



INSOLVENCY PROFESSIONAL AGENCY
OF INSTITUTE OF COST ACCOUNTANTS OF INDIA



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LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

"A dream doesn't become reality through magic; it takes sweat, determination and hard work."

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➤ Engine lessor moves insolvency plea against SpiceJet over \$12 million dues

Engine Lease Finance BV, an engine lessor to SpiceJet, on May 29 moved an insolvency plea against the low-cost airline for non-payment of over \$ 12 million for the eight engines it had leased. The case was heard briefly by the NCLT on May 29 and then adjourned to May 30 as SpiceJet sought time to respond to the plea.

During the course of the hearing, senior advocate Ramji Srinivasan and lawyer Anandh Venkatramani, who appeared for the lessor took the court through the documents pertaining to the case and the nature of the lease between the parties and urged it to issue a notice to SpiceJet.

Srinivasan and Venkatramani were instructed by Saket Satapathy, partner of the law firm Tuli & C Senior advocate Krishnendu Dutta, who appeared for the airline, told the court that they received the papers of the plea just this morning and asked the court to adjourn it by a day. The tribunal thus adjourned the case.

In 2023, Engine Lease Finance had moved the Delhi High Court stating that they had terminated its lease with SpiceJet with respect to two engines but the airline continued to use it. As per the agreement, the airline cannot continue using the engine once the lease is terminated. The lessor sought the court's order to restrain SpiceJet from using its engine

Source: Money Control

Read Full news: <https://www.moneycontrol.com/news/business/engine-lessor-moves-insolvency-plea-against-spicejet-over-12-million-dues-12735382.html>

➤ **Timely rescue of firms pushes IBC recovery to 49%**

Creditors have been able to recover nearly half their claims under the Insolvency and Bankruptcy Code (IBC) when the resolution has been completed within the 330-day deadline, but delays lowered the proportion of money they got back. Creditors recovered as much as 49% of claims when the IBC process was finished on time, but this dropped to 26% when it took 600 days or more, according to Insolvency and Bankruptcy Board of India (IBBI) data. The IBC was introduced eight years ago, in May 2016.

The latest data by the bankruptcy regulator establishes the cost of delays in insolvency resolution, going beyond anecdotal evidence. Insolvency resolution holdups, caused mainly by litigation, have been the IBC's gravest challenge, experts said.

Source: The Economic Times

Read Full news : <https://economictimes.indiatimes.com/news/economy/finance/timely-rescue-of-firms-pushes-ibc-recovery-to-49/articleshow/110543746.cms?from=mdr>

➤ **NCLAT Delhi: Set-Off With Refund Of Claim Between Expiry Of CIRP And Before Passing Liquidation Order Amounts To Violation Of Moratorium Under IBC**

The National Company Law Appellate Tribunal ('NCLAT') Delhi, comprising Justice Ashok Bhushan (Chairperson), Mr. Barun Mitra (Technical Member), and Mr. Arun Baroka (Technical Member) held that the set-off/adjustment of demand with refund by Income Tax Department during the intervening period when the Corporate Insolvency Resolution Process ('CIRP') timeline period has expired but before passing of Liquidation Order under Section 33 of Insolvency and Bankruptcy Code, 2016 ('IBC') amounts to violation of moratorium under Section 14 of the IBC.

Source: Live Law

Read Full news : <https://www.livelaw.in/ibc-cases/nclat-delhi-set-off-refund-cirp-liquidation-order-violation-moratorium-ibc-259087>

