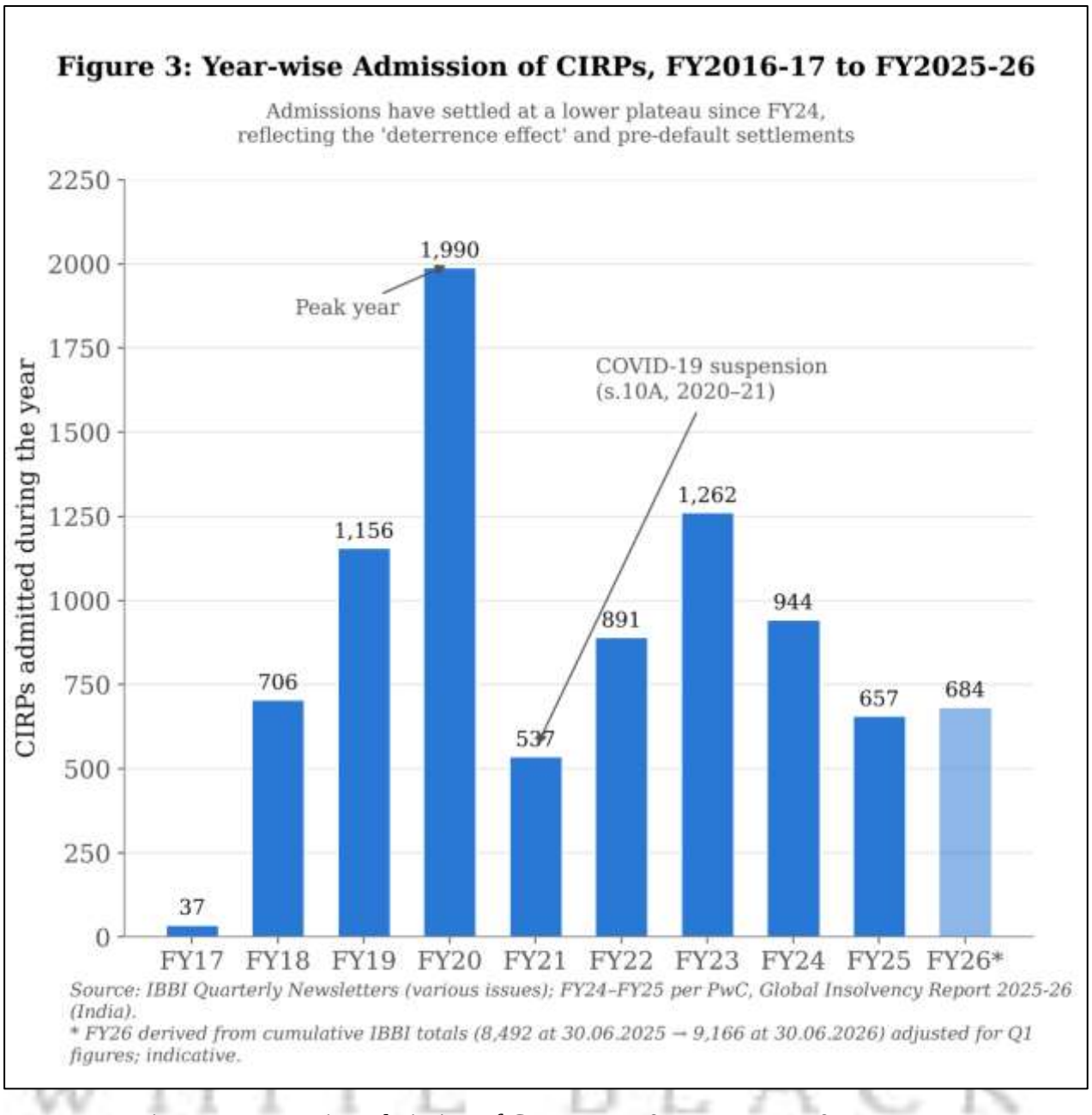


Figure 3: Year-wise admission of CIRPs, FY 2016–17 to FY 2025–26.

