

## MATTER UPDATE

**HSA Advocates successfully represented Rare Asset Reconstruction Limited (“Rare ARC”), holding 74.41% of the Committee of Creditors (“CoC”) of Shipra Estate Limited, before the Hon’ble National Company Law Tribunal (“NCLT”), New Delhi, in proceedings concerning withdrawal of the Corporate Insolvency Resolution Process (“CIRP”) pursuant to a settlement under Section 12A of the Insolvency and Bankruptcy Code, 2016 (“IBC”)**

Shipra Estate Limited (“Shipra Estate”), a company engaged in the real estate sector, stood as a Corporate Guarantor for the financial obligations of Just About Movies Pvt. Ltd. (“JAMPL”) towards IIFL Finance Limited (“IIFL”). Following defaults under the financing documents, IDBI Trusteeship Services Limited, acting as Debenture Trustee for IIFL (also represented by HSA Advocates), initiated proceedings under Section 7 of the IBC against Shipra Estate.

The Company Petition was admitted by the Hon’ble NCLT, New Delhi, thereby commencing the CIRP in respect of Shipra Estate Limited. During the pendency of the proceedings, IIFL’s debt was assigned to Assets Care & Reconstruction Enterprise Limited (“ACRE”). The admission order was subsequently challenged by the suspended Board of Directors of Shipra Estate before the Hon’ble National Company Law Appellate Tribunal, New Delhi (“NCLAT”). The NCLAT granted an opportunity to explore settlement under Section 12A of the IBC and granted interim protection to facilitate the settlement process.

Despite multiple extensions, the settlement could not initially be concluded. IDBI Trusteeship Services Limited (also represented by HSA Advocates before the Hon’ble NCLAT, New Delhi) opposed any further delay in the insolvency proceedings, pursuant to which the Hon’ble NCLAT vacated the interim protection and upheld the admission order passed by the Hon’ble NCLT, paving the way for continuation of the CIRP and protecting the interests of the Financial Creditor. In the meanwhile, the subject matter debt was assigned by ACRE to Rare ARC.

## MATTER UPDATE

Subsequently, the suspended director of Shipra Estate Limited submitted a settlement proposal under Section 12A of the IBC before the CoC, which was approved by the requisite majority including Rare ARC, holding 74.41% voting share in the CoC. Accordingly, an Application was filed by the Resolution Professional before the Hon'ble NCLT, New Delhi seeking withdrawal of the Company Petition in light of the settlement arrived at with the CoC.

HSA Advocates represented Rare ARC before the Hon'ble NCLT in the proceedings concerning withdrawal of the CIRP. The Hon'ble NCLT was pleased to allow the application under Section 12A, bringing the CIRP of Shipra Estate Limited to an end.

This matter was led by HSA's restructuring and insolvency team comprising **Ishaan Duggal** (Associate Partner) and **Ruchi Goyal** (Senior Associate).