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LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

"We experience what we intend for others."

➤ NCLT orders insolvency process against Gstaad Hotels over Rs 666 crore default

The Mumbai bench of the National Company Law Tribunal (NCLT) has ordered the initiation of a corporate insolvency resolution process (CIRP) against Gstaad Hotels Pvt Ltd following a petition by its financial creditor, Omkara Asset Reconstruction Pvt Ltd, owing to a default of Rs 665.74 crore.

The debt, originally extended by Piramal Capital and Housing Finance Ltd, was assigned to Omkara Asset Reconstruction in December 2022.

The tribunal's ruling comes after a prolonged legal battle, where Gstaad Hotels, owner of the JW Marriott Bengaluru, contested both the validity of the debt assignment and the alleged default. However, after fresh hearings, the NCLT concluded that the default was substantial and backed by contractual evidence.

According to case records, the original Rs 600 crore loan was sanctioned in December 2017 to Gstaad Hotels and group company Neo Capricorn Plaza Pvt Ltd. This included a Rs 450 crore term loan and a Rs 50 crore revolving credit line. Additionally, loans of Rs 98 crore and Rs 65 crore were extended under the Emergency Credit Line Guarantee Scheme (ECLGS) during the Covid-19 pandemic.

Omkara Asset Reconstruction had issued a recall notice in February 2023, demanding repayment of the full outstanding amount within three days, citing default as of November 15, 2022.

Source : The Economic Times

Read Full news: [NCLT orders insolvency process against Gstaad Hotels over Rs 666 crore default - The Economic Times](#)

➤ **Secured Creditor Is Obligated To Contribute Towards Workmen's Dues When Security Interest Is Realised Under SARFAESI Act: NCLAT**

The National Company Law Appellate Tribunal (NCLAT) New Delhi bench of Justice Ashok Bhushan (Judicial Member), Mr. Barun Mitra (Technical Member) and Mr. Arun Baroka (Technical Member) has held that the obligation to contribute towards workmen dues out of the realised fund cannot be avoided by the Secured Creditor when the security interest has been realised under the SARFAESI Act. Section 52(4) of the Insolvency and Bankruptcy Code, 2016 (IBC) permits a secured creditor to realise its security interest as applicable laws. Since in the present case, the security interest was realized under the SARFAESI Act, section 326 of the Companies Act shall be applicable and the realised amount must be distributed accordingly.

Source: Live Law

Read Full news: [Secured Creditor Is Obligated To Contribute Towards Workmen's Dues When Security Interest Is Realised Under SARFAESI Act: NCLAT](#)

➤ **Application U/S 7 Of IBC Shall Be Deemed Withdrawn If Modification Application Is Not Filed Within 30 Days: NCLAT**

The National Company Law Appellate Tribunal (NCLAT) New Delhi bench of Justice Ashok Bhushan (Judicial Member) and Mr. Barun Mitra (Technical Member) has held that failure to file a modification application under third proviso section 7 of the Insolvency and Bankruptcy Code, 2016 (IBC) within 30 days, from the date of commencement of the 2020 Amendment Act, to comply with the requirement of 100 allottees or 10% of the total unit holders shall result in the original application being deemed to have been withdrawn.

Greater Noida Industrial Development Authority ("Greater Noida") vide Lease Deed dated 11.02.2011 granted lease of land to Corporate Debtor (CD) for Large Group Housing Builders Residential Plots of an area admeasuring 7,07,771.95 sq. mtrs at Plot No.GH-11, Sector-1, Greater Noida (West), U.P. Possession Certificate dated 14.02.2011 was issued by Greater Noida in favour of the CD.

Source: Live Law

Read Full news: [Application U/S 7 Of IBC Shall Be Deemed Withdrawn If Modification Application Is Not Filed Within 30 Days: NCLAT](#)