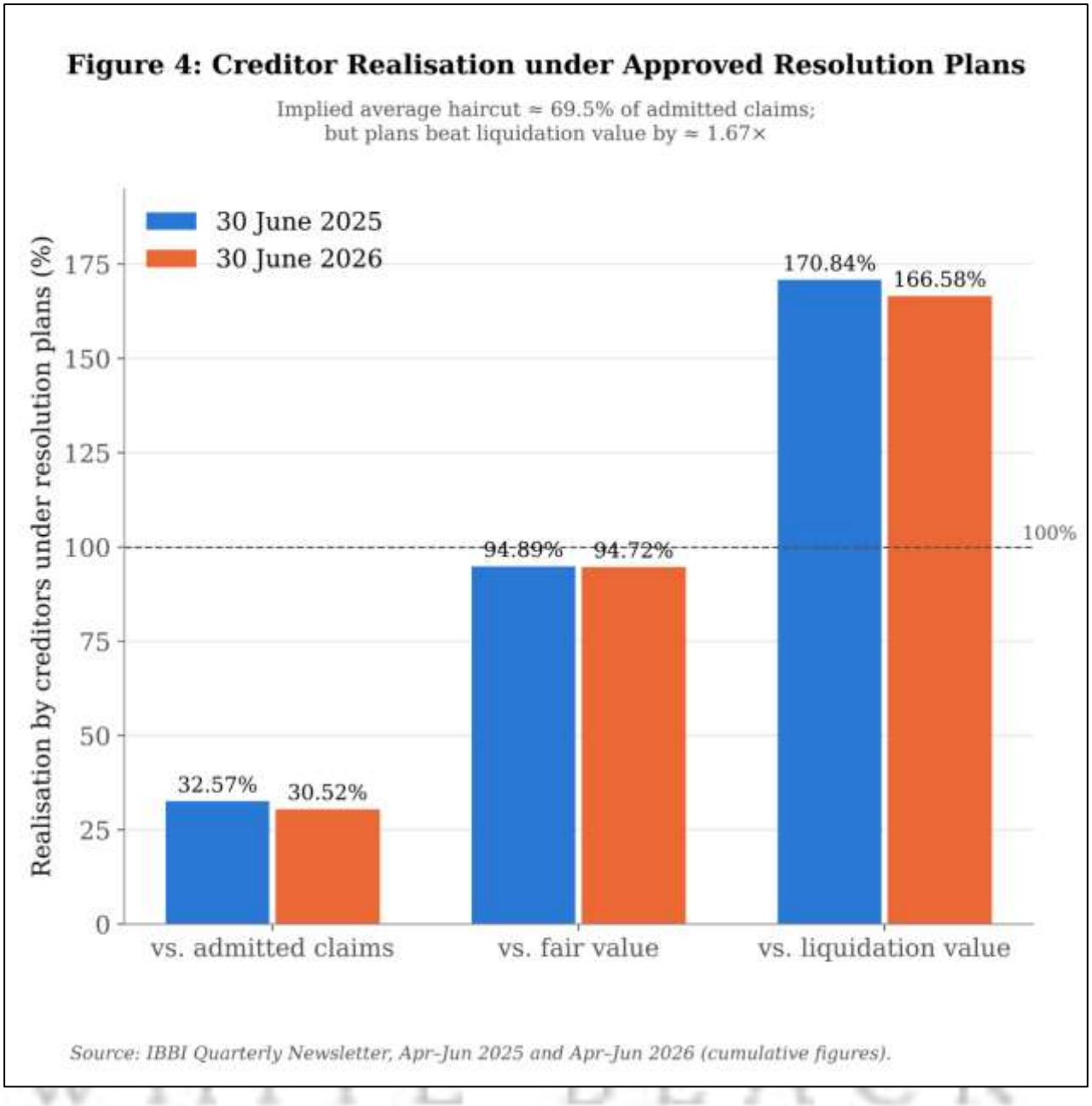


Figure 4: Creditor realisation under approved resolution plans — June 2025 versus June 2026.

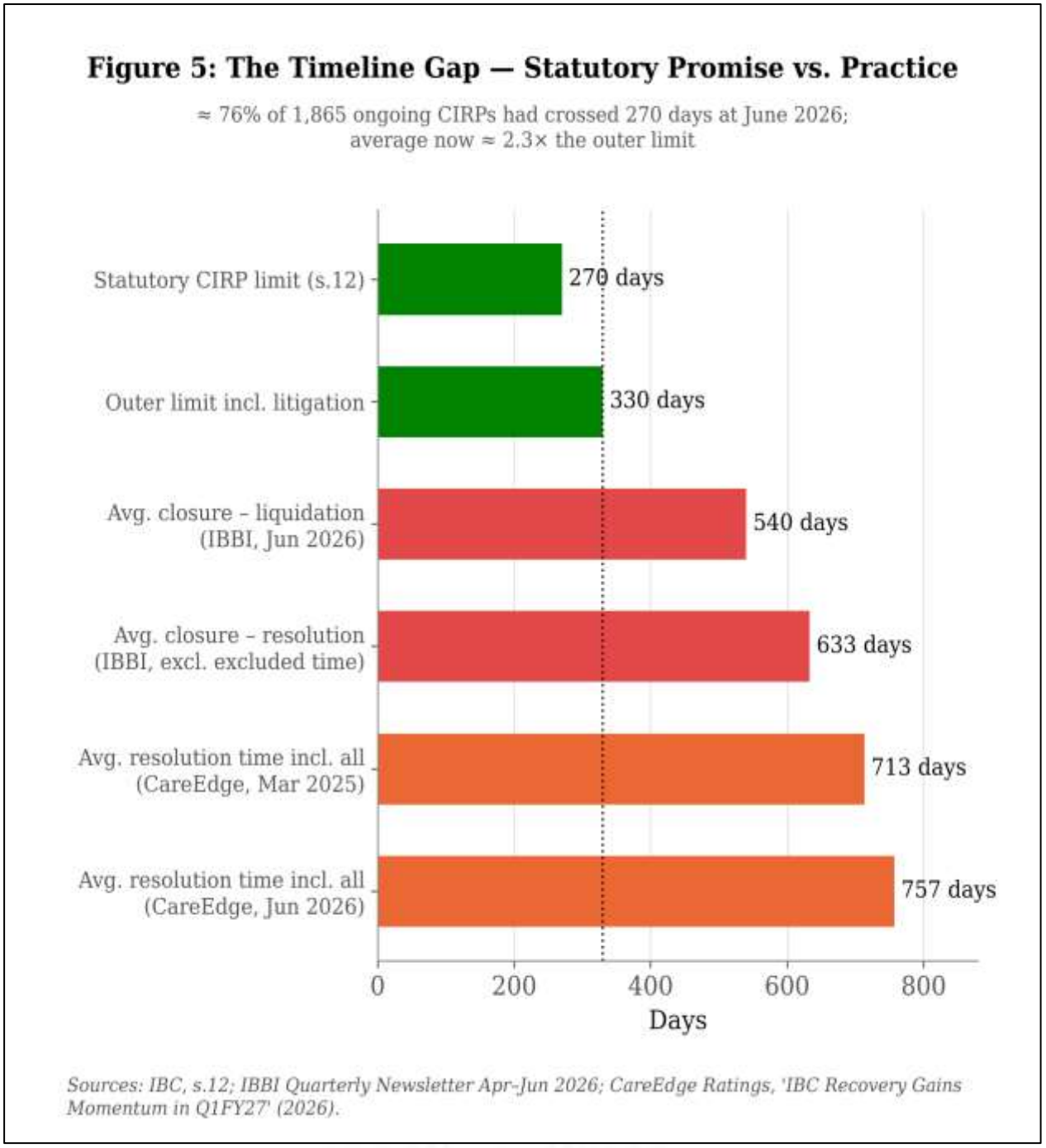


Figure 5: Statutory timelines compared with observed average durations of CIRPs.

