



INSOLVENCY PROFESSIONAL AGENCY
OF INSTITUTE OF COST ACCOUNTANTS OF INDIA



IBC AU-COURANT

LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

"The hallmark of a great businessman is his vision."

"The hallmark of a great businessman is his vision."

➤ NCLT admits IndusInd bank's insolvency plea against Cafe Coffee Day

The National Company Law Tribunal (NCLT) at Bengaluru admitted the insolvency plea filed by IndusInd bank against Coffee Day Global, the parent company of famous coffee chain, Cafe Coffee Day (CCD) [Indus Ind Bank Ltd. v. Coffee Day Global Ltd].

The tribunal also appointed Shailendra Ajmera as the interim resolution professional. A bench of judicial member of retired Justice T Krishnavalli and technical member Manoj Kumar Dubey passed the order after it was approached by IndusInd Bank alleging that Coffee Day had defaulted on a loan amount of over ₹94 crores.

Based on the petition, the bench admitted the petition for bankruptcy. "The present petition being complete and having established the default in payment of the financial debt and for the default amount being above ₹1 crore, the petition is admitted in respect of Coffee Day Global Limited under section 7 of the I & B Code, 2016. Accordingly, a moratorium is declared" the order passed by NCLT on July 20 said.

Cafe Coffee Day was promoted by late VG Siddhartha who had died by suicide in 2019. IndusInd claimed that as on April 7, 2022, the company had a total outstanding amount of ₹94.1 crores. Hence, it filed the present petition.

Source: Bar & Bench.

Read Full news at: <https://www.barandbench.com/news/litigation/nclt-bengaluru-admits-coffee-day-global-parent-company-of-cafe-coffee-day-to-insolvency>

➤ **SBI moves insolvency plea against PC Jeweller over loan default**

State Bank of India has moved an insolvency plea against PC Jeweller Limited at National Company Law Tribunal (NCLT) Delhi. The plea came up for hearing before the principal bench of NCLT on July 26. It has now been adjourned to the first week of August for further hearing. PC Jeweller's troubles began in February 2023, when banks decided to recall loans advanced to it after it was revealed in a filing that the company had defaulted on loans worth Rs 3,466 crore from banks and financial institutions. A loan recall is a process where the source lender requests the return of the amount advanced to the recipient or borrower.

Generally, when lenders see problems in a borrower's financial situation, they decide to recall loans. Chandra challenged this order in the NCLAT. However, in the meanwhile, the Supreme Court started issuing stay on personal guarantee insolvency as a batch of writ petitions have challenged the validity of IBC's provisions as they do not give the guarantor any opportunity to put forth their case.

Source: Money Control.

Read Full news at: <https://www.moneycontrol.com/news/trends/legal/sbi-moves-insolvency-plea-against-pc-jeweller-11034931.html>

➤ **Big relief for Go First! NCLT refuses to restrain airline from using aircraft leased to it**

In a big relief for Go First, the National Company Law Tribunal (NCLT) on Wednesday refused to restrain the airline from operating or flying aircraft. The tribunal, in its interim order, said as the civil aviation regulator Director General of Civil Aviation (DGCA) had not deregistered the aircraft, they are available to Go First for use to resume operations.

"As long as the aircraft/engines are registered, they can be used for operating or flying to keep the corporate debtor as a going concern within the safety norms prescribed by the regulator," the order said, as reported by legal site Bar and Bench.

Source: Business Today.

Read Full news at: <https://www.businesstoday.in/industry/aviation/story/big-relief-for-go-first-nclt-refuses-to-restrain-airline-from-using-aircrafts-leased-to-it-391431-2023-07-27>

