



INSOLVENCY PROFESSIONAL AGENCY  
OF INSTITUTE OF COST ACCOUNTANTS OF INDIA

# IBC AU-COURANT

LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

*Always turn a negative situation into a positive situation.*

## ➤ **No Claim Survives When Unit Holder Is Handed Over Possession And Conveyance Deed Has Been Executed: NCLAT**

The NCLAT New Delhi bench of **Mr. Justice Ashok Bhushan (Chairperson)**, **Mr. Barun Mitra (Technical Member)** and **Mr. Arun Baroka (Technical Member)** has held that when a unit holder is handed over possession and a Conveyance Deed has also been executed, no claim survives of such unit holders. Whether a claim filed by a Financial Creditor in a class, deserves admission, is a question, which need to be first looked into by the RP as per the statutory regulations governing the collation and verification of the claim.

This appeal has been filed by the Suspended Director of the Corporate Debtor - Spaze Towers Pvt. Ltd. challenging order dated 21.10.2024 passed by the NCLT admitting Section 7 Application filed by Respondents (Respondent Nos.1 to 26 – Financial Creditor in a class).

The Respondents – Financial Creditors in a class being allottee of a Project namely 'Spaze Arrow' located at Sector 78, Gurugram filed Section 7 Application claiming a default on the Corporate Debtor ("CD") seeking initiation of Corporate Insolvency Resolution Process ("CIRP") against the CD. The Adjudicating Authority after hearing the parties by order dated 21.10.2024 admitted Section 7 Application.

The Appellant aggrieved by the order dated 28.10.2024 passed by this Tribunal in the present Appeal filed Civil Appeal No.12189 of 2024 – Harpal Singh Chawla vs. Vivek Khanna & Ors., which Civil Appeal has been disposed of by order of the Hon'ble Supreme Court dated 08.11.2024.

**Source: Live Law**

**Read Full news:** <https://www.livelaw.in/ibc-cases/no-claim-survives-unit-holder-handed-over-possession-and-conveyance-deed-has-been-executed-nclat-279433>

## ➤ NCLT admits insolvency plea against Hero Electric

A bankruptcy court in New Delhi has admitted Hero Electric Vehicles for a corporate insolvency resolution process in an application filed by its operational creditor Metro Tyres. The National Company Law Tribunal appointed Bhoopesh Gupta as interim resolution professional for the EV maker.

"We are of the view that the corporate debtor (Hero Electric Vehicles) has not been able to raise a plausible contention regarding the pre-existence of 'dispute' between the parties," observed a division bench of judicial member Bachu Venkat Balaram Das and technical member Atul Chaturvedi. "Hence, the present petition filed under Section 9 of the IBC, 2016 ought to be admitted," said the bench in its order of December 20.

**Source: The Economic Times**

**Read Full news:** <https://economictimes.indiatimes.com/industry/renewables/nclt-admits-insolvency-plea-against-hero-electric/articleshow/116692669.cms?from=mdr>

## ➤ No Provision in IBC states on issuance of multiple demand notices prior to filing of petition u/s 9 of IBC: NCLT

The New Delhi bench of the National Company Law Tribunal ( NCLT ) has held that the Insolvency Bankruptcy Code ( IBC ), 2016 does not provide issuance of multiple demand notices before filing of petition under section 9 of IBC. M/s. Metro Tyres Limited (the "Operational Creditor") has filed this petition under section 9 of the code, requesting that the insolvency resolution process against M/s. Hero Electric Vehicles Pvt. Ltd. (the "Corporate Debtor") be started. The petitioner said that the Corporate Debtor's moonshine argument was without substance and was based on field feedback that was mostly related to tire usage and manner.

It was argued that the Demand Notice/Form-3 was delivered to the Corporate Debtor's last known address or registered office. Nevertheless, the Corporate Debtor neglected to pay the Operational Creditor and sent a flimsy response on November 25, 2023, bringing up irrelevant or incorrect arguments.

**Source: Taxscan**

**Read Full news:** <https://www.taxscan.in/no-provision-ibc-states-issuance-multiple-demand-notices-prior-filing-petition-ibc-nclt/472034/>