C. The Odisha Institutional Setting

Until March 2019 Odisha's insolvency matters were heard at Kolkata, and several early Odisha CIRPs were transferred to Cuttack mid-stream — *Jagannath Sponge* being an example, its petition originally numbered as a Kolkata Bench matter before transfer.[32] The Cuttack Bench

[32] *In re Jagannath Sponge (P) Ltd.*, I.A. No. 196/CTB/2020 in T.P. No. 34/CTB/2019 [earlier C.P. (IB) No. 1174/KB/2018] (NCLT, Cuttack Bench, Aug. 6, 2021).

began with a single court room and a single judicial member, and continues to serve two mineral-rich States. Insolvency professionals are empanelled on a common Odisha–Chhattisgarh panel, which constrains the local pool of professionals with sectoral expertise in steel and mining.[33]

The Bench operates within a national system under severe strain (Figure 6). Pendency across all NCLT benches rose from 6,256 in March 2017 to over 21,000 between 2020 and 2023, before easing to 14,961 in March 2025, of which 6,988 were IBC matters.[34] The *Economic Survey 2025–26* estimates that at prevailing disposal rates the tribunals would need nearly ten years to clear a pendency of about 30,600 matters (on a wider definition including interlocutory applications).[35] Scrutiny-stage pendency at Cuttack is, encouragingly, negligible — the all-India scrutiny report of July 25, 2025 recorded nil pending petitions at that stage for the Bench — indicating that delay arises after numbering rather than at the registry.[36]

D. Odisha Jurisprudence: Case Studies

Figure 7 maps documented milestones in eight Odisha-linked matters. Four doctrinal themes emerge.

WHITE BLACK LEGAL

[33]National Company Law Tribunal, *Panel of Insolvency Professionals for the Period 01.07.2025 to 31.12.2025 – NCLT Cuttack Bench* (July 1, 2025).

[34]Ministry of Corporate Affairs, Reply to Rajya Sabha Unstarred Question No. 1654 (Aug. 6, 2024); "Insolvency and Bankruptcy Code Undermined by NCLT Backlog", *Policy Circle* (2025).

[35]Government of India, *Economic Survey 2025–26* (Ministry of Finance, 2026), as reported in "NCLTs Will Take Nearly 10 Years to Clear Pending Cases at Current Rate", *Moneylife* (2026).

[36]National Company Law Tribunal, *All India Scrutiny Pendency Report as on 25.07.2025*.

