



INSOLVENCY PROFESSIONAL AGENCY
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LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

"We either make ourselves miserable, or we make ourselves strong. The amount of work is the same."

➤ **Invent Assets files insolvency petition against Reliance Home Finance**

Invent Assets Securitisation & Reconstruction Private Limited, a financial creditor of the Reliance Home Finance Limited has filed a Petition under Section 7 of the Insolvency and Bankruptcy Code (IBC), 2016, against the Company before the National Company Law Tribunal, Mumbai bench for a claim amount of ₹ 7,80,98,017/- (including interest).

Section 7 of the IBC outlines the initiation (CIRP) by a financial creditor against a corporate debtor when a default has occurred. NCLT will have to ascertain the existence of a default from the records of an information utility or based on other evidence furnished by the financial creditor. Reliance Home Finance is currently seeking legal advice and will take appropriate legal advice and shall take appropriate steps to protect its interest in the aforesaid matter," RHFL said in its regulatory filing.

Source: *Legal Economic Times*

Read Full news: <https://legal.economictimes.indiatimes.com/news/litigation/invent-assets-files-insolvency-petition-against-reliance-housing-finance/120892082>

➤ **Bhushan Power order puts Rs 34,000 cr bank fund at risk**

The Supreme Court order rejecting JSW Steel's Rs 19,800 crore resolution plan and liquidating Bhushan Power & Steel Ltd (BPSL) has put at risk around Rs 34,000 crore of banks' exposure to the latter.

The banks will have to pay back the entire Rs 19,350 crore they had received from the JSW group and will have to fully provide for that in the June quarter. BPSL had owed Rs 48,523 crore to the lenders, most public sector banks led by the State Bank.

The court order also puts a big question mark on the fate of the Rs 10,800 crore JSW had borrowed to fund the acquisition along with a Rs 4,000 crore term loan that JPSL had raised to run the company after the ownership changed hands.

Source: *The New Indian Express*

Read Full news: <https://www.newindianexpress.com/business/2025/May/05/bhushan-power-order-puts-34000-cr-bank-fund-at-risk>

➤ **No Cause of Action Arises Unless the Section 95 IBC Petition Is Admitted Against the Personal Guarantors: NCLAT Chennai**

The **National Company Law Appellate Tribunal (NCLAT)**, Chennai Bench, comprising Justice Sharad Kumar Sharma (Member-Judicial) and Jatindranath Swain (Member-Technical), has ruled that the personal guarantors cannot challenge the appointment of the resolution professional and other procedural actions taken under Section 95 to 100 of the IBC, 2016. The tribunal observed that these provisions are non-adjudicatory in nature, and no cause of action arises until an order under Section 100 is passed.

The appellants (personal guarantors) are the managing directors of the Corporate Debtor. The appellants executed a Personal Guarantee Deed to secure financial assistance of Rs. 397.64 Cr. from a consortium of banks led by Canara Bank. Due to the corporate debtor's failure to pay the monthly installments, the bank issued the Demand Notice and Possession Notice under Sections 13(2) and 13(4) of the SARFAESI Act, respectively. Challenging the possession notice, the Corporate Debtor initiated the Section 17 SARFAESI proceedings before the DRT, which were pending.

Source: *Live Law*

Read Full news: <https://www.livelaw.in/ibc-cases/personal-guarantors-cannot-challenge-interim-steps-us-sections-95-to-100-of-ibc-nclat-chennai-291237>

