

Date: January 24, 2020

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Insolvency Professional Agency of Institute of Cost Accountants of India



PRESS

“Entrepreneurs Are Great At Dealing With Uncertainty And Also Very Good At Minimizing Risk. That’s The Classic Entrepreneur.”

Updates on Insolvency and Bankruptcy Code

NCLAT defers hearing on JSW Steel’s Bhushan Power buyout till January 31

The National Company Law Appellate Tribunal (NCLAT) on Thursday adjourned till January 31 its hearing on Bhushan Power and Steel Ltd’s sale to JSW Steel under the insolvency process. The appellate tribunal has given around one week more to investigative agencies to file an affidavit clarifying whether prosecution against Bhushan Power and Steel Ltd (BPSL) can be dropped once JSW Steel, the successful bidder, takes over the company. The Enforcement Directorate (ED) is investigating alleged fraud committed by the debt-laden firm’s previous management. On January 13, the NCLAT had asked investigative agencies such as the ED, the Serious Fraud Investigation Office and the Central Bureau of Investigation (CBI) to file an affidavit.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/industry/nclat-defers-hearing-on-jsw-steels-bhushan-power-buyout-till-january-31/1833542/>

Uttam Galva counters Deutsche’s \$20-million recovery plea at NCLT

Uttam Galva Steel on Tuesday challenged Deutsche Bank's application at the National Company Law Tribunal (NCLT) for the recovery of \$20 million (Rs 142 crore). The Singapore branch of Deutsche Bank had given a \$20 million credit facility to Uttam Galva on May 2, 2013. Uttam Galva has raised two contentions opposing the petition — one that the debt was time-barred and the other that the loan agreement was not stamped.

Since the document is not stamped in Maharashtra, Deutsche's claim cannot be enforced, argued Khaitan Legal Associates, the law firm representing Uttam Galva at the NCLT. As per a recent judgement by the Supreme Court on the Limitations Act 1963, winding up of a company shall be deemed to commence at the time of the presentation of a petition, its counsel said.

Source: Economic Times

Please find the full news at:

<https://economictimes.indiatimes.com/industry/indl-goods/svs/steel/uttam-galva-counters-deutsches-20-million-recovery-plea-at-nclt/articleshow/73506893.cms>

NCLAT halts insolvency proceedings against Raheja

The national company law appellate tribunal (NCLAT) has halted insolvency proceedings of Gurgaon-based Raheja developers after the realtor approached the court claiming it had been fraudulently dragged into bankruptcy by two home buyers. Raheja was admitted for insolvency proceedings in August 2019 by the National Company Law Tribunal (NCLT) which held the company in default of its obligations to two home buyers who at the time had approached the tribunal claiming delay in delivery of flats. Raheja had moved NCLAT against the NCLT order. "The appellant is released from all the rigours of 'moratorium' and is allowed to function through its board of directors from immediate effect," the order of the NCLAT bench said. The NCLAT order also talked about the misuse of insolvency law and said that the respondents in the case are liable for imposition of penalty.

Source: Economic Times

Please find the full news at:

<https://economictimes.indiatimes.com/industry/indl-goods/svs/steel/uttam-galva-counters-deutsches-20-million-recovery-plea-at-nclt/articleshow/73506893.cms>



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