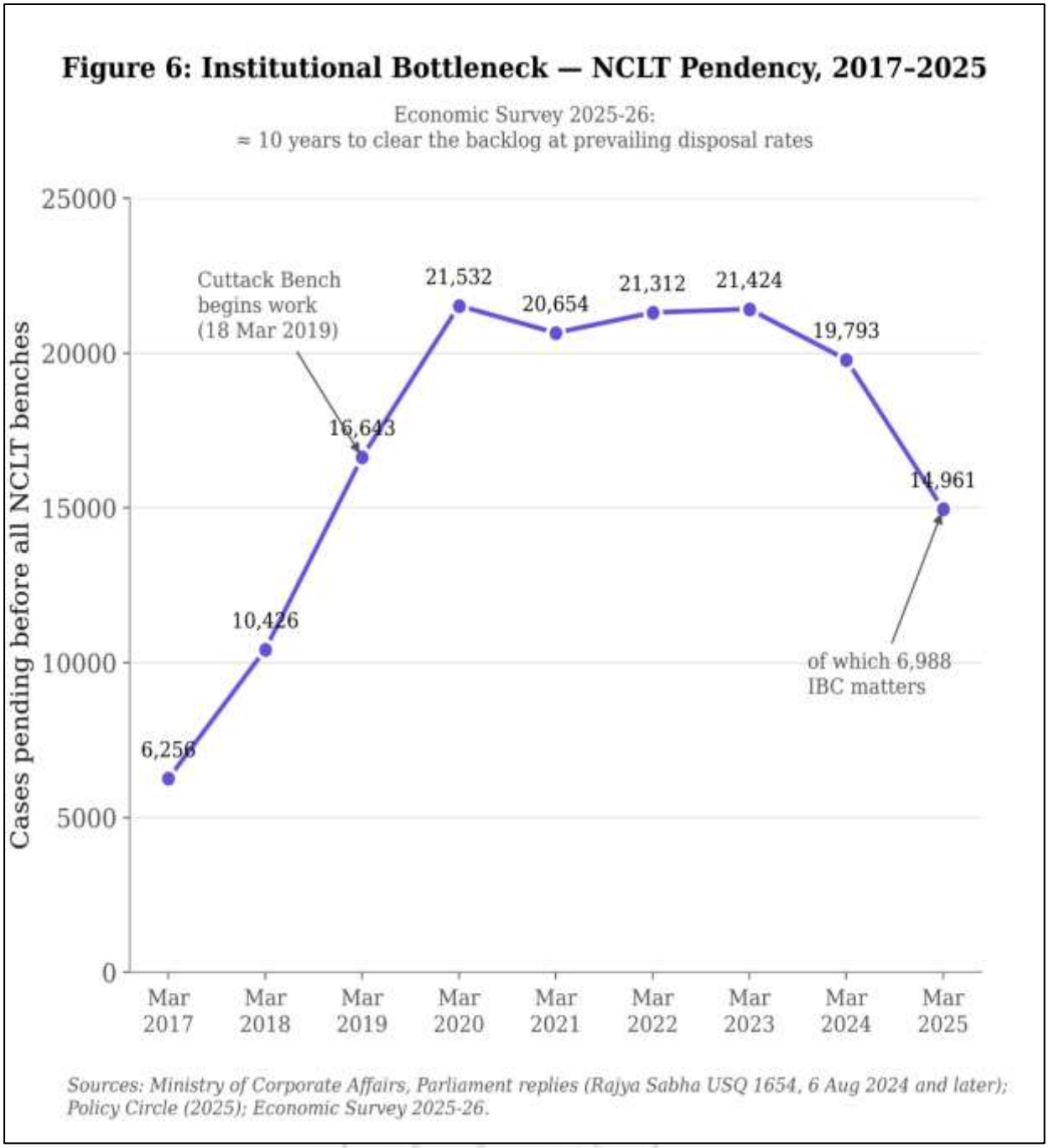


Figure 6: Pendency of cases before all NCLT benches, March 2017 to March 2025.

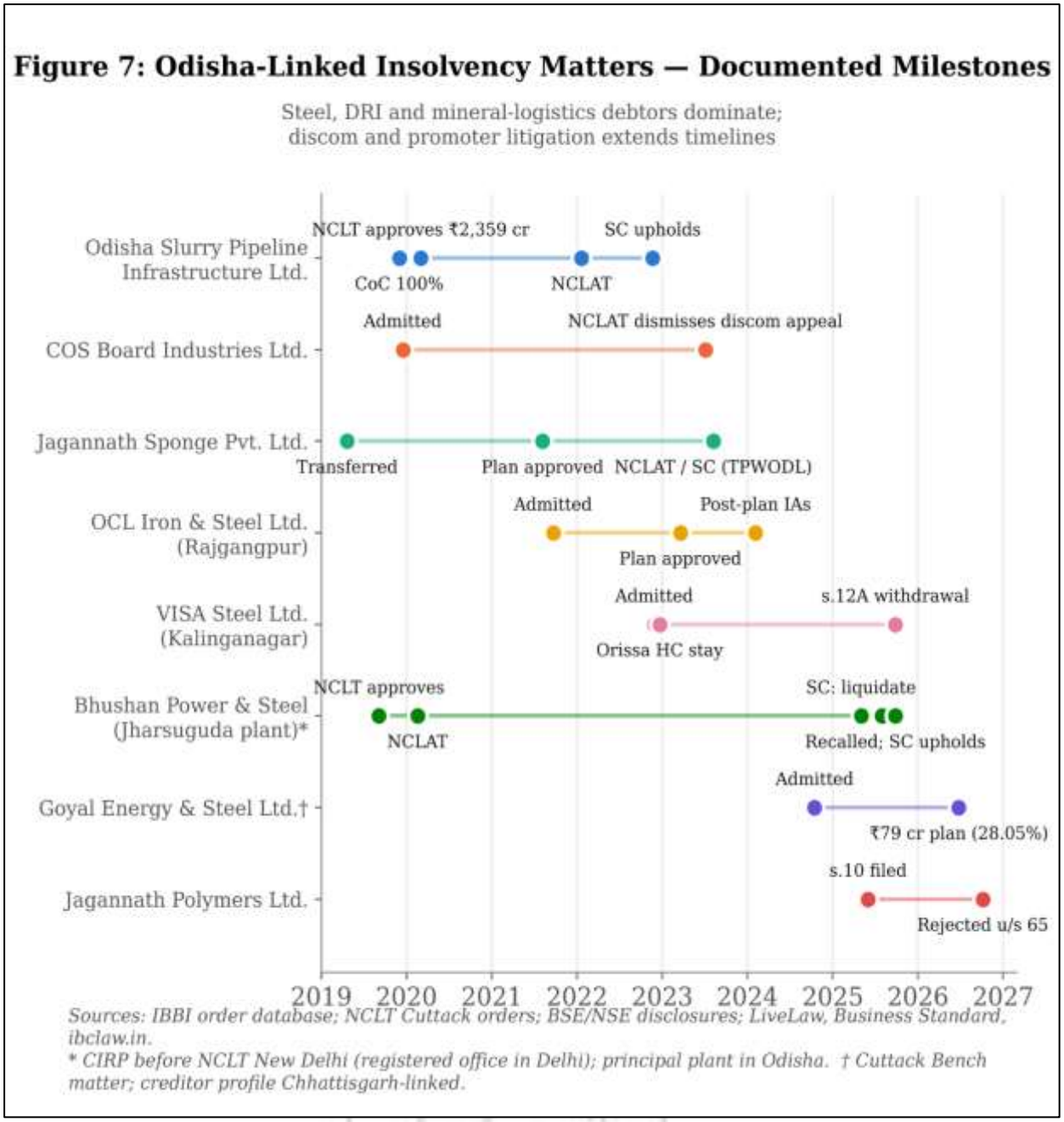


Figure 7: Documented milestones in selected Odisha-linked insolvency matters, 2019–2026.

