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"Don't settle for what life gives you; make life better and build something."

➤ **NCLAT Upholds Rejection Of Application U/S 9 Of IBC Against Hindustan Unilever Limited**

The **National Company Law Appellate Tribunal (NCLAT)** bench of Justice Ashok Bhushan (Chairperson) and Arun Baroka (Technical Member) has dismissed the appeal against the order rejecting the application under section 9 of the Insolvency and Bankruptcy Code filed against Hindustan Unilever Limited on the ground that the claims were below the threshold limit, time-barred and there was a pre-existing dispute.

The Appellant-Operational Creditor had filed an application against Hindustan Unilever Ltd. under section 9 of the Code. The Adjudicating Authority rejected the application by the impugned order dated 5.09.2024 on the grounds that only a few invoices fell within the three year limitation period, the total claim amount was less than Rs. 1 crore and there was a pre-existing dispute.

Source: Live Law

Read Full news: <https://www.livelaw.in/ibc-cases/nclat-upholds-rejection-of-application-us-9-ibc-against-hindustan-unilever-limited-282373>

➤ **Withdrawal Of Liquidation Application Can Be Permitted When CoC Allows RP To File Application Seeking Extension Of CIRP Time Period: NCLAT**

The **NCLAT New Delhi** bench of **Justice Ashok Bhushan (Judicial Member)**, **Mr. Barun Mita (Technical Member)** and **Mr. Arun Baroka (Technical Member)** has held that when the CoC has already taken decision to file an application for extension of CIRP time period and granting permission to publish Form G for third time, withdrawal of liquidation application by Adjudicating Authority can be permitted.

The present appeal has been filed against an order passed by the Adjudicating Authority, which rejected an IA filed by the Suspended Director of the corporate debtor. The Adjudicating Authority dismissed the appellant's prayers to recall its order extending the time for completing the CIRP, set

aside the resolution plan accepted by the CoC, and bar the Resolution Professional from acting as the RP.

The appellant argued that an error was committed by the Adjudicating Authority by permitting the withdrawal of the liquidation application in the absence of a resolution passed by the CoC on this behalf.

Source: *Live Law*

Read Full news: <https://www.livelaw.in/ibc-cases/withdrawal-of-liquidation-application-can-be-permitted-when-coc-allows-rp-to-file-application-seeking-extension-of-cirp-time-period-nclat-282345>

➤ **Liquidation Proceeds Must Be Distributed Amongst Secured Creditors Based On Admitted Claims U/S 53 Of IBC: NCLAT**

The NCLAT New Delhi bench of **Justice Ashok Bhushan (Judicial Member)** and **Mr. Barun Mita (Technical Member)** has held that liquidation proceeds must be distributed as per section 53 of the IBC based on admitted claims of the respective secured creditors and cannot be distributed on the basis of security interest of different Secured Creditors.

The corporate debtor was admitted into insolvency on the basis of an application filed by the State Bank of India under section 7 of the code. The CD was ordered to be liquidated when no plan was approved. Liquidator informed the IDBI that in reference to the list of stakeholders as on 07.12.2021, the share of IDBI is considered as 10%. Liquidator proposed to distribution of sale proceeds as per security interest which was opposed by the IDBI Bank.IDBI Bank sent objection that proceeds be distributed in proportion to their admitted claim in pro-rata basis.

Source: *Taxscan*

Read Full news: <https://www.livelaw.in/ibc-cases/liquidation-proceeds-must-be-distributed-amongst-secured-creditors-based-on-admitted-claims-as-per-53-of-ibc-nclat-282322>

