



INSOLVENCY PROFESSIONAL AGENCY
OF INSTITUTE OF COST ACCOUNTANTS OF INDIA



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LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

"Great things never come from comfort zones".

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➤ Resolution professional moves NCLT over Smaaash's Ownership change

Resolution professional (RP) Bhrugesh Amin has approached the Mumbai bench of the National Company Law Tribunal (NCLT) to disallow the change of ownership of the Smaaash Entertainment brand after it was discovered that promoter Shripal Morakhia had transferred it to a privately owned company. In a petition filed before the court, the RP said that Morakhia had sought to "sell, assign and transfer" the brand content and trademarks of the company to privately owned Fun Gateway Arena just 18 days before the company was admitted into the insolvency process.

"It is equally shocking...that the brand content has been assigned to respondent no 1 (Fun Gateway) for a paltry sum of ₹1.5 crore based on questionable valuation undertaken by the erstwhile management of the corporate debtor. In fact, even this paltry consideration has not been paid but set off against an antecedent liability owed by the corporate debtor...." the petition said.

The petition added that Smaaash and Fun Gateway are related parties having common directors many times and also have a common registered office and official email ids. It mentions Rupesh Mohite as the director of Smaaash until May 2014 and also the director of Fun Gateway and AHA Holdings. Mohite signed the agreement allowing the transfer of the brand from Smaaash.

A person familiar with the case said that the brand transfer was completed in August 2022 after which Fun Gateway also inducted Abhishek Javeri, the son-in-law of Morakhia as director in November 2022. All this after the insolvency process was started in May 2022.

Source: The Economic Times

Read Full news at: <https://economictimes.indiatimes.com/news/company/corporate-trends/rp-moves-nclt-over-smaashs-ownership-change/articleshow/99277285.cms>

➤ **Insolvency case against Sukesh**

Hyderabad: The National Company Law Tribunal (NCLT) at Hyderabad took note of the default by Sukesh Gupta and his company, MBS Impex Pvt Ltd, in repaying loan taken from ICICI. The bank entrusted task of recovery to Rare Asset Reconstruction Ltd. Its counsel Dishit Bhattacharji told TOI that the tribunal admitted its application against Gupta who stood as personal guarantor and separate insolvency process is being launched against him now.

Source: The Times of India

Read Full news at: <https://timesofindia.indiatimes.com/city/hyderabad/insolvency-case-against-sukesh/articleshow/99254549.cms?from=mdr>

➤ **NCLT Urges Petitioners To Comply With Regulation 20(1a) Of Information Utility Regulations**

National Company Law Tribunal ("NCLT") has released a Circular dated 03.04.2023, requesting the Petitioners in Sections 7 and 9 of IBC proceedings to produce the record of Information Utility (NeSL certificate) for effective hearing of their case and comply with Regulation 20(1A) of Insolvency and Bankruptcy Board of India (Information Utilities) Regulation, 2016 ("Information Utility Regulation").

When a Petitioner files a petition under Section 7 or 9 of the Insolvency and Bankruptcy Code, ("IBC"), the Regulation 20(1A) requires the Petitioners to produce the record of Information Utility (NeSL certificate) at the earliest for effective hearing of their case.

NCLT has released the Circular dated 03.04.2023 requesting the Petitioners to comply with Regulation 20(1A) of Information Utility Regulations.

Source: Live Law

Read Full news at: <https://www.livelaw.in/ibc-cases/ibc-nclt-urges-petitioners-to-comply-with-regulation-201a-of-information-utility-regulations-225529?infinitiescroll=1>

