

# IBC AU COURANT

Insolvency Professional Agency of Institute of Cost Accountants of India



*Success is not in never failing, but rising every time you fail*

## Updates on Insolvency and Bankruptcy Code

### ➤ Bidders under IBC get nod to tap External Commercial Borrowing route

RBI has decided to allow companies to raise funds through external commercial borrowing to repay loans of the stressed firms they are bidding for under the IBC. The special dispensation for resolution applicants under the IBC will help large corporations with good credit ratings to raise ECB at cheaper rates to fund acquisition of the stressed assets, at a time when the insolvency law is being tapped more vigorously than traditional mechanisms to resolve the bad debt menace.

*Source: Financial-Express*

Please find the full news at:

<https://www.financialexpress.com/economy/bidders-under-ibc-get-nod-to-tap-ecb-route/1480757/>

### ➤ Insolvency proceedings against Sikka Infrastructure scrapped

The National Company Law Tribunal-Delhi has recently ordered closure of corporate insolvency proceedings against Sikka Infrastructure. The Insolvency Resolution Professional has also been discontinued to conduct any proceedings. The order comes after a plea was made by the financial creditor stating that the matter is amicable settled.

*Source: Economic Times*

Please find the full news at:

<https://realty.economictimes.indiatimes.com/news/regulatory/insolvency-proceedings-against-sikka-infrastructure-scrapped/67883164>

➤ **NCLT allows Ruchi Soya management to get copy of resolution plans; says it will start regular hearing on the matter from 5 March**

A resolution for Ruchi Soya, which owes about Rs 12,000 crore to the lenders, has been moving between Ram Dev's Patanjali and Adani Wilmar. On 31 January, the Adanis walked out of the process leaving only Patanjali in the fray. The Mumbai bench of the National Company Law Tribunal has now directed Ruchi Soya's resolution professional to comply with the 31 January Supreme Court order and said it will hear the matter from 5 March.

*Source: First - Post*

Please find the full news at:

<https://www.firstpost.com/business/nclt-allows-ruchi-soya-management-to-get-copy-of-resolution-plans-says-it-will-start-regular-hearing-on-the-matter-from-5-march-6050961.html>

➤ **RBI quashes hopes of loan defaulters; no easing of one-day NPA recognition rule**

Stressed power sector companies had challenged the 12 February circular in the Allahabad High Court. The court had asked RBI to look at an option to exclude them from the one-day default or offer some special dispensation. Despite incessant demand from a section in the finance ministry, corporates, as well as banks for some leniency in the 12 February, 2018 circular that radically changed the bad loan recognitions norms, the Reserve Bank governor Shaktikanta Das Thursday ruled out any changes in the same.

*Source: First- Post*

Please find the full news at:

<https://www.firstpost.com/business/rbi-governor-shaktikanta-das-rules-out-changes-in-one-day-npa-recognition-norms-6046471.html>



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