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Insolvency Professional Agency of Institute of Cost Accountants of India



PRESS

"Whatever is worrying you right now, forget about it. Take a deep breath, stay positive and know that things will get better."

Updates on Insolvency and Bankruptcy Code

Supreme Court stays recovery suit against Tata Steel BSL

The Supreme Court has stayed a recovery suit filed by an operational creditor against erstwhile Bhushan Steel, which was taken over by Tata Steel in May 2018. Bhushan Steel was led to insolvency resolution by State Bank of India in July 2017 for owing Rs 44,000 crore to lenders and was acquired by Tata Steel in May 2018.

BSL had an outstanding debt of around Rs 57,000 crore. The stay order was passed by an SC Bench led by Justice Navin Sinha on an appeal filed by Tata Steel BSL (formerly Known as Bhushan Steel) challenging the HC's last year's order that dismissed its plea and allowed the recovery suit filed by Parijat Enterprises through its proprietor Varsha to continue before a Nagpur court.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/industry/supreme-court-stays-recovery-suit-against-tata-steel-bsl/1832084/>

DHFL deposit holders move SC against lending ops resumption

More than 100 deposit holders of Dewan Housing Finance Corp (DHFL) have moved the Supreme Court seeking a stay on the lender resuming lending operations till the time deposit holders are repaid on maturity. The petition says, "It is inherently contradictory and contrary to law that a financial institution, which is unable to fulfil its statutory obligations to repay its fixed depositors upon maturity, proposes to lend `500 crore a month to third parties."

DHFL is planning to commence lending operations from the next week, starting with disbursing Rs 500 crore a month from internal accruals. The petitioners say, “Rather than considering representation of the petitioners on merit, mere lip service was paid by the committee by stating that due process would be followed in the interest of all stakeholders.” The petition further says it is “arbitrary and completely unreasonable” for DHFL to carry out lending operations without having due regard to statutory provisions, and without fulfilling its repayment obligations to deposit holders.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/industry/dhfl-deposit-holders-move-sc-against-lending-ops-resumption/1832368/>

NCLAT asks Liberty House to deposit Rs 380 crore by Feb 14 for Adhunik Metaliks, Zion Steel

The National Company Law Appellate Tribunal (NCLAT) on Wednesday asked the UK-based Liberty House to deposit, by February 14, a sum of Rs 380 crore, as per its resolution plan for Adhunik Metaliks and group firm Zion Steel. It has also been asked to pay costs incurred in the corporate insolvency resolution process (CIRP) and make payments to operational creditors.

The two-member NCLAT bench, headed by Justice SJ Mukhopadhaya, has also asked Liberty House to deposit the amount in the account of State Bank of India, the lead bank. “Once the total amount is deposited, this appellate tribunal will consider the rest of the proposal as made in paragraph 7 (of the revised affidavit of Liberty House) and will pass order,” the bench said. The paragraph 7 mainly speaks about the process that should be followed once the payment is made. The NCLAT has scheduled the matter on February 17 for “orders”.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/industry/nclat-asks-liberty-house-to-deposit-rs-380-crore-by-feb-14-for-adhunik-metaliks-zion-steel/1832193/>



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