



INSOLVENCY PROFESSIONAL AGENCY
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LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

"If you don't like the road you're walking, start paving another one"

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➤ **Kapil Wadhawan moves NCLAT to challenge insolvency proceedings against him**

Kapil Wadhawan erstwhile promoter of Dewan Housing Finance (DHFL), has moved the appellate tribunal NCLAT to challenge the NCLT order to initiate personal insolvency proceedings against him. Wadhawan has challenged an earlier order passed by the Mumbai bench of the National Company Law Tribunal (NCLT), which on April 2, directed to initiate of personal insolvency proceedings against him over the Union Bank plea.

The matter was listed before a two-member bench of the National Company Law Appellate Tribunal (NCLAT), which has been adjourned to July 18 for the hearing. Earlier, the insolvency tribunal NCLT also appointed Devendra Mehta as the resolution professional (RP) to collate the claims of lenders and compute the personal assets of Wadhawan.

Wadhawan was the guarantor of the loans taken by DHFL, which had availed various term loan facilities of over Rs 4,000 crore and working capital facilities of Rs 450 crore.

After defaults, the NCLT directed to initiate insolvency proceedings against DHFL in November 2019. Subsequently, the debt-ridden firm was acquired by Piramal Capital for Rs 34,250 crore and merged into itself subsequently. The creditors of DHFL had recovered an aggregate amount of Rs 38,000 crore from the resolution process at the time of approval of the plan. The Insolvency and Bankruptcy Code allows personal guarantors to be directly subject to insolvency proceedings.

Source: The Economic Times

Read Full news at: <https://economictimes.indiatimes.com/news/company/corporate-trends/kapil-wadhawan-moves-nclat-to-challenge-insolvency-proceedings-against-him/articleshow/111411694.cms?from=mdr>

➤ **MCA to work on increasing recovery from corporate insolvency process**

The ministry of corporate affairs MCA is working on increasing the recovery from its corporate insolvency process under the insolvency and bankruptcy code, said MCA secretary Manoj Govil at an event in New Delhi on Monday.

This aligns with the government's plan to increase ease of doing business, Govil said. Ease of doing business includes setting up operations, conducting business, and winding up efficiently, he said. The recovery rate in a corporate insolvency process refers to the amount of money recovered by creditors. An August 2023 analysis of 542 corporate insolvency procedures completed under the Insolvency and Bankruptcy Code, 2016 IBC showed the recovery rate was 30.8%.

Source: Mint

Read Full news at: <https://www.livemint.com/politics/policy/mca-to-work-on-increasing-recovery-from-corporate-insolvency-process-11719851088273.html>

➤ **Failure to File Claim during Insolvency Proceedings u/s 31 and 32A of IBC: Gujarat HC Abates Income Tax Appeals [Read Order]**

The Gujarat High Court abated income tax appeals filed by the Commissioner of Customs (Preventive) due to the failure to file a claim during insolvency proceedings. The appeals arose from an order passed by the Customs, Excise and Service Tax Appellate Tribunal (CESTAT) on issues related to customs duty on crude palm oil imports under Section 130 of the Customs Act, 1962. Dipen Desai, representing the respondent, submitted that these Tax Appeals would not survive qua the respondent and the same would abate in view of the reasoning assigned by this court in similar tax appeal.

The counsel for the respondent pointed out that the respondent was subject to resolution proceedings under the provisions of the Insolvency and Bankruptcy Code, 2016 after the respondent was merged with M/s. Ruchi Soya Industries Limited in the year 2006 and later on, M/s. Ruchi Soya Industries Limited was subjected to proceedings under the provisions of the IBC.

Source: Taxscan

Read Full news at: <https://www.taxscan.in/failure-to-file-claim-during-insolvency-proceedings-u-s-31-and-32a-of-ibc-gujarat-hc-abates-income-tax-appeals-read-order/414285/>

