



INSOLVENCY PROFESSIONAL AGENCY  
OF INSTITUTE OF COST ACCOUNTANTS OF INDIA



# IBC AU-COURANT

LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

*"Perfection is not attainable, but if we chase perfection we can catch excellence."*

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## ➤ **Byju's Term Loan Lenders Initiate Corporate Insolvency Proceedings in India**

Overseas lenders of Byju's \$1.2bn (billion) term loans have filed a petition before the Bengaluru Bench of the National Company Law Tribunal (NCLT) to initiate corporate insolvency resolution proceedings against Think & Learn Pvt Ltd, the parent company of Byju's.

The GLAS Trust Company LLC (as administrative agent and collateral agent of the Term Loans) has filed a petition pursuant to Section 7 of the Insolvency and Bankruptcy Code (ICB) of India, 2016. "The myriad issues facing Byju's are entirely self-inflicted. For months, we sought to avoid this exact situation, repeatedly attempting to engage constructively with Byju's management and other stakeholders and providing them with multiple paths to reach a mutually agreeable resolution, even including after the Delaware court confirmed the validity of Byju's' defaults," the Ad Hoc Group said in a statement.

Byju's had secured \$1.2 billion in debt through a term loan facility from a consortium of foreign investors in November 2021. "It is our belief now that Byju's management has no intention or ability of honouring its obligations under the Term Loans. That said, we are hopeful that India's corporate insolvency resolution process will help stabilise Think & Learn and result in implementing a resolution plan that accounts for the interests of all stakeholders," the Group added.

**Source: Money Life**

**Read Full news:** <https://www.moneylife.in/article/byjus-term-loan-lenders-initiate-corporate-insolvency-proceedings-in-india/73229.html>

## ➤ **NCLT admits insolvency plea against Mumbai's Four Care Hospital**

The Mumbai bench of the National Company Law Tribunal (NCLT) has admitted city based Four Care Hospital under the Corporate Insolvency Resolution Process (CIRP) in an application filed by Standard Chartered Bank. The tribunal has also appointed Rajan Garg as its resolution professional.

In this case, originally the company's promoter had availed a loan facility from Dewan Housing Finance (DHFL). Subsequently, that loan was acquired by Standard Chartered Bank.

*Source: The Economic Times*

*Read Full news :* <https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/nclt-admits-insolvency-plea-against-mumbais-four-care-hospital/articleshow/107171677.cms?from=mdr>

## ➤ **Section 7 Application Under IBC 2016 Not Maintainable Against Financial Service Providers: NCLAT**

The National Company Law Tribunal recently stated that a Section 7 petition under the Insolvency and Bankruptcy Code 2016 is not maintainable against a financial service regulator. "When the Respondent is a Financial Service Provider, application under Section 7 is not maintainable since he is not included in the definition of corporate person as defined in Section 3(7) of the Code," the order reads.

The National Company Law Appellate Tribunal, consisting of Chairperson Justice Ashok Bhushan, Technical Member Barun Mitra, and Technical Member Arun Baroka, heard an appeal against the order of the NCLT rejecting the Section 7 application.

*Source: Law Beat*

*Read Full news :* <https://lawbeat.in/news-updates/section-7-application-under-ibc-2016-not-maintainable-against-financial-service-provider-nclat>

