



INSOLVENCY PROFESSIONAL AGENCY  
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# IBC AU-COURANT

LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

*"Success is only meaningful and enjoyable if it feels like your own."*

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## ➤ **Personal Liability Under Section 138 NI Act Remains Despite Insolvency Proceedings Under IBC: Himachal Pradesh High Court**

In a significant ruling, the Himachal Pradesh High Court has clarified that personal liability under Section 138 of the Negotiable Instruments Act (NI Act) continues to apply even when insolvency proceedings are initiated under the Insolvency and Bankruptcy Code (IBC). Justice Sandeep Sharma delivered the judgment, decisively stating that insolvency proceedings do not absolve an individual from criminal prosecution under the NI Act for the dishonour of cheques, a common issue in commercial litigation.

The petitioner, Tushar Sharma, challenged the criminal proceedings initiated against him under Section 138 of the NI Act, arguing that the insolvency process initiated under the IBC placed a moratorium on such proceedings. The respondent in the case, State Bank of India (SBI), opposed this argument, asserting that the protections provided by the IBC were only for the corporate entity and did not shield individuals from criminal liability for dishonoured cheques.

**Source: Law Trend**

**Read Full news:** <https://lawtrend.in/personal-liability-under-section-138-negotiable-instruments-act-remains-despite-insolvency-proceedings-under-ibc-himachal-pradesh-high-court/>

## ➤ **Tribunal orders lenders of insolvent Siti Networks to return ₹148 crore to company**

An insolvency tribunal has directed Axis Bank and other financial creditors of bankrupt Siti Networks to repay the company ₹143 crore. Siti Network, part of the Essel Group, is undergoing insolvency proceedings.

The tribunal's order, issued on Tuesday, is based on a petition filed by Asset Reconstruction Company (India) Ltd, one of the creditors, which alleged that certain other creditors had unlawfully withdrawn funds from Siti while a stay on the insolvency proceedings was in effect.

After taking over the company's operations in August 2023, resolution professional (RP) Rohit Ramesh Mehra found that Axis Bank had withdrawn funds from Siti and distributed about ₹143 crore to various other lenders, including while the stay was in effect. These lenders included IndusInd Bank, RBL Bank, Aditya Birla Finance, and IDBI Bank.

**Source: Mint**

**Read Full news :** <https://www.livemint.com/companies/news/tribunal-orders-lenders-of-insolvent-siti-networks-return-148-crore-to-company-11727848162117.html>

### ➤ **Jet Airways' winning bidder JKC tells Supreme Court lenders want to sell airline's assets as scrap to maximise profits**

The Jalan-Kalrock Consortium (JKC), the successful bidder for bankrupt Jet Airways, told the Supreme Court on Tuesday that lenders led by the State Bank of India are intentionally pushing the company towards liquidation to maximise profits by selling the airline's assets as scrap.

A three-judge bench led by Chief Justice of India D.Y. Chandrachud was addressing the lenders' plea against the National Company Law Appellate Tribunal's March ruling upholding the handover of Jet Airways to JKC.

**Source: Mint**

**Read Full news:** <https://www.livemint.com/companies/jet-airways-jkc-sbi-lenders-insolvency-resolution-supreme-court-nclt-nclat-11727783941190.html>

