



INSOLVENCY PROFESSIONAL AGENCY  
OF INSTITUTE OF COST ACCOUNTANTS OF INDIA



# IBC AU-COURANT

LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

*"A problem is a chance for you to do your best."*

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## ➤ **Dream11 gets relief from insolvency resolution process**

New Delhi: The National Company Law Appellate Tribunal on Thursday granted relief to Sporta Technologies, the parent company of Dream11, freeing it from the corporate insolvency resolution process (CIRP) rejecting a petition by Reward Solutions.

NCLAT concluded that the default date for the debt squarely fell within the timeline of Section 10A of the Insolvency and Bankruptcy Code, 2016. Section 10 A prohibits the initiation of CIRP for default occurring between March 25, 2020 and March 25, 2021 as the legislature intended to protect the firms hit by Covid. NCLAT said, "NCLT had committed an error in admitting Section 9 CIRP application by the impugned order dated February 9, 2024," and set aside the February order.

Reward Solutions had filed an initiation of CIRP petition before NCLT, Mumbai, claiming a default of ₹7.61 crore by Dream11 regarding a lease and licence agreement executed between Reward Solutions and Sporta Technologies. Dream11 was admitted into insolvency by NCLT in February, prompting Bhavit Sheth, co-founder, and COO of Dream11, to approach NCLAT.

**Source: The Economic Times**

**Read Full news :** <https://economictimes.indiatimes.com/industry/banking/finance/narcl-makes-binding-bid-for-essel-infras-road-project-debt/articleshow/109412353.cms>

## ➤ **NCLT initiates insolvency process against Sujana**

Hyderabad: National Company Law Tribunal (NCLT) at Hyderabad on Thursday admitted a petition filed by SBI seeking personal insolvency resolution process (PIRP) against former

Union minister and founder of Splendid Metal Products company Y Sujana Chowdary. The company took over 500 crore loan from the bank and defaulted on repayment.

The following pleas for initiating a corporate insolvency resolution process (CIRP) against the company, NCLT in past commenced CIRP process against Splendid Metal Products. Later, the bank filed another application urging the tribunal to launch PIRP against Sujana because he stood as personal guarantor to the loan. NCLT bench of judicial member Rajeev Bharadwaj and technical member Sanjay Puri finally decided to initiate PIRP against former Union minister. The bench appointed a resolution professional to take the process forward.

**Source: Times of India**

**Read Full news :** <https://timesofindia.indiatimes.com/city/hyderabad/nclt-initiates-insolvency-process-against-sujana/articleshow/109415911.cms>

### ➤ **NFAC Can't Sustain Invocation Of Penalty Proceedings Based On Their Own Failure To Lodge Claim Under IBC Within Time: Delhi High Court**

The Delhi High Court has held that the National Faceless Assessment Centre (NFAC) cannot sustain invocation of penalty proceedings based on their own failure to lodge a claim under the Insolvency and Bankruptcy Code (IBC) within time.

The bench of Justice Yashwant Varma and Justice Purushaindra Kumar Kaurav has observed that, as per Section 144B of the Income Tax Act, proceedings for assessment, reassessment, or re-computation are initiated in terms of the faceless procedure of assessment as prescribed therein. Any effort to assess, reassess, or re-compute could tend to lean towards a re-computation of liabilities that otherwise stand frozen by virtue of the resolution plan having been approved.

**Source: Live Law**

**Read Full news :** <https://www.livelaw.in/high-court/delhi-high-court/nfac-invocation-penalty-proceedings-failure-claim-ibc-delhi-high-court-255398>



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