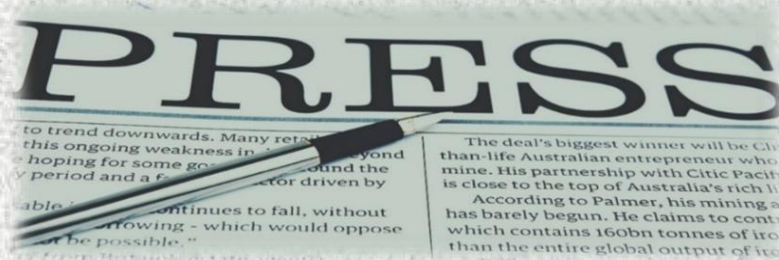


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Insolvency Professional Agency of Institute of Cost Accountants of India



"Do one thing every day that scares you."

Updates on Insolvency and Bankruptcy Code

➤ **More clarity on financial creditors, at long last**

The changes in response to the NCLAT which ruled, in the Essar Steel case, that the Committee of Creditors (CoC) doesn't have the last word when it comes to distributing the recoveries between themselves and operational creditors. It pruned the financial creditors' share of the recoveries to 60% from 90%.

The key change ratified by the Cabinet will give the CoC the final say on how the spoils would be shared after the resolution of a stressed asset; the CoC will keep in mind commercial considerations while weighing in on the quantum of funds to be given to operational creditors. Moreover, if the CoC believes a company cannot be revived, it can opt for liquidation immediately rather than wait out the entire resolution process.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/opinion/more-clarity-on-financial-creditors-at-long-last/1649075/>

➤ **Jet Airways insolvency: Of Rs 25,000 crore claims filed, Rs 8,400 crore admitted so far**

Domestic banks and financial institutions have claimed over Rs 6,441 crore, while foreign banks have claimed around Rs 1,569 crore. Claims of workmen and employees stood at Rs 443.56 crore. Operational creditors, other than workmen and employees, have submitted claims worth Rs 12,373.59 crore.

The interim resolution professional (IRP) for Jet Airways has received claims worth Rs 24,887.93 crore against the grounded airline till July 4, according to the list of creditors uploaded on the company's website. Of these claims, the IRP has so far admitted claims worth Rs 8,462.78 crore and rejected claims of over Rs 1,380 crore. Claims worth over Rs 15,000 crore are pending verification.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/industry/jet-airways-insolvency-rs-25000-crore-claims-filed-against-airlines-rs-8400-crore-admitted-so-far/1649213/>

➤ **Essar Steel insolvency: Arcelor Mittal moves SC against NCLAT order**

ArcelorMittal, which was declared the highest bidder for debt-laden Essar Steel, on Thursday moved the Supreme Court against a part of the order of the National Company Law Appellate Tribunal (NCLAT) which had ruled that the profit of Rs 3,495 crore generated during the corporate insolvency resolution process cannot be given to it.

The NCLAT had on July 4 said if ArcelorMittal did not pay the total dues to the creditors – financial creditors or operational creditors – “but pays lesser amount than the claim, then in such case, the profit should be distributed among all the creditors”.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/industry/essar-steel-insolvency-arcelor-mittal-moves-sc-against-nclat-order/1649124/>



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