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"The most effective way to do it, is to do it."

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➤ **AA Duty Bound to Ascertain Facts of Debt and Default, Cannot allow Respondents to take Advantage of Mistakes of Applicants: NCLT Mumbai**

The National Company Law Tribunal, Mumbai Bench, comprising Shri Kishore Vemulapalli (Judicial Member) and Shri Prabhat Kumar (Technical Member), while adjudicating an application under Section 9 of Insolvency and Bankruptcy Code, 2016 ("IBC") in Wam India Private Limited Vs SN Engineering Services Pvt. Ltd. has held that debts arising from different work order(s) can be clubbed to satisfy the minimum threshold under IBC.

The Tribunal observed that there is no dispute regarding the debt and there is an admission of liability in the meetings, correspondences, and part-payments by the Corporate Debtor. The Corporate Debtor had submitted that it has paid a sum of Rs 62,80,326 since the meeting held on 28.11.2018, however, the books of account with the Operational Creditor showed that a sum of Rs. 1,30,30,264.76 was due from the Corporate Debtor on the date of the meeting and a sum of Rs. 1,08,04,673.76 is shown as receivable in the ledger account as on 15.12.2021. Thus the contention that Rs 62,80,326 has been repaid since the meeting is incorrect

The Tribunal further reiterated that debts arising from different work order(s) can be clubbed to satisfy the minimum threshold. Reliance was placed on the NCLT judgment of M/s. A2 Interiors Products Pvt. Ltd. Vs. M/s. Ahluwalia Contracts (India) Ltd. (2021) SCC online NCLT 438, wherein it was held that a single application can be filed by the Operational Creditor for various claims arising out of separate work orders.

Source: Live Law

Read Full news at: <https://www.livelaw.in/news-updates/aa-duty-bound-to-ascertain-facts-of-debt-and-default-cannot-allow-respondents-to-take-advantage-of-mistakes-of-applicants-nclt-mumbai-224503>

➤ **NCLT Ahmedabad Approves GAIL India's Resolution Plan For JBF Petrochemicals**

NCLT Ahmedabad has approved a 2079 crore resolution plan of GAIL (India) Limited ("GAIL") for JBF Petrochemicals under section 31 (1) of the Insolvency and Bankruptcy Code, 2016 ("IBC"). This is the second instance of a state-owned company acquiring a private sector bankrupt company, with the first being Indian Oil Corporation acquiring Mercator under IBC.

The Secured Financial Lenders of the Debtor included, inter alia, IDBI Bank, Union Bank of India, Indian Overseas Bank, Union Bank of India. The consortium had received Resolution Plans from 3 applicants i.e. Consortium of Indian Oil Corporation and ONGC limited, MPCIL Private Limited and GAIL. The Committee of Creditors had approved the resolution plan by GAIL with 100% voting share.

Source: Live Law

Read Full news at: <https://www.livelaw.in/news-updates/nclt-ahmedabad-approves-gail-indias-resolution-plan-for-jbf-petrochemicals-224208>

➤ **ACRE raises binding offer for debt of Visa Steel**

SSG Capital-backed Asset Care and Reconstruction Enterprise (ACRE) gave an improved revised binding offer to the State Bank of India (SBI) to buy the loans given to Visa Steel amid intensifying competition from other asset reconstruction companies making counteroffers, said two people aware of the development.

ACRE, an ARC, has given a revised offer of ₹243 crore as against its previous offer of ₹230 crore, the people said. ACRE was the sole bidder at an auction held by SBI on February 10 for ₹697.2 crore Visa Steel loans, as reported by ET on February 24. The binding offer by ACRE at that auction would have triggered a Swiss challenge auction, as per the sale document issued by SBI. The revised offer of ₹243 crore by ACRE equates to a recovery of 35 paise as against 33 paise offered at the SBI auction.

Source: The Economic Times

Read Full news at: <https://economictimes.indiatimes.com/industry/banking/finance/acre-raises-binding-offer-for-debt-of-visa-steel/articleshow/98880540.cms?from=mdr>

