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LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

"The future belongs to those who believe in the beauty of their dreams."

➤ **Bankrupt Can File Application For Discharge After One Year, If Bankruptcy Trustee Fails To Do So: NCLAT New Delhi**

The National Company Law Appellate Tribunal, Delhi held that when the Bankruptcy Trustee does not fulfil its statutory obligation under Section 138(1)(a) of the Insolvency and Bankruptcy Code, 2016, which requires the Trustee to apply for a discharge order after expiry of one year from the bankruptcy commencement date, the Bankrupt who is directly affected by continuance of the bankruptcy proceedings, can't be denied the right to approach the Adjudicating Authority and seek discharge.

Justice Ashok Bhushan (Chairperson), Barun Mitra (Technical Member) & Arun Baroka (Technical Member): "The Bankrupt, who is directly affected by continuance of the bankruptcy proceedings in a case where Bankruptcy Trustee does not perform its statutory obligation of filing an application after expiry of one year, cannot be said to be a person, who has no locus to even inform the Adjudicating Authority that application has not been filed by the Bankruptcy Trustee and to pray that Bankrupt be discharged."

Mr. Anil Syal, the appellant, filed an application under Section 94 of the Code for the initiation of the Personal Insolvency Resolution Process. As no repayment plan was approved, the Appellant filed an application for the initiation of the Bankruptcy Process under Section 122 of the Code. Subsequently, Union Bank of India, submitted its claim for Rs 71.90 crores, relinquishing its security interest over the asset of the appellant as 50% share in a residential flat.

Source Live Law

Read Full news: [Bankrupt Can File Application For Discharge After One Year, If Bankruptcy Trustee Fails To Do So: NCLAT New Delhi](#)

➤ **Application U/S 7 Of IBC Withdrawn After Settlement Agreement Can Be Revived If Settlement Terms Are Breached By Corporate Debtor: NCLAT**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 right of the financial creditor to seek revival of the original application filed under Section 7 of the Code cannot be taken away merely because a settlement agreement was reached, if the corporate debtor failed to comply with the terms of the settlement agreement.

The present appeal has been filed against an order passed by the Adjudicating Authority by which it allowed the revival of the Application filed under section 7 of the Insolvency and Bankruptcy Code, 2016 (Code) by the Anchor Point Developers Pvt. Ltd. to initiate Corporate Insolvency Resolution Process (CIRP) against the corporate debtor.

Source: Live Law

Read Full news: [Application U/S 7 Of IBC Withdrawn After Settlement Agreement Can Be Revived If Settlement Terms Are Breached By Corporate Debtor: NCLAT](#)

➤ **Belated Claims Of Homebuyers Can't Be Rejected If Their Units Are Reflected In Corporate Debtor's Records: NCLAT**

The National Company Law Appellate Tribunal (NCLAT) New Delhi bench of Justice Ashok Bhushan (Judicial Member) and Mr. Arun Baroka (Technical Member) has held that claims filed by homebuyers cannot be rejected merely for being filed beyond the stipulated time period, if the homebuyer's unit is reflected in the list of homebuyers who had not filed their claims on time.

The Corporate Insolvency Resolution Process (CIRP) started against the corporate debtor on 11.08.2023. The Appellant failed to submit the claims within the stipulated time period. However, the unit of the Appellant duly was reflected in the list of homebuyers who had not submitted their claims.

Source: Live Law

Read Full news: [Belated Claims Of Homebuyers Can't Be Rejected If Their Units Are Reflected In Corporate Debtor's Records: NCLAT](#)

