



INSOLVENCY PROFESSIONAL AGENCY
OF INSTITUTE OF COST ACCOUNTANTS OF INDIA

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LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

"You only live once, but if you do it right, once is enough."

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➤ **Cafe Coffee Day insolvency: NCLT initiates insolvency proceedings against parent company of CCD**

The National company Law Tribunal (NCLT), Bengaluru, has triggered insolvency proceedings against Coffee Day Enterprises Ltd (CDEL), the parent company of the Coffee Day Group that runs the Cafe Coffee Day chain of coffee houses.

In an order passed on August 8, the NCLT Bengaluru admitted an insolvency petition filed by IDBI Trusteeship Services Ltd (IDBITSL), one of CDEL's financial creditors, over an alleged default of ₹228.45 crore and as a consequence, triggered the insolvency proceedings under the Insolvency and Bankruptcy Code (IBC). A coram of judicial member K Biswal and technical member Manoj Kumar Dubey have appointed an interim resolution professional (IRP) to take control of the operation of the debt-ridden CDEL.

The NCLT has appointed Ashish Chhawchharia as the IRP and directed IDBITSL to deposit Rupees Two lakh to meet the expenses that the IRP will have to bear towards issuing public notices, inviting claims etc.

IDBITSL had filed the insolvency petition against CDEL in September 2023 claiming that the latter had defaulted on the payment of over ₹228 crore. As per the petition, IDBITSL the financial creditor (FC) in the case, and CDEL, the Corporate Debtor entered into a Debenture Trust Deed in 2019. The FC agreed to subscribe to non-convertible debentures worth ₹200 crore and CDEL agreed to pay the FC in lieu of the subscription money raised.

Source: Bar and Bench

Read Full news: <https://www.barandbench.com/news/litigation/cafe-coffee-day-insolvency-nclt-initiates-insolvency-proceedings-against-parent-company-of-ccd>

➤ **Reliance Capital Insolvency Case: IIHL deposits ₹2,750 crore in escrow account after NCLT diktat**

In the ongoing insolvency case of Reliance Capital, on August 8, the NCLT asked IIHL to transfer the said amount within 48 hours. The NCLT had clarified that interest earned on the funds in these escrow accounts will belong to the CoC. Additionally, IIHL has also provided the term sheet for its ₹7,300 crore debt raising to the Monitoring Committee.

The NCLT had asked for the term sheet for the remaining funding to be provided by 4 pm on August 8. The IIHL, the winning bidder for RCap, has asked the CoC and administrator to implement the approved resolution plan.

Source: cnbctv18

Read Full news : <https://www.cnbctv18.com/business/companies/reliance-capital-insolvency-case-iihl-deposits-%E2%82%B92750-crore-in-escrow-account-after-nclt-diktat-19458182.htm>

➤ **NCLT Approves Resolution Plan For Nirmal Lifestyle Realty**

In a landmark decision, the National Company Law Tribunal (NCLT) has approved the resolution plan for Nirmal Lifestyle Realty Private Limited, bringing a glimmer of hope to workmen's who have been waiting over two decades to receive their dues. The Corporate Debtor was a real estate company having development rights of 20,262.40 sq mts of land in Mulund. The resolution, spearheaded by Oberoi Constructions Limited, was fraught with challenges but ultimately promises to address long-standing financial claims, including those of the company's workmen.

Nirmal Lifestyle Realty, once a key player in Mumbai's real estate market, was dragged into the Corporate Insolvency Resolution Process (CIRP) on December 6, 2021. The company's financial troubles had been simmering for years, with Aasan Corporate Solutions Private Limited, a financial creditor, eventually filing an application under Section 7 of the Insolvency and Bankruptcy Code (IBC).

Source: BW Legal World

Read Full news : <https://bwlegalworld.com/article/nclt-approves-resolution-plan-for-nirmal-lifestyle-realty-529276>