(i) Strategic infrastructure and the primacy of CoC wisdom. In *Odisha Slurry Pipeline Infrastructure Ltd.* (OSPIL) — owner of a 253-km pipeline linking iron-ore beneficiation at Dabuna to pelletisation at Paradip — the Cuttack Bench approved ArcelorMittal India's ₹2,359 crore plan on March 2, 2020, rejecting objections of unequal distribution among financial creditors.[37] The NCLAT dismissed appeals by SREI entities, holding that a plan approved by

[37] *IDBI Bank Ltd.* v. *Odisha Slurry Pipeline Infrastructure Ltd.* (NCLT, Cuttack Bench, Mar. 2, 2020); "NCLT

100 per cent of the CoC disclosed no illegality, and the Supreme Court declined to interfere.[38] The case illustrates how the IBC can reintegrate stranded logistics assets with a vertically integrated acquirer — a value-maximising outcome unattainable in liquidation.

(ii) State electricity utilities as dissenting operational creditors. A recurring Odisha feature is litigation by the Tata Power-managed distribution utilities challenging plans that pay electricity dues at or near liquidation value. In *COS Board Industries* and *Jagannath Sponge*, the NCLAT dismissed appeals by TP Central Odisha Distribution Ltd. and TP Western Odisha Distribution Ltd. respectively, and the latter reached the Supreme Court.[39] These disputes turn on the *Rainbow Papers–Paschimanchal* tension: whether a statutory charge for electricity dues confers secured status. The 2026 Amendment now settles that statutory dues created by operation of law are not "security interest" for the purposes of section 53, removing a principal ground of Odisha-specific appellate delay.[40]

(iii) Writ jurisdiction and the timing of resolution. *VISA Steel*, a Kalinganagar special-steel producer, illustrates the cost of parallel fora. An SBI petition filed in 2018 was dismissed; a petition by Oriental Bank of Commerce (now Punjab National Bank) was admitted on November 28, 2022, but the Orissa High Court stayed the admission within weeks, and the CIRP was ultimately closed by withdrawal on September 26, 2025, following assignment of debt to an asset reconstruction company.[41] Although withdrawal is formally a "rescue", the near three-year interregnum demonstrates how writ intervention, which *Swiss Ribbons* and later rulings discourage, can neutralise the moratorium's discipline.

(iv) Abuse of process and the integrity of entry. In *Jagannath Polymers*, the Cuttack Bench rejected a corporate applicant's section 10 application despite admitted default, holding under section 65 that a filing timed to obstruct SARFAESI enforcement and to secure a moratorium amidst multi-forum litigation before the DRT and the Orissa High Court was malicious.[42] Conversely, in *Goyal Energy and Steel Ltd.* the Bench approved a ₹79 crore plan

Approves ArcelorMittal's Rs 2,359 cr Bid for Odisha Slurry Pipeline", *PTI* (Mar. 4, 2020).

[38]*SREI Infrastructure Finance Ltd.* v. *ArcelorMittal India (P) Ltd.* (NCLAT, New Delhi, Jan. 2022), *affirmed by* the Supreme Court (2022); *see* "NCLAT Okays ArcelorMittal Resolution Plan for Odisha Slurry Pipeline Infra", *Business Standard* (Jan. 20, 2022).

[39]*TP Central Odisha Distribution Ltd.* v. *COS Board Industries Ltd.*, Company Appeal (AT) (Insolvency) No. 613 of 2022 (NCLAT, July 4, 2023); *Tata Power Western Odisha Distribution Ltd.* v. *Jagannath Sponge (P) Ltd.*, Company Appeal (AT) (Insolvency) No. 777 of 2023 (NCLAT, Aug. 8, 2023); Civil Appeal No. 5556 of 2023 (S.C.).

[40]Act 6 of 2026, amending IBC, s. 3(31); *see* Sweta and Thakur, *supra* note 15.

[41]*Oriental Bank of Commerce (now Punjab National Bank)* v. *VISA Steel Ltd.*, C.P. (IB) No. 53/CB/2020 (NCLT, Cuttack Bench, Nov. 28, 2022); I.A. (IB) No. 322/CB/2024 in C.P. (IB) No. 53/CB/2020 (NCLT, Cuttack Bench, Sept. 26, 2025); VISA Steel Ltd., Disclosure under Reg. 30, SEBI (LODR) Regulations, 2015 (Sept. 26, 2025).

[42]*In re Jagannath Polymers Ltd.*, C.P. (IB) No. 36/CB/2025 (NCLT, Cuttack Bench, Oct. 6, 2026), (2026)

yielding 28.05 per cent recovery, while censuring a resolution professional for altering a creditor's claim in Form H without a revised claim — a reminder that professional conduct, not merely law, determines outcomes.[43] *OCL Iron and Steel* (Rajgangpur) — admitted in September 2021 with a plan approved in March 2023 but generating continuing interlocutory litigation into 2024 — shows that plan approval does not end disputes.[44]

The most consequential Odisha-linked decision, though adjudicated at New Delhi, concerns *Bhushan Power and Steel Ltd.*, whose principal integrated plant is at Jharsuguda. In May 2025 the Supreme Court set aside JSW Steel's ₹19,700 crore plan — implemented four years earlier — and directed liquidation; on review, the judgment was recalled on July 31, 2025, and on September 26, 2025 the Court upheld the plan.[45] For a State whose employment and revenues depend on large integrated plants, the episode underscores that finality of implemented plans is not merely a creditors' interest but a regional economic interest — a rationale now reflected in the statutory codification of the clean slate.

E. Challenges: A Synthesis

Table 1 synthesises the challenges identified, assessing their salience in the Odisha sample and the extent to which the 2026 Amendment responds.

