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➤ **Zomato faces insolvency plea over alleged Rs 1.64 crore unpaid dues**

Food delivery giant Zomato is facing an insolvency plea from uniform supplier Nona Lifestyle, alleging unpaid dues of Rs 1.64 crore, as reported by Bar and Bench on March 17. The National Company Law Tribunal (NCLT) has adjourned the case to April 3, requesting the petitioner to clarify its next steps.

According to the report, B2B apparel manufacturer Nona Lifestyle has approached the NCLT to initiate the corporate insolvency resolution process (CIRP) against Zomato over alleged non-payment for supplied uniforms and merchandise, including ICC World Cup 2023 apparel.

Nona Lifestyle claimed that Zomato placed multiple orders in 2023 for rider uniforms, trousers, and World Cup jerseys. Zomato is accused of delaying payments, and refusing deliveries citing storage issues.

Source: *The Economics Times*

Read Full news: <https://economictimes.indiatimes.com/tech/startups/zomato-faces-insolvency-plea-over-alleged-rs-1-64-crore-unpaid-dues/articleshow/119126491.cms?from=mdr>

➤ **Khaitan & Co advises KVIR Towers' committee of creditors on pre-packaged insolvency process**

Khaitan & Co has advised the committee of creditors, comprising of Pridhvi Asset Reconstruction and Securitisation Company Limited, of KVIR Towers Private Limited during the pre-packaged insolvency resolution process of the Company.

The Pre-Packaged Insolvency Resolution Process (PIRP) is a structured, faster, and less disruptive insolvency resolution mechanism introduced under the Insolvency and Bankruptcy Code (IBC), 2016 in India. It is specifically designed for micro, small, and medium enterprises (MSMEs), providing them with a debtor-in-possession model while allowing financial creditors oversight

KVIR Towers Pvt. Ltd., a micro-enterprise registered under the Ministry of Micro, Small and Medium Enterprises, filed for insolvency under Section 54C of the Insolvency and Bankruptcy Code (IBC), 2016, citing financial distress exacerbated by the COVID-19 pandemic, reduced purchasing power, and delays in project launches. The company, which operates in the real estate sector, faced significant challenges due to non-sale of inventory, poor collections, and defaults in loan repayments by its principal debtor, RG Residency Pvt. Ltd., for which KVIR Towers had acted as a guarantor.

The NCLT admitted the company into the PPIRP on February 20, 2024, and appointed Rajeev Lochan as the Resolution Professional (RP). A Committee of Creditors (CoC) was formed, and a resolution plan was submitted by the Corporate Debtor.

The resolution plan, approved by the CoC with 100% voting share, proposes a total plan value of ₹445.03 crores.

Source: Bar and Bench

Read Full news: <https://www.barandbench.com/law-firms/dealstreet/khaitan-co-advises-kvir-towers-committee-of-creditors-on-pre-packaged-insolvency-resolution-process>

➤ No S.138 NI Act Case Against Ex-Director Of Company When Cause Of Action Arose After IBC Moratorium Was Declared: Supreme Court

The Supreme Court held that if the cause of action for the offence of cheque dishonour under Section 138 of the Negotiable Instruments Act, 1881 (NI Act) has arisen after the declaration of moratorium with respect to the company as per the Insolvency & Bankruptcy Code, 2016 (IBC), then the proceedings under S.138 NI Act cannot be continued against the ex-director of the company.

The Court reasoned that upon imposition of the moratorium, the board of directors' powers are suspended, and management of the corporate debtor is taken over by the Insolvency Resolution Professional (IRP). As a result, directors cannot be held liable for actions they are no longer authorized to take.

Source: Live Law

Read Full news: <https://www.livelaw.in/supreme-court/no-s138-ni-act-case-against-ex-director-of-company-when-cause-of-action-arose-after-ibc-moratorium-was-declared-supreme-court-286691>

