



INSOLVENCY PROFESSIONAL AGENCY  
OF INSTITUTE OF COST ACCOUNTANTS OF INDIA

# IBC AU-COURANT

LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

*"The purpose of our lives is to be happy."*

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## ➤ NCLT revives Lavasa insolvency, rejects Darwin Platform's plea

The corporate insolvency resolution process (CIRP) of Lavasa Corporation took a dramatic turn on Friday as the National Company Law Tribunal (NCLT) at Mumbai rejected an application by Darwin Platform Infrastructure Ltd (DPIL), the successful resolution applicant, seeking assistance in acquiring the controversial planned city project in Pune. **[Darwin Platform Infrastructure Ltd v. Union Bank of India and Ors]**

A bench of Judicial member **Kuldip Kumar Kareer** and technical member **Anil Raj Chellan** while ordering the revival of the CIRP, directed the Committee of Creditors (CoC) to exclude the period from July 13, 2021, to January 3, 2022, from the resolution timeline and restored Shailesh Verma as the resolution professional (RP) of Lavasa Corporation.

**Source: Bar and Bench**

**Read Full news:** <https://www.barandbench.com/news/nclt-revives-lavasa-insolvency-rejects-darwin-platforms-plea>

## ➤ IBC| Timeline To Pay Balance Sale Consideration By Auction Purchaser In Liquidation Proceedings Mandatory : Supreme Court

The Supreme Court recently interpreted Rule 12 of Schedule 1 under Regulation 33 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 as mandatory in character. Rule 12 relates to how assets of the Company (Corporate debtor) are to be sold by the Liquidator.

Rule 12 reads: "On the close of the auction, the highest bidder shall be invited to provide balance sale consideration within ninety days of the date of such demand: Provided that payments made after thirty days shall attract interest at the rate of 12%. Provided further that the sale shall be cancelled if the payment is not received within ninety days."

Hearing a case where the appellant argued that since the balance sale consideration was not made within 90 days, the auction should be cancelled, the Court stated: "Rule 12 would have to be treated as mandatory in character for the reason that it contemplates a consequence in the event of non-payment of the balance sale consideration by the highest bidder within the stipulated timeline of 90 days, which is cancellation of the sale by the Liquidator. To that extent, there is substance in the submission made on behalf of the appellant that since the second proviso under Rule 12 contemplates a consequence of cancellation of the auction on nonpayment of the balance sale consideration within 90 days, the Liquidator was not empowered to extend the timeline."

**Source: Live Law**

**Read Full news :** <https://www.livelaw.in/supreme-court/ibc-timeline-to-pay-balance-sale-consideration-by-auction-purchaser-in-liquidation-proceedings-mandatory-supreme-court-268912>

## ➤ **IBC | 'Auction-Purchaser Entitled To Benefit Of COVID Limitation Extension' : Supreme Court Refuses To Cancel Sale Over Delayed Deposit**

The Supreme Court recently refused to cancel an e-auction despite the Auction Purchaser making a glaring default in making a deposit of the balance sale consideration on grounds that the subject matter of the auction has been utilised and the appellant failed to approach the court on time.

A bench of **Justices Hima Kohli and Ahsanuddin Amanullah** noted: "Much water has flown under the bridge by now. The subject land has been utilized by the Auction Purchaser to build a 200-bed Mother and Child hospital which is operational. Huge amounts have been pumped into the project by the Auction Purchaser. The hospital is fully functional providing medical facilities to seven surrounding districts."

**Source: Live Law**

**Read Full news:** <https://www.livelaw.in/top-stories/ibc-auction-purchaser-entitled-to-benefit-of-covid-limitation-extension-supreme-court-refuses-to-cancel-sale-over-delayed-deposit-268764>

