



INSOLVENCY PROFESSIONAL AGENCY  
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LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

*"The greatest pleasure in life is doing what people say you cannot do."*

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## ➤ NCLT admits Tulip Hotels into insolvency

The National Company Law Tribunal (NCLT) has admitted JC Flowers Asset Reconstructions' application to initiate insolvency proceedings against Tulip Hotels over defaults of ₹900 crore. The application was originally filed by Yes Bank, the lender. The debt was subsequently assigned to JC Flowers, which filed a substitution application that was allowed on March 6.

Tulip Hotels had challenged this debt assignment. However, the same was dismissed on March 23.

According to JC Flowers ARC's counsel Nausher Kohli, the hospitality company had defaulted payment under two guarantees in its capacity as a guarantor for repayment of two loans worth ₹450 crore disbursed by Yes Bank to Cox and Kings, and Ezeego One Travel & Tours each. Both the companies committed breach and default in repayment of debt.

Both the companies committed breach and default in repayment of debt that included principal amount, interest, and other charges thereon, Kohli argued. Following this default, in August and November 2019, the lender invoked the guarantees issued by Tulip Hotels. However, the hospitality company failed to repay the guaranteed amount.

**Source: The Economic Times**

**Read Full news at:** <https://economictimes.indiatimes.com/industry/services/hotels/-/restaurants/nclt-admits-tulip-hotels-into-insolvency/articleshow/100312888.cms>

## ➤ Sterling Oil admitted for bankruptcy

The bankruptcy court has admitted Sterling Oil Resources Ltd under the corporate insolvency resolution process following a plea by its financial creditor, State Bank of India (SBI).

SBI had moved the bankruptcy court after the company defaulted on its dues of nearly ₹1,655 crore. The Mumbai bench of the National Company Law Tribunal (NCLT) has appointed Purusottam Behera as the insolvency resolution professional to carry out the function under the Insolvency and Bankruptcy Code, 2016.

"This bench is of considered view that financial debt... is in existence; there is no stay on the enforcement of decree... and there is a default in payment of a such debt," observed the division bench of judicial member Kishore Vemulapalli and technical member Prabhat Kumar in its order of May 16.

**Source: The Economic Times**

**Read Full news at:** <https://economictimes.indiatimes.com/industry/energy/oil-gas/sterling-oil-admitted-for-bankruptcy/articleshow/100312863.cms?from=mdr>

## ➤ NCLAT set aside Insolvency proceedings against McLeod Russel

The National Company Law Appellate Tribunal (NCLAT) has set aside Insolvency proceedings against leading bulk tea producer McLeod Russel following a settlement between the promoter and IL&FS Infrastructure Debt Fund. A supplementary affidavit was filed before NCLAT by the appellant (Aditya Khaitan), whereby an agreement between the parties dated May 5, 2023, was brought on record.

The financial creditors also informed the appellate tribunal they already settled the matter with the promoter Khaitans and there are no issues between the parties. Following this, a two-member NCLAT bench closed the Corporate Insolvency Resolution Process (CIRP) initiated by the Kolkata bench of the National Company Law Tribunal (NCLT) on February 10, 2023.

**Source: The Economic Times**

**Read Full news at:** <https://economictimes.indiatimes.com/industry/cons-products/fmcg/nclat-set-aside-insolvency-proceedings-against-mcleod-russel/articleshow/100304940.cms>

