



INSOLVENCY PROFESSIONAL AGENCY
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LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

"Don't dream about success. Get out there and work for it."

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➤ NCLT Mumbai Initiates Insolvency Process Against Future Lifestyle Fashions, A Future Group Enterprise

The National Company Law Tribunal ("NCLT"), Mumbai Bench, comprising of Shri Kuldip Kumar Kareer (Judicial Member) and Shri Shyam Babu Gautam (Technical Member), while adjudicating a petition filed in Bank of India v Future Lifestyle Fashions Limited, has initiated Corporate Insolvency Resolution Process ("CIRP") against Future Lifestyle Fashions Ltd., which is a Future Group enterprise promoted by Mr. Kishore Biyani. Further, Mr. Ravi Sethia has been appointed as the Interim Resolution Professional ("IRP").

Future Lifestyle Fashions Ltd. ("Corporate Debtor") is the flagship fashion business of the Mr. Kishore Biyani led Future Group of companies, which have dominated the retail sector in India for years. FLFL operates more than 300 stores across India and owns retail fashion chains such as Central and Brand Factory.

The Bank of India ("Financial Creditor") as a member of a Consortium of Lenders had extended certain credit facilities to the Corporate Debtor for the purpose of its operations, expansion and working capital needs. In 2013, the Financial Creditor granted credit facilities aggregating to Rs. 435 Crores to the Corporate Debtor which was last renewed in January 2020.

Source: Live Law

Read Full news at: <https://www.livelaw.in/ibc-cases/nclt-mumbai-initiates-insolvency-process-against-future-lifestyle-fashions-a-future-group-enterprise-228264>

➤ NCLT issues notice to SpiceJet on aircraft lessor's insolvency petition

The National Company Law Tribunal on Monday issued a notice to SpiceJet on a petition filed by Aircastle (Ireland) Ltd. The aircraft lessor is seeking initiation of insolvency resolution proceedings against the budget carrier and the next hearing is scheduled for May 17.

A two-member Principal bench of the NCLT headed by President Ramalingam Sudhakar issued the notice to SpiceJet and directed to list the matter on May 17 for the next hearing.

A SpiceJet spokesperson said that in the Aircastle issue, notice was issued in normal course." There was no adverse ruling against SpiceJet. The court has recognised the fact that parties are under settlement discussions and they can continue to pursue the same," he said. The latest development also comes at a time when crisis-hit rival Go First has filed for voluntary insolvency resolution proceedings.

Source: The Economic Times

Read Full news at: <https://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/nclt-issues-notice-to-spicejet-on-aircraft-lessors-insolvency-petition/articleshow/100071332.cms>

➤ Home buyers likely to get some relief from insolvency proceedings

Home buyers who have purchased and occupied a house without completing the necessary paperwork may get exempted from suffering in insolvency cases.

According to the Insolvency and Bankruptcy Code (IBC), these homes are currently seen as a part of the builder's inventory and are therefore subject to resolution. A person aware of the matter that the government was preparing a special carveout within IBC to exclude such homes. Customers in some cases got possession but not occupation certificates, as the developer failed to pay the local authority for the land, he added.

The change would prevent circumstances in which a home buyer who has taken possession of the house and has been living there for years faces concerns about his eligibility for the full value of the house while other creditors have to take a haircut as part of the builder's debt resolution as that house is still deemed to be the builder's inventory.

Source: Business Standard

Read Full news at: https://www.business-standard.com/economy/news/home-buyers-likely-to-get-some-relief-from-insolvency-proceedings-123050800520_1.html

