



INSOLVENCY PROFESSIONAL AGENCY  
OF INSTITUTE OF COST ACCOUNTANTS OF INDIA



# IBC AU-COURANT

LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

*"The value of an idea lies in the using of it."*

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## ➤ Insolvency plea against Essel entity Cyquator dismissed

The National Company Law Tribunal (NCLT) has dismissed IDBI Trusteeship Services' petition seeking Corporate Insolvency Resolution Process (CIRP) proceedings against Essel Group entity Cyquator Media Services for default in payment.

In its petition against Cyquator Media, IDBI Trusteeship had invoked the provisions of Section 7 Insolvency and Bankruptcy Code read with Rule 4 of Insolvency & Bankruptcy (Application to Adjudicating Authority) Rules, 2016 for resolution of financial debt worth ₹599 crore.

In their order, the NCLT bench of Technical Member Anuradha Sanjay Bhatia and Judicial Member Kuldip Kumar Kareer noted that the contentions raised on behalf of IDBI Trusteeship are devoid of any force or substance.

"We are of the considered view that in this case, the default took place in the month of June 2020 which is clearly covered under the period excluded under Section 10A of the Code. That being so, the instant Petition cannot be maintained being barred by Section 10A of the Code and is, therefore, dismissed," the order reads.

As per the provisions of Section 10A of the Insolvency and Bankruptcy Code, no application for initiation of corporate insolvency resolution process can be filed in respect of a default that has occurred on or after 25th March 2020 till 24th September 2020. Section 10A was introduced in the wake of the Covid-19 outbreak and subsequent lockdown, on March 25, 2020.

**Source: The Economics Times.**

**Read Full news at:** [https://m.economictimes.com/industry/media/entertainment/media/insolvency-plea-against-essel-entity-cyquator-dismissed/amp\\_articleshow/101292416.cms](https://m.economictimes.com/industry/media/entertainment/media/insolvency-plea-against-essel-entity-cyquator-dismissed/amp_articleshow/101292416.cms)

## ➤ **Signia Pearl homebuyers move NCLT for recovery of society dues**

They have filed an insolvency petition as financial creditors under the Insolvency and Bankruptcy Code (IBC), seeking the recovery of the money from Starlight Systems (I) Pvt Ltd, an arm of Sunteck Realty group, and appointment of an insolvency resolution professional (IRP)

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Confirming the development, advocate Sidhesh Bhole of SSB Legal and Advisory said, “The petition will come up for hearing before the NCLT in the due course.” Stating that the developer had signed an agreement for sale in 2015 and as per the agreement terms, the flat purchasers had paid a sum of ₹30 lakh each to the developer towards corpus fund and maintenance..

*Source: Hindustan Times.*

*Read Full news at: <https://www.hindustantimes.com/cities/mumbai-news/signia-pearl-homebuyers-move-nclt-for-recovery-of-society-dues-101687806033904-amp.html>*

## ➤ **Are Dissenting Financial Creditors Adequately Protected Under Section 30(2)(e) Of The Insolvency And Bankruptcy Code (IBC)?**

When a Resolution Applicant (RA) submits a Resolution Plan to the Committee of Creditors [“CoC”], the CoC engages in extensive discussions to decide whether to approve or reject the plan. If the plan is rejected and brought before the National Company Law Tribunal (NCLT), the NCLT initiates the liquidation process as per Section 33(1) of the Insolvency and Bankruptcy Code (IBC). However, if the plan is approved by at least 66% of the CoC members and presented to the NCLT, it undergoes two essential checks for approval and binding on all stakeholders.

The first check is to verify if the plan was accepted by a minimum of 66% of the CoC members. The second check examines whether the plan meets the conditions specified in Section 30(2) of the IBC.

*Source: Live Law.*

*Read Full news at: <https://www.livelaw.in/amp/articles/are-dissenting-financial-creditors-adequately-protected-under-section-302e-of-the-insolvency-and-bankruptcy-code-ibc-231345>*

