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IBC AU-COURANT

Insolvency Professional Agency of Institute of Cost Accountants of India



“An organization, no matter how well designed, is only as good as the people who live and work in it.”

Updates on Insolvency and Bankruptcy Code

➤ **Supreme Court issues notice to OYO Hotels over hotelier’s appeal**

In April 2021, Oyo’s subsidiary unit Oyo Hotels and Homes Private Limited (OHHPL) was dragged to the National Company Law Tribunal (NCLT) under the bankruptcy and insolvency code, by Yellow White Residency Hotel demanding clearance of dues worth Rs 16 lakh. The hotel owned and managed by Rakesh Yadav however reportedly settled his disputed amount of Rs 16 lakh with OYO later in June 2021. After the NCLT admitted the case, the tribunal court saw at least 35 former OYO hotel partners filing for claims, asking to be allowed as a party to the insolvency case, asking to be allowed as a party to the insolvency case.

Source: Financial Express

Read Full news at:

<https://www.financialexpress.com/industry/supreme-court-issues-notice-to-oyo-hotels-over-hoteliars-appeal/2415879/>

➤ **NCLT Kochi Allows Initiation Of Insolvency Resolution Process Against The Personal Guarantor**

The Kochi Bench of NCLT in a bench consisting of Justice Mr.Ashok Kumar Borah (Judicial Member) and Mr. Shyam Babu Gautam (Technical Member) in State Bank of India v. Sahadulla M.I. allows initiation of Insolvency Resolution Process (IRP) against the Personal Guarantor, Mr. Shahdulla M.I. (Respondent) of the Corporate Debtor, M/s. Green Gateway Leisure Limited.

Source: Live Law

Read Full news at:

<https://www.livelaw.in/ibc-cases/section-951-of-the-ibc-sarfaesi-act-insolvency-resolution-process-irp-debt-recovery-tribunal-190403>

➤ **Explained: Why Future Group has challenged insolvency proceedings in SC**

Future Retail has moved the Supreme Court seeking protection from being declared a defaulter for failing to pay loan dues of Rs 3,494.56 crore to its 26 lenders. Why has it failed to pay lenders, and what did it tell the court? Cash-strapped Future Retail Tuesday moved the Supreme Court to challenge potential insolvency proceedings over missing loan repayments, even as independent directors of the company rejected a Rs 7,000-crore offer by US-based private equity firm Samara Capital backed by Amazon.

Source: The Indian Express

Read Full news at:

<https://indianexpress.com/article/explained/future-retail-supreme-court-loans-insolvency-proceedings-7742454/>

➤ **Liability of personal guarantor of corporate debtor vis A vis The Insolvency and Bankruptcy Code**

As per Section 128 of the Indian Contract Act, 1872, the liability of a guarantor is co-extensive with that of the principal debtor. Further, it is settled law that upon conclusion of insolvency proceedings against a principal debtor, the same amounts to extinction of all claims against the principal debtor, except to the extent admitted in the insolvency resolution process itself via the approval of resolution plan by the National Company Law Tribunal ("NCLT").

Source: Live Law

Read Full news at:

<https://www.livelaw.in/columns/the-indian-contract-act1872-insolvency-and-bankruptcy-code-2016-ibc-national-company-law-tribunal-nclt-190280>

➤ **Insolvency: Lenders to sell 4 mega power projects to recover dues**

Indian lenders have put several large electricity generation and transmission projects, including KSK Mahanadi, Lanco Anpara Power, Lanco Amarkantak Power and South East UP Power Transmission for sale as March-end deadline looms to close the sale of these projects under the insolvency process. Several asset reconstruction companies, the Tata, JSW and the Adani groups are expected to bid for these projects

Source: Business Standard

Read Full news at:

https://www.business-standard.com/article/companies/insolvency-lenders-to-sell-4-mega-power-projects-to-recover-dues-122012501078_1.html

