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LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

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## ➤ Consolidated Insolvency Resolution Process Could Be Initiated Against Joint-Developers Of Project: NCLT Delhi

The National Company Law Tribunal VI, New Delhi bench of Shri Mahendra Khandelwal (Judicial Member) and Shri Rahul Bhatnagar (Technical Member) held that a joint insolvency resolution process against multiple entities who were involved in the development of the same construction project is recognized and could be initiated under the Insolvency and Bankruptcy Code, 2016.

The Financial Creditors were allottees of the retail space in the real estate project 'Festival City,' co-developed by the Corporate Debtors, namely, (i) Anand Infoedge, (ii) Mist Avenue, and (iii) Mist Direct Sales. The Corporate Debtors formed an independent corporate unit to develop and sell units in the project, leading to the joint petition against them. On August 21, 2008, *Anand Infoedge* was allotted land in Noida under the Industrial Land Service Investment Policy, 2004.

The lease premium for the land was to be paid in instalments, and the lease was for 90 years. *Anand Infoedge* was to set up an IT Park on the land and received possession on August 28, 2008. A collaboration agreement was signed on October 26, 2002, between *Anand Infoedge* and *Mist Avenue* for the development of the project land.

*Mist Avenue* was responsible for obtaining development licenses and permissions, bearing all related charges. In return, it was entitled to 85% of the total FSI available on the plot, with *Anand Infoedge* retaining the right to terminate the agreement if *Mist Avenue* became insolvent. On July 27, 2017, a second collaboration agreement transferred development rights to *Mist Direct Sales*. *Mist Direct Sales* was authorized to handle marketing, branding, pricing, and sales decisions, but needed consent from *Anand Infoedge* for selling units.

**Source:** Live Law

**Read Full news:** <https://www.livelaw.in/ibc-cases/nclt-delhi-consolidated-insolvency-resolution-process-initiated-against-joint-developers-project-264830>

## ➤ **Byju Files Writ Petition In Karnataka High Court Against NCLT's Insolvency Order**

**Byju Raveendran**, the founder of the edtech giant Byju's, has filed writ petition in the **Karnataka High Court** to halt the insolvency proceedings against his company. This move follows the National Company Law Tribunal (NCLT) ordering insolvency proceedings against Byju's parent company, Think and Learn Private Limited (TLPL), earlier this month.

The insolvency proceedings were triggered by a plea from the **Board of Control for Cricket in India (BCCI)** over unpaid dues amounting to Rs 158 crore. On July 16, the NCLT admitted TLPL for insolvency proceedings under the Insolvency and Bankruptcy Code (IBC), 2016. This decision came after BCCI's complaint about non-payment of sponsorship dues by the edtech company, which had previously adorned the Indian cricket team's jerseys with its logo.

*Source: Live Law*

*Read Full news : <https://www.livelaw.in/high-court/karnataka-high-court/byju-files-writ-petition-karnataka-high-court-against-nclts-insolvency-order-264834>*

## ➤ **Resolution Applicant Whose Name Was Not Included In 'Prospective Resolution Applicants' List Cannot Be Substituted At Later Stage: NCLAT, Delhi**

The **National Company Law Appellate Tribunal (NCLAT)**, **Delhi** bench of **Justice Ashok Bhushan** (Chairperson) and **Mr Barun Mitra** (Technical Member) held that a resolution applicant, who did not take part in the CIRP process from the beginning and was not included in the list of prospective resolution applicants, cannot be suddenly substituted as a resolution applicant to implement the plan of the Corporate Debtor.

*Source: Live Law*

*Read Full news : <https://www.livelaw.in/ibc-cases/nclat-delhi-resolution-applicant-whose-name-included-prospective-resolution-applicants-list-substituted-later-stage-264795?code=O1g8Fd725xxnS6dg8vMuIYQFXaNNdm>*

