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➤ **NCLT Can Invoke Inherent Powers To Permit Withdrawal Of Voluntary Liquidation Despite Absence Of Specific Provision In IBC: NCLT**

The **National Company Law Tribunal, Chandigarh** Bench, comprising Harnam Singh Thakur (Member-Judicial) and Shishir Agarwal (Member-Technical), has disposed of an application seeking withdrawal of voluntary liquidation. The adjudicating authority held that even in the absence of specific provision under the IBC, it can allow the withdrawal of voluntary liquidation by invoking its inherent power under Rule 11 of the NCLT Rules, 2016.

The management of the applicant company decided to wind up the company by passing a resolution for voluntary liquidation. The decision was taken to avoid the operating expenses incurred by it. The shareholders of the company approved the decision at the Extraordinary General Meeting (EGM) and appointed Mr. Suman Kumar as the liquidator of the company.

The liquidation process commenced u/s 59 of the IBC, 2016, and a public announcement was made. There were no debts, claims, or pending litigations against the company, and no assets had been sold by the liquidator.

Now, given the favorable market trends and projected business growth, the management has decided to revive its operation. The shareholders approved the decision for withdrawal of liquidation, and the liquidator also consented to the withdrawal. The liquidator confirmed that no sale of the assets of the company has been made and no petition has been filed by him before the adjudicating authority.

Source: Live Law

Read Full news: [NCLT Can Invoke Inherent Powers To Permit Withdrawal Of Voluntary Liquidation Despite Absence Of Specific Provision In IBC: NCLT Chandigarh](#)

➤ **Prior Approval Of Adjudicating Authority Before Initiating Legal Proceedings Against Any Party U/S 33(5) Of IBC Is Mandatory: NCLT Guwahati**

The **National Company Law Tribunal (NCLT) Guwahati bench** of **Rammurti Kushawaha (Judicial Member)** and **Yogendra Kumar Singh (Technical Member)** has held that prior approval of the Adjudicating Authority under section 33(5) is mandatory before initiating any legal proceedings against a party and such party is not required to be heard at the approval stage.

The present application has been filed by the Liquidator of the Corporate Debtor under section 33(5) of the Insolvency and Bankruptcy Code, 2016 (IBC) seeking permission to initiate legal proceedings against Kamakhya Biofuels Private Limited for the recovery of outstanding dues.

Source: Live Law

Read Full news: [Prior Approval Of Adjudicating Authority Before Initiating Legal Proceedings Against Any Party U/S 33\(5\) Of IBC Is Mandatory: NCLT Guwahati](#)

➤ **Allottee Does Not Cease To Be Financial Creditor On Ground Of Being Speculative Investor: NCLT Chandigarh**

The **National Company Law Tribunal (NCLT), Chandigarh Bench** of **Justice Harnam Singh Thakur, (Judicial Member)** and **Sh. Shishir Agarwal (Technical Member)** has held that the claim of an allottee cannot be rejected solely on the ground of being a speculative investor. An allottee does not cease to be a financial creditor merely because they qualify as a speculative investor.

The present application has been filed under section 60(5) read with section 21 of the Insolvency and Bankruptcy Code, 2016 (IBC) to exclude the Respondents from the Committee of Creditors (CoC) as they are not financial creditors or allottees but business/services providers and speculative investors.

Source: Live Law

Read Full news: [Allottee Does Not Cease To Be Financial Creditor On Ground Of Being Speculative Investor: NCLT Chandigarh](#)