Table 1: Challenge matrix — national and Odisha-specific constraints mapped to the 2026 reforms

Challenge	Manifestation in Odisha sample	Salience	Response in Act 6 of 2026
Admission delay and discretion	Petitions pending pre-admission; *Vidarbha* objections	High	Mandatory admission within 14 days; reasons for delay (s.7(5))
Parallel writ / multi-forum litigation	*VISA Steel* stay; *Jagannath Polymers*	High	Indirect — deterrence of frivolous applications; s.65 jurisprudence

ibclaw.in 3869 NCLT.

[43]"NCLT Cuttack Calls RP's Alteration of Creditor's Claim 'Gross Dereliction', Approves Goyal Energy Resolution Plan", *LiveLaw* (June 30, 2026).

[44]*In re OCL Iron and Steel Ltd.*, I.A. No. 275/CB/2022 in C.P. (IB) No. 111/CTB/2020 (NCLT, Cuttack Bench, Mar. 20, 2023); I.A. (IB) Nos. 149, 150 & 285/CB/2023 (NCLT, Cuttack Bench, Feb. 5, 2024).

[45]*Kalyani Transco* v. *Bhushan Power & Steel Ltd.*, 2025 SCC OnLine SC 1010 (May 2, 2025); *Punjab National Bank* v. *Kalyani Transco*, 2025 SCC OnLine SC 1634 (July 31, 2025) (review allowed); judgment dated Sept. 26, 2025 (S.C.) (appeals against approval of the resolution plan dismissed).

Challenge	Manifestation in Odisha sample	Salience	Response in Act 6 of 2026
Statutory dues of discoms and State	TPCODL/TPWODL appeals	High	Statutory dues not 'security interest' (s.3(31), s.53)
Post-approval litigation	*OCL Iron & Steel*; *Bhushan Power*	Medium–High	Clean slate & licence continuity codified (s.31(5)–(6))
Value erosion in cyclical DRI/steel units	Low recoveries (≈28% in *Goyal Energy*)	High	CIIRP & debtor-in-possession (awaiting notification)
Bench and IP capacity	Single bench for two States; joint IP panel	Medium	Not addressed legislatively
Group structures	Captive power, mining and logistics affiliates	Medium	Enabling group-insolvency framework (s.59A; rules awaited)
MSME access	Limited pre-pack uptake nationally (≈10 plans)	Medium	PPIRP retained; CIIRP for smaller firms proposed

Source: Author's analysis of the case sample (Figure 7), IBBI data and Act 6 of 2026. Salience is a qualitative assessment.

Three observations follow. First, the dominant Odisha-specific delays arise *outside* the IBC's internal timelines — in writ proceedings and statutory-dues disputes — which explains why national timeline reforms may under-deliver in Odisha unless accompanied by judicial restraint at the High Court level. Second, the sectoral concentration of Odisha's distressed firms in commodity-linked industries means that value is highly time-sensitive: a sponge-iron kiln idled for two years loses not only market value but also coal-linkage, pollution-control and mining-lease continuity. Third, the absence of bench-wise official statistics prevents rigorous evaluation of the Cuttack Bench, a gap that hinders evidence-based allocation of judicial resources.

F. Emerging Trends

Legislative recalibration. The 2026 Amendment is the seventh amendment to the Code

and its most structural.[46] Provisions in force since May 26, 2026 include mandatory admission within fourteen days under sections 7, 9 and 10, a revised withdrawal regime, avoidance-transaction reforms, a CoC-supervised liquidation and a civil-penalty regime replacing criminal offences under sections 74 and 76.[47] The CIIRP under new Chapter IV-A (sections 58A–58K) — permitting notified financial creditors holding at least 51 per cent by value to commence a debtor-in-possession process out of court — together with group and cross-border insolvency frameworks, awaits notification.[48]

Judicial consolidation. The Supreme Court's reversal of its own liquidation direction in *Bhushan Power* signals a renewed emphasis on finality of implemented plans, now reinforced by statute. At the Cuttack Bench, the use of section 65 against strategic filings and the policing of resolution professionals' conduct indicate a maturing local jurisprudence.

Market and data trends. Fresh admissions have stabilised at roughly 170–190 per quarter, financial creditors dominate initiation, and the real-estate and manufacturing sectors continue to account for the majority of cases.[49] The IBBI's 2026 consolidation of CIRP forms into five electronic forms promises better data — potentially enabling bench-wise and State-wise analytics of the kind this study found lacking.[50]

IV. Findings

(i) **F1. Rescue, not resolution, is the Code's dominant success.** Counting settlements and withdrawals, 58 per cent of closed CIRPs avoided liquidation; resolution plans alone represent only 16.2 per cent of admissions.

(ii) **F2. Value outcomes are defensible relative to liquidation but poor relative to claims.** Realisation of 166.58 per cent of liquidation value coexists with an implied haircut of about 69.5 per cent, largely reflecting pre-admission erosion.

(iii) **F3. Delay is systemic and worsening.** Average inclusive resolution time (757 days) is about 2.3 times the 330-day outer limit.

[46]"IBC Amendment Act 2026: What Changes for Creditors and Resolution Professionals", *iPleaders* (2026), *available at*: https://blog.ipleaders.in/ibc-amendment-act-2026-what-changes-for-creditors-and-resolution-professionals/ (last visited on Nov. 3, 2026).

[47]Notification S.O. 2625(E), *supra* note 4; IndiaLaw LLP, "Reshaping India's Insolvency Landscape: A Practitioner's Guide to the IBC (Amendment) Act, 2026", *Mondaq* (May 26, 2026).

[48]Act 6 of 2026, Chapter IV-A; Vidhani and Dikshit, *supra* note 16.

