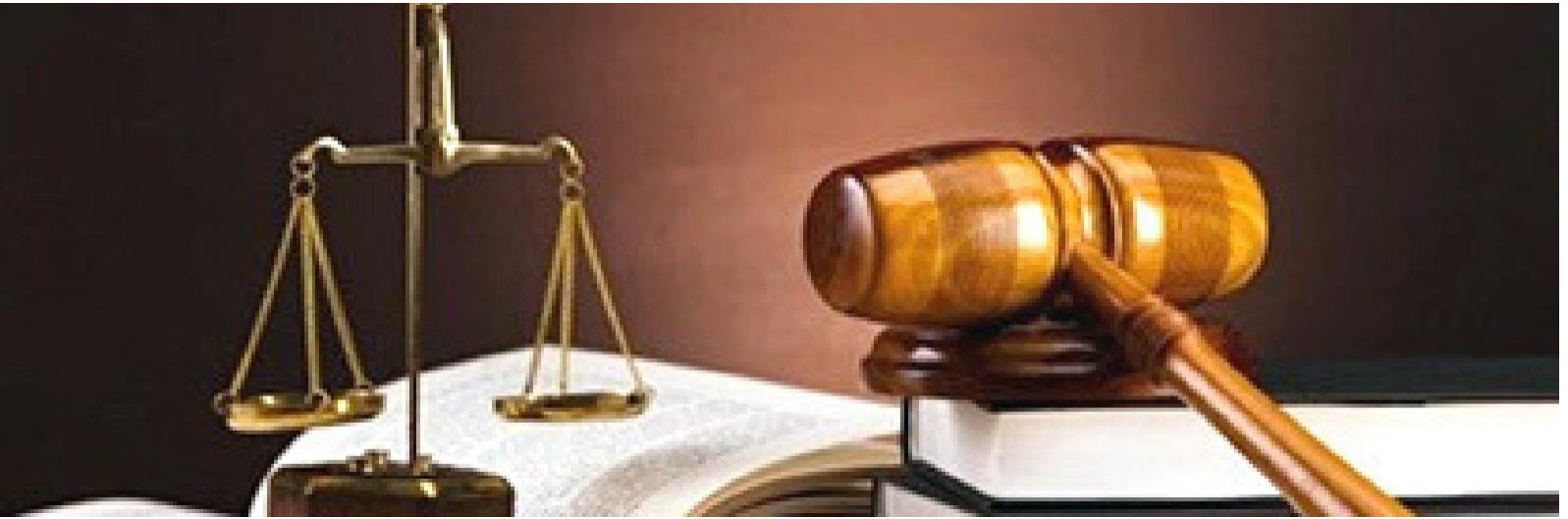


IBC DOSSIER

Bulletin on Landmark Judgments under IBC, 2016



IDBI Bank Ltd. Vs. MBL Infrastructures Ltd. & Ors.

Brief Facts

On an application under Section 7 of the Code filed by the RBL Bank Limited, CIRP was initiated against 'MBL Infrastructures Limited'. By impugned order dated 18th April, 2018, the NCLT, Kolkata Bench, Kolkata while disposed of 3 applications filed under sub-section (5) of Section 60 of the Code, approved the 'resolution plan' submitted by Mr. Anjaneer Kumar Lakhota after allowing exclusion of 106 days for the purpose of counting 270 days of resolution period. The NCLT noticed that the CoC has approved 'resolution plan' with voting share of 78.50% and the plan meets the requirements of sub-section (2) of Section 30 of the Code. Appellants IDBI Bank Limited, Bank of Baroda, Bank of India and State Bank of India are the dissenting FCs, who had challenged the approval of the plan.

Decision

- a.** It was held that the resolution plan was submitted prior to the introduction of Section 29A of the Code, 2016. Moreover, the contention of ineligibility of resolution applicant had already been raised once before the NCLT when the plan was first proposed, which was not accepted. An appeal against the said order was also dismissed and no permission was accorded to the appellants in raising the same question again. **[Para 15 & 16]**
- b.** With respect to the viability and feasibility of the resolution plan, the NCLAT relied upon the decision of the Apex Court in the case of *Swiss Ribbons Pvt. Ltd. & Anr v. Union of India & Ors.* Accordingly, the NCLAT held that the resolution plan had been approved only after duly considering the techno economic report. **[Para 17 & 18]**

Link of the Order

<https://ibbi.gov.in/uploads/order/1c1b499ccc9fc4cccacdadf011fc9807.pdf>



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