

# IBC AU COURANT

Insolvency Professional Agency of Institute of Cost Accountants of India



PRESS

*"Strive not to be a success, but rather to be of value." - Albert Einstein*

## Updates on Insolvency and Bankruptcy Code

### ➤ NCLAT stays liquidation process of Jyoti Structures

The National Company Law Appellate Tribunal has granted interim stay on the liquidation order against Jyoti Structures Ltd as it owes around ₹7,625 crore to a group of lenders.

Source: *Livemint*

Please find the full news at:

<https://www.livemint.com/Companies/mZayZCtiFQnCQ4IZKZtEHP/NCLAT-stays-liquidation-process-of-Jyoti-Structures.html>

### ➤ Government, courts too part of bad loan crisis: SBI chief Rajnish Kumar

SBI Chief explained that earlier banks lend money based on trust and paperwork but the banks will verify also as the verification factor was missing. He further said that Insolvency and Bankruptcy Code has been a good step in instilling fear in promoters of losing the company, but if the bidding process is delayed just for a few hundred crores of rupees more, the entire purpose of the law will be defeated.

Source: *Indian Express*

Please find the full news at:

<http://www.newindianexpress.com/business/2018/aug/21/government-courts-too-part-of-bad-loan-crisis-sbi-chief-rajnish-kumar-1860463.html>

➤ **Steel ministry against inclusion of finished products in RCEP**

Steel secretary has pointed that the IBC mechanism is working well in resolving the debt of steel companies but he has strongly opposed the inclusion of finished steel products in the proposed regional free-trade agreement as it would have an adverse impact on the industry that's recovering from a crisis.

Source: *Economic Times*

Please find the full news at:

<https://economictimes.indiatimes.com/news/economy/policy/steel-ministry-against-inclusion-of-finished-products-in-rcep/articleshow/65481392.cms>

➤ **IBC wins against IT rules, yet again**

The Supreme Court has ruled that the Insolvency and Bankruptcy Code (IBC) will override Income-Tax rules on claims and a moratorium under the IBC will apply to the order of the Income-Tax Appellate Tribunal.

Source: *Businessline*

Please find the full news at:

<https://www.thehindubusinessline.com/companies/ibc-wins-against-taxman-yet-again/article24739224.ece>

➤ **For quick loan decisions, consortiums to get slimmer, says SBI Chairman**

SBI Chairman said that the Consortium banking increases risk, due to delayed decision. One way is to limit size of consortium and not have too many banks. Second, the consortium should be comprised of like-minded banks with the same risk appetite.

Source: *Businessline*

Please find the full news at:

<https://www.thehindubusinessline.com/money-and-banking/consortium-and-multiple-banking-to-get-slimmer-says-sbi-chairman/article24738649.ece>