[49]CareEdge Ratings, *supra* note 14 (177 admissions in Q1 FY27, of which 116 by financial creditors).

[50]IBBI, Circular on Formats under the CIRP Regulations (June 2, 2026), reported in IBBI, *Quarterly Newsletter*, *supra* note 3.

(iv) **F4. Odisha's distress profile is sectorally concentrated.** The sampled matters are predominantly in steel, sponge iron, ferro-alloys and mineral logistics, making value acutely time-sensitive.

(v) **F5. Odisha-specific delay is extra-statutory.** Writ interventions before the Orissa High Court and statutory-dues litigation by State-linked utilities are the principal Odisha-specific delay drivers.

(vi) **F6. The 2026 Amendment addresses most doctrinal, but not institutional, constraints.** Admission discretion, statutory dues and clean slate are resolved; bench capacity, IP depth and data transparency are not.

(vii) **F7. A data deficit impedes regional evaluation.** No official bench-wise outcome series exists for the Cuttack Bench.

V. Recommendations

(i) **R1. Strengthen the Cuttack Bench.** Constitute an additional court room with a dedicated IBC list for Odisha and Chhattisgarh, and permit hybrid hearings for Chhattisgarh matters to reduce adjournments.

(ii) **R2. Publish bench-wise and State-wise IBC statistics.** The IBBI and NCLT should jointly release quarterly data on admissions, outcomes, realisation and timelines by bench, leveraging the new electronic forms.

(iii) **R3. Encourage judicial restraint in writ jurisdiction.** Consistent with *Swiss Ribbons* and the availability of efficacious remedies under sections 61 and 62, High Courts should confine interference to jurisdictional error; a practice direction for urgent listing of IBC-related writs would limit interim stays.

(iv) **R4. Operationalise the CIIRP and group insolvency quickly.** Early notification of rules is especially valuable for Odisha's integrated steel–power–mining groups, where asset-by-asset resolution destroys synergies.

(v) **R5. Protect licence and lease continuity in mining-linked insolvencies.** The State Government should issue guidelines ensuring that mining leases, consent-to-operate permits and coal linkages are not terminated during CIRP, aligning with the codified licence-continuity provision.

(vi) **R6. Build regional IP capacity.** The IBBI and insolvency professional agencies, in collaboration with institutions such as National Law University Odisha, should run sector-specific certification in steel and mining valuation.

(vii) R7. Promote early-warning and pre-insolvency tools for MSMEs. Integrate Information Utility data with State MSME facilitation councils and promote the pre-packaged process for Odisha's ancillary units.

VI. Conclusion

The IBC has changed India's credit culture: the threat of loss of control now disciplines promoters, and resolution plans consistently outperform liquidation. Yet the decade-long record reveals a stubborn gap between statutory promise and practice, most visibly in delay. Odisha's experience sharpens this conclusion. The State's insolvency landscape is shaped less by the Code's internal mechanics than by the institutional environment in which it operates — a young bench serving two States, recurring statutory-dues disputes with State-linked utilities, and the gravitational pull of writ jurisdiction. The 2026 Amendment responds powerfully to the doctrinal sources of uncertainty, but the next phase of reform must be institutional and regional: adequately resourced benches, transparent sub-national data and a cooperative federal approach to licences and statutory dues. If these are achieved, Odisha's mineral-based industrial economy stands to gain disproportionately from a Code whose central insight — that time is value — has never been more relevant.

REFERENCES

Statutes, Rules and Notifications

1. *The Insolvency and Bankruptcy Code, 2016 (Act 31 of 2016).*
2. *The Insolvency and Bankruptcy Code (Amendment) Act, 2019 (Act 26 of 2019).*
3. *The Insolvency and Bankruptcy Code (Amendment) Act, 2020 (Act 17 of 2020).*
4. *The Insolvency and Bankruptcy Code (Amendment) Act, 2026 (Act 6 of 2026).*
5. *The Companies Act, 2013 (Act 18 of 2013), s. 419.*
6. *The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (Act 54 of 2002).*
7. *Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.*
8. *Ministry of Corporate Affairs, Notification S.O. 1205(E) (Mar. 24, 2020); Notification S.O. 2625(E) (May 22, 2026); Notification S.O. 3430(E) (2018).*

