



INSOLVENCY PROFESSIONAL AGENCY
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LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

"In the middle of difficulty lies opportunity."

➤ **Withdrawal Application Filed After Constitution Of CoC Must Obtain Its Approval U/S 12A Of IBC: NCLAT, Chennai**

The **National Company Law Appellate Tribunal, (NCLAT)**, Chennai comprising of Justice Rakesh Kumar Jain (Member (Judicial) and Jatindranath Swain (Member (Technical) dismissed joint appeals filed by the suspended director of Think & Learn Pt ltd and BCCI against the order of the National Company Law Tribunal, Bangalore Bench in relation the CIRP process of the corporate debtor- Think & Learn Pt ltd (Parent company of BYJU's)

The case arises from the two appeals filed before the National Company Law Appellate Tribunal (NCLAT), Chennai. The first appeal is filed by Riju Ravindran, a suspended director and promoter of Think & Learn Pt ltd against the IRP and the second appeal has been filed by the Board of Control for Cricket in India (BCCI) against the same respondents. The case is related to a financial dispute wherein the BCCI has filed a petition under Section 9 of the IBC against Think & Learn Pt ltd for recovery of Rs. 158.90 crores and consequently filing of another petition by GLAS Trust Company LLC for a massive debt of Rs 8200 crores. The NCLT Bangalore admitted the petition filed by the BCCI and consequently dismissed the GLAS Trust company petition by directing them to approach the IRP.

A settlement was reached between the BCCI and the promoters of Think & Learn Pt ltd. Byjus Raveendran challenged the initiation of CIRP in an appeal and the same was allowed. Later GLAS Trust Company LLC challenged this decision before the Supreme Court and the Apex court stayed the NCLAT's order.

Source: Live Law

Read Full news: <https://www.livelaw.in/ibc-cases/withdrawal-application-filed-post-coc-constitution-must-obtain-coc-approval-under-section-12a-and-regulation-30a1b-nclat-chennai-290145>

➤ **NCLAT Finds Insolvency Plea Within Limitation Citing Debt Acknowledgment and COVID Exclusion**

The Delhi Bench of National Company Law Appellate Tribunal(NCLAT) found the insolvency plea filed by Respondent No. 1 to be within the limitation period, citing debt acknowledgment and COVID-19 exclusion. Rohit Suri, the appellant, argued that Respondent No. 1, financial creditor had sanctioned a loan of ₹3.50 Crores in July 2009, disbursing ₹2.40 Crores, with repayment due in 19 equal quarterly installments. However, before the first payment, financial creditor issued a demand notice and recalled the loan in January 2010, citing default. In February 2010, financial creditor took possession of the mortgaged property. Despite court challenges, settlement proposals were rejected, and timely recovery actions were not taken.

Source: Taxscan

Read Full news: <https://www.taxscan.in/nclat-finds-insolvency-plea-within-limitation-citing-debt-acknowledgment-and-covid-exclusion-read-order/510283/>

➤ **Defaults Occurring Out Of Settlement Agreements Are Not “Operational Debts” U/S 5(21) Of IBC: NCLT Delhi**

The National Company Law Tribunal (NCLT), New Delhi bench of Shri Manni Sankariah Shanmuga Sundaram (Judicial Member) and Dr. Sanjeev Ranjan (Technical Member), rejected a section 9 Petition filed by the operational creditor under the Insolvency & Bankruptcy Code, 2016 (the code), holding that Default occurring out of settlement agreements are not “operational debts” under Section 5(21) of the Code. M/s. Harji Engineering Works Pvt. Ltd. (“Operational Creditor”) is engaged in the business of providing engineering construction services in different projects. On the other hand, M/s Enerture Technologies Private Limited (“Corporate Debtor”) provides service for solar installations and the services related to it.

Source: Live Law

Read Full news: <https://www.livelaw.in/ibc-cases/default-occurring-out-of-settlement-agreements-are-not-operational-debts-under-section-521-of-ibc-nclt-delhi-290043?code=ArYjcNOW02H1oEXsAOtF29P1kR9KEq>

