- Limits of Insolvency as Debt Recovery Mechanism
  - Court Holding
    - Not coercive recovery mechanism
    - Excludes individual contractual claims
    - Section 7 requirements
      - Straightforward financial debt
      - No complex disputes
    - Affirmed CIRP inappropriate
  - Case Facts
    - Quadripartite agreement
      - Bank
      - Corporate Debtor
      - Builder
      - Housing corporation
    - Funds disbursed to Builder
    - Legal actions
      - Debtor default
      - DRT proceedings initiated
      - NCLAT set aside insolvency
  - Court Reasoning
    - Predominantly contractual transaction
    - Linked to Builder performance
    - Active DRT adjudication
    - Code's purpose
      - Address financial distress
      - Not for resolving individual claims
      - Prevention of recovery tactics