



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

04 | May | 2026

IBC AU-COURANT

LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

Success is the sum of small efforts, repeated day in and day out."

➤ **Lease Termination, Eviction Barred During Moratorium: Gujarat High Court Upholds Protection Under IBC**

The Gujarat High Court has dismissed an appeal filed by the Gujarat Industrial Development Corporation and upheld the quashing of its decision to terminate a lease and evict Gujarat Hydrocarbons and Power SEZ Ltd during insolvency proceedings.

The dispute arose from a 2008 lease under which land was allotted for development of a Special Economic Zone. Insolvency proceedings began in November 2020. This triggered a statutory moratorium. Despite this, GIDC terminated the lease in December 2021 citing breach of conditions. It then passed an eviction order in March 2022 under the Public Premises Act.

A Single Judge set aside both actions. The Division Bench of Chief Justice Sunita Agarwal and Justice D. N. Ray agreed with that view and found no legal error.

The court said that once a moratorium is in place, recovery of property from a corporate debtor is barred. It rejected the argument that contractual breaches allow termination during this period.

"Given the object of Section 14(1) of the IBC' 2016, in the facts of the present case, neither the termination of the lease agreement in terms of the clause 15 (Breach of covenant) nor the eviction "proceedings" under the Gujarat Public Premises Act, were permissible during the moratorium period," the Court noted.

The bench said that leasehold rights fall within the definition of "property" under the Code. It held that as long as the corporate debtor remains in possession, the lessor cannot enforce recovery. Any such action would disrupt the insolvency resolution process.

Source: *BW Legal World*

Read Full news: [Lease Termination, Eviction Barred During Moratorium: Gujarat High Court Upholds Protection Under IBC - BW Legal World](#)

➤ **NCLAT dismisses Vedanta's plea to halt Adani's resolution plan for Jaiprakash Associates**

The National Company Law Appellate Tribunal (NCLAT) on Monday dismissed an appeal by Vedanta Limited challenging the acceptance of Adani's resolution plan for the debt-laden Jaiprakash Associates Limited (JAL) [Vedanta Vs Bhuvan Madan].

A Bench comprising Chairperson Justice (retired) Ashok Bhushan and Technical Member Barun Mitra held that the Committee of Creditors (CoC) were right in rejecting Vedanta's resolution plan. Jaiprakash Associates Limited (JAL) was admitted into the corporate insolvency resolution process by the Allahabad Bench of the National Company Law Tribunal (NCLT) on June 3, 2024, on a petition filed by ICICI Bank.

The company faced admitted claims exceeding ₹57,000 crore, with the National Asset Reconstruction Company Limited (NARCL) emerging as the largest financial creditor, holding over 85 per cent voting share in the committee of creditors (CoC).

Source: Bar and Bench

Read Full news: [NCLAT dismisses Vedanta's plea to halt Adani's resolution plan for Jaiprakash Associates](#)

➤ **Embassy Developments Limited NCLAT Quashes Insolvency Proceedings Against Company**

Embassy Developments Limited has received a favorable outcome from the **National Company Law Appellate Tribunal (NCLAT)**. In an order pronounced on **May 4, 2026**, the appellate authority set aside the previous admission of the Corporate Insolvency Resolution Process (CIRP). Consequently, all related insolvency proceedings against the company have been officially quashed and closed. The company remains fully operational, maintaining that its business activities continue without impact.

Source: Investywise

Read Full news: [Embassy Developments Limited: NCLAT Quashes Insolvency Case](#)



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