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"If you are not willing to risk the usual, you will have to settle for the ordinary."

➢ Cloud Storage Sale-and-Leaseback Qualifies As Financial Lease Under IBC: NCLT Allahabad

The National Company Law Tribunal, Allahabad Bench has held that a sale-and-leaseback arrangement created through two linked agreements constituted a "financial lease" under the Insolvency and Bankruptcy Code, 2016.

The arrangement involved applicants first purchasing cloud storage units from Vuenow Marketing Services Limited (VMSL) and then leasing the same units to Zebyte Rental Planet Private Limited for 10 years in return for monthly payments.

The court observed, "In view of the foregoing discussion, we are of the considered opinion that ASA and AMPA together fall under the definition of a 'financial lease' in terms of paragraph 62 of IND AS 116. i.e. 'substantially transfers all risk and rewards' and paragraph 63 (c) of IND AS 116. i.e., the lease term is for the major part of the economic life of the underlying asset even if title is not transferred. Therefore, it can be said that the ASA and AMPA, being a financial lease as explained above, is covered within clause (d) of subsection (8) of Section 5 of IBC, 2016 and therefore, constitutes a financial debt in terms of IBC."

The coram comprising Judicial Member Praveen Gupta and Technical Member Ashish Verma made the ruling while admitting a Section 7 insolvency application against Zebyte.

The case involved 26 applicants who purchased one-terabyte cloud storage units, described as "Particles", from VMSL. Under the Asset Sale and Partner Programme Agreement (ASA), they made one-time payments towards the purchase of the units.

They then entered into the Asset Monetizing Program Agreement (AMPA), under which the particles were leased to Zebyte. Zebyte was required to make monthly rental payments for the serviceable life of the particles, for up to 120 months or 10 years. The arrangement offered minimum guaranteed returns to the applicants.

Source: Live Law Biz
Read Full News: *Cloud Storage Sale-and-Leaseback Qualifies As Financial Lease Under IBC: NCLT Allahabad*

NCLT Bengaluru Approves Promoters' ₹18.34 Crore Resolution Plan For Sanjeevini Medlife Hospitals

The National Company Law Tribunal (NCLT), Bengaluru, on 13 August approved a resolution plan submitted by the erstwhile promoters of Sanjeevini Medlife Hospitals (India) Private Limited, a Micro, Small and Medium Enterprise (MSME), after the Committee of Creditors approved the plan with 100% voting share.

A Bench comprising Judicial Member Sunil Kumar Aggarwal and Technical Member Radhakrishna Sreepada held: *"The Resolution Plan marked as Annexure 20, submitted by Dr. G.R. Subhash Kumar Reddy and Dr. Premlata Subhash (in respect of the Corporate Debtor, along with addendum dated 28.02.2026 and subsequent affidavits filed vide Diary No. 1089 dated 04.03.2026, Diary No. 1362 dated 17.03.2026, and affidavits filed on 12.08.2026 and status report of filed by the RP on 04.08.2026 is hereby approved."*

Source: Live Law Biz
***Read Full News*:** *NCLT Bengaluru Approves Promoters' ₹18.34 Crore Resolution Plan For Sanjeevini Medlife Hospitals*

IBC Section 96 Moratorium Is Debtor-Centric, Not Debt-Specific: NCLT Guwahati

The National Company Law Tribunal (NCLT) at Guwahati on 14 August held that the interim moratorium under Section 96 of the Insolvency and Bankruptcy Code, 2016 (IBC) protects a personal guarantor as a whole, and not just against a particular debt.

It therefore barred a fresh insolvency application against the guarantor while an earlier application was pending. A Bench comprising Judicial Member Rammurti Kushawaha and Technical Member Yogendra Kumar Singh, rejected UCO Bank's insolvency petition against Satyawan Sarma, personal guarantor to Lohit Construction Private Limited, holding that the expression "any debt" under Section 96 cannot be restricted to the particular debt involved in the first insolvency application.

Source: Live Law Biz
Read Full News: *IBC Section 96 Moratorium Is Debtor-Centric, Not Debt-Specific: NCLT Guwahati*

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