



INSOLVENCY PROFESSIONAL AGENCY
OF INSTITUTE OF COST ACCOUNTANTS OF INDIA

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LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

"The time is always right to do what is right."

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➤ **NCLAT: Resolution Professional Can Only Entertain Claims Due As Of CIRP Commencement Date**

The **National Company Law Appellate Tribunal (NCLAT)**, Principal Bench, New Delhi, comprising **Mr. Justice Rakesh Kumar Jain** (Judicial Member), **Mr. Naresh Salecha** (Technical Member) and **Mr. Indevvar Pandey** (Technical Member) has held that any claims arising after the commencement of the Corporate Insolvency Resolution Process (CIRP) cannot be entertained by the Resolution Professional (RP).

The **Appellant, Gujarat Urja Vikas Nigam Limited**, a wholly owned Government of Gujarat Undertaking, engaged in bulk purchase and sale of power on behalf of state-owned distribution licensees in Gujarat, entered into a Power Purchase Agreement (PPA) dated 29.05.2007 with Adel Landmarks Private Limited (Corporate Debtor) for setting up a wind power project in Gujarat.

The Appellant alleged that the Corporate Debtor failed to supply power since March 2015, which constituted a 'default' under the PPA. A default notice dated 15.06.2019 and a termination notice dated 25.11.2019 were issued, seeking compensation of Rs. 3.36 Crores. No response was received from the Corporate Debtor.

In the interim, Edelweiss Asset Reconstruction Company Limited, a Financial Creditor, filed a petition under section 7 of the Insolvency and Bankruptcy Code (IBC) (C.P. No. IB-1083(PB)/2018) before the National Company Law Tribunal (NCLT), New Delhi, to trigger CIRP against the Corporate Debtor.

Source: Live Law

Read Full news: <https://www.livelaw.in/ibc-cases/nclat-resolution-professional-can-only-entertain-claims-due-as-of-cirp-commencement-date-271360>

➤ **Bankruptcy code has helped rescue 109 businesses so far this fiscal year**

New Delhi: With 51 businesses getting revived under Insolvency and Bankruptcy Code in the September quarter, 109 businesses have struck deals to come out of sickness in the first half of the current financial year, showed data available from Insolvency and Bankruptcy Board of India (IBBI), the sector's rule maker.

This is a tad lower than the 130 debt resolutions approved by NCLT benches in the first half of the last fiscal. In FY24, a record 271 businesses in distress received a fresh lease of life under the bankruptcy code, from National Company Law Tribunal (NCLT).

By the end of September, 1,051 companies have been rescued under the IBC since 2016, when the new debt resolution ecosystem came into effect. The figure for the latest quarter may be updated by IBBI when more information is available from NCLT benches.

Source: Mint

Read Full news : <https://www.livemint.com/industry/under-ibc-109-businesses-rescued-so-far-this-fiscal-debt-resolutions-nclt-11727953814566.html>