Cases

9. *Committee of Creditors of Essar Steel India Ltd. v. Satish Kumar Gupta, (2020) 8 SCC 531.*
10. *Ebix Singapore (P) Ltd. v. Committee of Creditors of Educomp Solutions Ltd., (2022) 2 SCC 401.*
11. *Ghanashyam Mishra and Sons (P) Ltd. v. Edelweiss Asset Reconstruction Co. Ltd., (2021) 9 SCC 657.*
12. *IDBI Bank Ltd. v. Odisha Slurry Pipeline Infrastructure Ltd. (NCLT, Cuttack Bench, Mar. 2, 2020).*
13. *In re Jagannath Polymers Ltd., C.P. (IB) No. 36/CB/2025 (NCLT, Cuttack Bench, Oct. 6, 2026).*
14. *In re Jagannath Sponge (P) Ltd., I.A. No. 196/CTB/2020 in T.P. No. 34/CTB/2019 (NCLT, Cuttack Bench, Aug. 6, 2021).*
15. *In re OCL Iron and Steel Ltd., I.A. No. 275/CB/2022 in C.P. (IB) No. 111/CTB/2020 (NCLT, Cuttack Bench, Mar. 20, 2023).*
16. *Innoventive Industries Ltd. v. ICICI Bank, (2018) 1 SCC 407.*
17. *Jaypee Kensington Boulevard Apartments Welfare Assn. v. NBCC (India) Ltd., (2022) 1 SCC 401.*
18. *K. Sashidhar v. Indian Overseas Bank, (2019) 12 SCC 150.*
19. *Kalyani Transco v. Bhushan Power & Steel Ltd., 2025 SCC OnLine SC 1010.*
20. *M. Suresh Kumar Reddy v. Canara Bank, (2023) 8 SCC 387.*
21. *Oriental Bank of Commerce (now Punjab National Bank) v. VISA Steel Ltd., C.P. (IB) No. 53/CB/2020 (NCLT, Cuttack Bench, Nov. 28, 2022 and Sept. 26, 2025).*
22. *Paschimanchal Vidyut Vitran Nigam Ltd. v. Raman Ispat (P) Ltd., (2023) 10 SCC 60.*
23. *Punjab National Bank v. Kalyani Transco, 2025 SCC OnLine SC 1634; final judgment dated Sept. 26, 2025 (S.C.).*
24. *Sanjay Kumar Agarwal v. State Tax Officer, 2023 SCC OnLine SC 1406.*
25. *State Tax Officer v. Rainbow Papers Ltd., (2023) 9 SCC 545.*
26. *Swiss Ribbons (P) Ltd. v. Union of India, (2019) 4 SCC 17.*
27. *Tata Power Western Odisha Distribution Ltd. v. Jagannath Sponge (P) Ltd., Company Appeal (AT) (Insolvency) No. 777 of 2023 (NCLAT).*
28. *TP Central Odisha Distribution Ltd. v. COS Board Industries Ltd., Company Appeal (AT) (Insolvency) No. 613 of 2022 (NCLAT, July 4, 2023).*
29. *Vidarbha Industries Power Ltd. v. Axis Bank Ltd., (2022) 8 SCC 352.*

Reports and Official Publications

30. *Bankruptcy Law Reforms Committee, Interim Report (Ministry of Finance, Feb. 2015).*
31. *Bankruptcy Law Reforms Committee, The Report of the Bankruptcy Law Reforms Committee, Volume I: Rationale and Design (Ministry of Finance, Nov. 2015).*
32. *Government of India, Economic Survey 2025–26 (Ministry of Finance, 2026).*
33. *Insolvency and Bankruptcy Board of India, Insolvency and Bankruptcy News: The Quarterly Newsletter, Vol. 35 (April–June 2025) and Vol. 39 (April–June 2026).*
34. *Ministry of Corporate Affairs, Report of the Insolvency Law Committee (Mar. 2018) and (Feb. 2020).*
35. *Standing Committee on Finance (2020–21), Thirty-Second Report: Implementation of Insolvency and Bankruptcy Code – Pitfalls and Solutions (Lok Sabha Secretariat, Aug. 2021).*
36. *World Bank, Doing Business 2020: Comparing Business Regulation in 190 Economies (World Bank Group, Washington DC, 2020).*

Articles, Working Papers and Industry Reports

37. *CareEdge Ratings, "IBC Recovery Gains Momentum in Q1FY27, Despite Continued Delays" (Aug. 2026).*
38. *ICRA Ltd., IBC: Performance Update (2026).*
39. *ICSI Institute of Insolvency Professionals, IBC Update-2/2026 (Aug. 21, 2026).*
40. *IndiaLaw LLP, "Reshaping India's Insolvency Landscape: A Practitioner's Guide to the Insolvency and Bankruptcy Code (Amendment) Act, 2026", Mondaq (May 26, 2026).*
41. *"Prudency and Outcomes of CIRP: Evidence from IBBI Data", 9(3) International Journal of Finance and Management 20 (2026).*
42. *PwC, Global Insolvency Report 2025–26: India (Feb. 2026).*
43. *Rajeswari Sengupta, Anjali Sharma and Susan Thomas, "Evolution of the Insolvency Framework for Non-financial Firms in India", IGIDR Working Paper No. WP-2016-018 (2016).*
44. *Shardul Amarchand Mangaldas & Co., IBC Amendment Bill 2026: Re-tuning the Insolvency Framework (Apr. 2026).*
45. *Madhu Sweta and Aadrikaa Thakur, "Rewriting the Rules of Distress: Part I", Bar & Bench (2026).*

46. *Himanshu Vidhani and Shloka Dikshit, "The Insolvency and Bankruptcy Code (Amendment) Act, 2026: A Comprehensive Analysis", Bar & Bench (2026).*

Online Sources

47. *IBBI, Orders and Corporate Processes Database, available at: https://ibbi.gov.in.*
48. *National Company Law Tribunal, "NCLT Bench – Cuttack", available at: https://nclt.gov.in/node/42538.*
49. *"IBC 2.0: Has the 2025 Amendment Fixed the Cracks in India's Insolvency Regime?", LiveLaw (Aug. 23, 2025), available at: https://www.livelaw.in.*
50. *"NCLT Cuttack Calls RP's Alteration of Creditor's Claim 'Gross Dereliction', Approves Goyal Energy Resolution Plan", LiveLaw (June 30, 2026), available at: https://www.livelawbiz.com.*
51. *"NCLAT Okays ArcelorMittal Resolution Plan for Odisha Slurry Pipeline Infra", Business Standard (Jan. 20, 2022), available at: https://www.business-standard.com.*
52. *"Insolvency and Bankruptcy Code Undermined by NCLT Backlog", Policy Circle (2025), available at: https://www.policycircle.org.*
53. *"IBC Amendment Act 2026: What Changes for Creditors and Resolution Professionals", iPleaders (2026), available at: https://blog.ipleaders.in.*

WHITE BLACK LEGAL