



INSOLVENCY PROFESSIONAL AGENCY
OF INSTITUTE OF COST ACCOUNTANTS OF INDIA



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LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

Experience is not what happens to you; it is what you do with what happens to You

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➤ Application Under Section 12A For Withdrawal Of CIRP Is Maintainable Prior To Constitution Of CoC : Supreme Court

The Supreme Court has held that Regulation 30A of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2018, is binding upon the National Company Law Tribunal ("NCLT").

The Bench comprising of Justice B.R. Gavai and Justice Vikram Nath, while adjudicating an appeal filed in Abhishek Singh v Huhtamaki Ppl Ltd. & Anr., has held that Section 12A of the Insolvency and Bankruptcy Code, 2016 ("IBC") does not debar entertaining applications for withdrawal of Corporate Insolvency Resolution Process ("CIRP") even before constitution of the Committee of Creditors ("CoC"). Further, Regulation 30A of CIRP Regulations further, Regulation 30A of CIRP Regulations furthers the cause of Section 12A of IBC and they both are not conflicting provisions.

The Operational Creditor filed a petition under Section 9 of IBC, seeking initiation of CIRP against the Corporate Debtor, over a default of Rs.1,31,00,825/-. The NCLT admitted the petition and initiated CIRP against the Corporate Debtor on 01.03.2021.

On 10.03.2021 the Interim Resolution Professional ("IRP") of the Corporate Debtor filed an application before NCLT under Regulation 30A of the IBBI (insolvency Resolution Process for Corporate Persons) Regulations, 2018 ("CIRP Regulations"), seeking withdrawal of CIRP against the Corporate Debtor.

Source: Live Law

Read Full news at: <https://www.livelaw.in/top-stories/ibc-application-under-section-12a-for-withdrawal-of-cirp-is-maintainable-prior-to-constitution-of-coc-supreme-court-225026#:~:text=The%20approval%20of%2090%25%20of.pending%20for%20constitution%20of%20CoC.>

➤ **ZEE, IndusInd Bank Settle Insolvency Dispute Paving Way For Sony Merger**

IndusInd Bank on February 22 filed an insolvency plea against Zee with the NCLAT's Mumbai Bench. The move threatened the Zee-Sony merger deal as it was stopping all transactions, including asset transfer.

Zee Entertainment Enterprises Ltd (ZEEL) and IndusInd Bank informed the National Company Law Appellate Tribunal (NCLAT) that they have entered into an agreement in the case pertaining to Zee and Sony merger. IndusInd will now withdraw its objections to Zee's merger scheme with Sony.

According to a Moneycontrol report, IndusInd Bank lawyers told the NCLAT as per the settlement agreement, payment obligations have been undertaken, which will be paid by June 30 or within seven days of the Sony merger. Certain money has already been paid as per the agreement.

Source: abp Live

Read Full news at: <https://news.abplive.com/business/zee-indusind-bank-settle-insolvency-dispute-paving-way-for-sony-merger-1591861>

➤ **McLeod, IL&FS eye out-of-court fix**

Bulk tea major McLeod Russel and n IL&FS arm have initiated discussion for an out-of-court settlement, which might see the tea producer coming out of CIRP (corporate insolvency resolution process). The National Company Law Appellate Tribunal (NCLAT) has fixed the date of the next hearing on May 9 by which both the parties have to try for a settlement.

Sources said that both parties are hopeful of completing it before the next hearing. IL&FS officials cannot be contacted for comments. NCLAT earlier asked the interim resolution professional (RP) of McLeod Russel not to take further steps in the CIRP till the next hearing. The interim order would continue till May 9.

Source: The Times of India

Read Full news at: <https://timesofindia.indiatimes.com/city/kolkata/mcleod-ilfs-eye-out-of-court-fix/articleshow/99048306.cms?from=mdr>

