



INSOLVENCY PROFESSIONAL AGENCY
OF INSTITUTE OF COST ACCOUNTANTS OF INDIA

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LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

"Don't be afraid to give up the good to go for the great."

➤ **NCLT issues notice to SpiceJet in another insolvency plea over \$5 million default**

The National Company Law Tribunal (NCLT) on Monday issued notice to low cost airline SpiceJet in an insolvency plea filed by its lessor Sabarmati Aviation over a default of \$5 million. Senior Advocate Krishnendu Dutta, who appeared for SpiceJet, told the NCLT that the airline would file a response to the plea and it did not have an objection to the notice being issued.

However, the NCLT chose not to issue notice in another insolvency plea filed by a lessor called JetAir 17 Limited, as SpiceJet contested its maintainability. Dutta contended that SpiceJet had not entered into a lease agreement with JetAir 17, but with an entity called Wilmington Trust, and there were no documents showing how JetAir 17 has inherited the interest from Wilmington.

Advocate Kunal Tandon, who appeared for JetAir 17, told the NCLT that SpiceJet owes them over \$27 million. He contended that Wilmington had transferred its interest in the lease to JetAir 17, as a result of which they are empowered to file an insolvency plea against the airline.

A coram of Judicial Member Mahendra Khandelwal and Technical Member Dr Sanjeev Ranjan, however, directed JetAir 17 to file the documents showing transfer of interest in the lease from Wilmington and adjourned the plea to December 3.

Source: Bar and Bench

Read Full news: <https://www.barandbench.com/news/litigation/nclt-issues-notice-to-spicejet-in-another-insolvency-plea-over-5-million-default>

➤ **PNB struggles with over INR1 lakh crore locked in insolvency proceedings**

Punjab National Bank (PNB), one of India's largest public sector banks (PSBs) and the third largest by market capitalisation among PSBs, has been navigating a significant number of insolvency cases in recent months.

With a corporate loan portfolio valued at INR4.4 lakh crore, the bank's exposure to defaulted loans has been a key challenge. However, it has made substantial progress in addressing non-performing assets (NPAs) and recovering outstanding dues.

In its latest earnings call for the quarter ended September 2024, PNB provided crucial insights into the scale of its ongoing insolvency proceedings, detailing the status of cases, recovery efforts, and future expectations.

Source: The Economic Times

Read Full news: <https://economictimes.indiatimes.com/prime/corporate-governance/pnb-struggles-with-over-inr1-lakh-crore-locked-in-insolvency-proceedings/primearticleshow/115411237.cms?from=mdr>

➤ **Development Rights Constitute Property U/S 3(27) Of IBC, Can Be Included In Information Memorandum By RP U/S 29 Of Code: NCLAT**

The NCLAT New Delhi bench of **Justice Ashok Bhushan (Chairperson)** and **Barun Mitra (Technical Member)** affirmed that development rights are property within the meaning of section 3(27) of the IBC which can be included in the Information Memorandum by Resolution Professional under section 29 of the IBC. The Tribunal further observed that the Adjudicating Authority has jurisdiction to enter into as to whether property included in the IM is asset of the corporate debtor under section 60 of the IBC and for decision of the question, the parties are not required to be relegated to the Competent Civil Court having jurisdiction

Source: Live Law

Read Full news: <https://www.livelaw.in/ibc-cases/development-rights-constitute-property-us-327-of-ibc-included-information-memorandum-rp-us-29-of-ibc-nclat-275473>

