



INSOLVENCY PROFESSIONAL AGENCY  
OF INSTITUTE OF COST ACCOUNTANTS OF INDIA



# IBC AU-COURANT

LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

*"Don't sit down and wait for the opportunities to come. Get up and make them."*

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## ➤ NCLAT upholds NCLT order in Smaaash insolvency case

Mumbai: The National Company Law Appellate Tribunal (NCLAT) has upheld an order by the National Company Law Tribunal (NCLT) in November 2023 that set aside the 'fraudulent' transfer of the Smaaash brand by founder Shripal Morakhia. "The order dated 22 November 2023 continues to be operative", said a bench led by justices Ashok Bhushan and Arun Baroka.

The November order by the Mumbai bench of the NCLT revoked the transfer of the 'Smaaash' brand's ownership, deeming Morakhia's act "fraudulent" and directing that the brand be returned to the bankrupt Smaaash Entertainment Pvt Ltd (SEPL). The tribunal's order came after Bhrugesh Amin, the resolution professional of Smaaash, filed a petition to annul, rescind, cancel the back-dated deed agreement signed between Smaaash and Fun Gateway in April 2022.

In his plea before the NCLT, Amin asked the tribunal to restrain Morakhia from transferring the 'Smaaash' trademark to privately owned Fun Gateway Arena Pvt Ltd after it was found that the brand was transferred through a back-dated deed of assignment signed in 2022. He also asked that Fun Gateway be restrained from using or dealing with any brand content of Smaaash, including the company's trademarks.

The NCLT said in its order that Morakhia and his associate firms colluded to syphon off critical and valuable assets of the company, including the brand content and the Smaaash trademarks through the 2022 assignment agreement.

**Source: Mint**

**Read Full news:** <https://www.livemint.com/companies/news/nclat-upholds-nclt-order-in-smaaash-insolvency-case-11713085073163.html>

## ➤ **NCLAT Chennai Stays Insolvency proceedings Against Charter Aircraft Service Provider 'Deccan Charters**

The National Company Law Appellate Tribunal (“NCLAT”), Chennai Bench, comprising of Justice M. Venugopal (Judicial Member), Justice Sharad Kumar Sharma (Judicial Member) and Jatindranath Swain (Technical Member), has stayed the insolvency proceedings initiated against Deccan Charters Pvt. Ltd. by the NCLT, till the next date of hearing i.e. 26.04.2024.

Deccan Charters is a Bengaluru based company which operates chartered helicopters and fixed wing aircrafts and also provides services such as aircraft maintenance, aircraft management and aviation training.

**Source: Live Law**

**Read Full news :** <https://www.livelaw.in/ibc-cases/nclat-chennai-stays-insolvency-proceedings-against-charter-aircraft-service-provider-deccan-charters-254965>

## ➤ **NCLT Chennai - Resolution Professional Should Not Rely Solely On Corporate Debtor's Records For Verifying Claims**

The National Company Law Tribunal (NCLT) Chennai bench, comprising Justice Jyoti Kumar Tripathi (Judicial Member) and Ravichandran Ramasamy (Technical Member), has held that The Resolution Professional (RP) should not rely solely on the Corporate Debtor's records for verifying claims as the improper maintenance of the records can unfairly burden the creditors.

The homebuyer (Applicant) booked a 2 BHK apartment in the Corporate Debtor's project named Sai Peace & Prosperity. As per the booking form, the applicant paid an advance of Rs.20,00,000, with Rs.2,50,000 by cheque and the remaining Rs.17,50,000 in cash.

**Source: Live Law**

**Read Full news :** <https://www.livelaw.in/ibc-cases/nclt-chennai-resolution-professional-should-not-rely-solely-on-corporate-debtors-records-for-verifying-claims-254968>

## ➤ **NCLAT rejects insolvency plea against Parsvnath Landmark Developers**

The National Company Law Appellate Tribunal (NCLAT) has dismissed the plea filed by four unit buyers of Parsvnath Landmark Developers to initiate insolvency proceedings against the subsidiary of Parsvnath Developer.

The appellate tribunal upheld the orders of the principal bench of the National Company Law Tribunal (NCLT), which on October 17, 2023, rejected their plea on technical grounds as the number of petitioners was only four, while the total number of allottees by Parsvnath Landmark is 488.

**Source: The Economic Times**

**Read Full news :** <https://economictimes.indiatimes.com/industry/services/property/-/construction/nclat-rejects-insolvency-plea-against-parsvnath-landmark-developers/articleshow/109212793.cms?from=mdr>

## ➤ **NCLAT Fortnightly: Important orders on IBC (March 1 – March 15, 2024)**

The following is a snapshot of the important orders passed by the National Company Law Appellate Tribunal (“NCLAT”) under the Insolvency and Bankruptcy Code, 2016 (“Code”) during the period between March 1, 2024 to March 15, 2024.

For ease of reference, the orders have been categorized and dealt with in the following categories i.e., Pre-admission stage, Corporate Insolvency Resolution Process (“CIRP”) stage, Liquidation stage and Miscellaneous.

**Source: Bar and Bench**

**Read Full news:** <https://www.barandbench.com/columns/nclat-fortnightly-important-orders-on-ibc-march-1-15-2024>

## ➤ **After making insolvency process creditor-driven, can IBC address the delays**

Sample this: Till October 2023, as many as 27,514 applications for initiation of corporate insolvency resolution were withdrawn before the admission itself. These companies had an underlying default of Rs 9.74 trillion, according to the Insolvency and Bankruptcy Board (IBBI) of India. Besides, more than a third of the corporate insolvency resolution processes that were withdrawn after admission resulted in full settlement with the creditor who had filed the insolvency application.

**Source: Business Standard**

**Read Full news:** [https://www.business-standard.com/companies/news/after-making-insolvency-process-creditor-driven-can-ibc-address-the-delays-124041400429\\_1.html](https://www.business-standard.com/companies/news/after-making-insolvency-process-creditor-driven-can-ibc-address-the-delays-124041400429_1.html)

