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# IBC AU-COURANT

LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

*"Once you face your fear, nothing is ever as hard as you think."*

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## ➤ Amtek Case: SC junks Arvind Dham's plea against personal insolvency proceedings

The Supreme Court on Wednesday rejected former Amtek group chairman Arvind Dham's appeal challenging initiation of personal insolvency proceedings against him. A Bench led by Chief Justice DY Chandrachud declined to interfere with the National Company Law Tribunal's (NCLT) February order that initiated a personal insolvency resolution process against Dham under Section 100 of the Insolvency and Bankruptcy Code (IBC).

In February, the Delhi bench of NCLT admitted a petition by State Bank of India to start insolvency proceedings against Dham for defaulting on debt of Rs 177.89 crore. The order was upheld by the National Company Law Appellate Tribunal in April.

Challenging the NCLAT's April order, Dham said SBI was barred from moving such a plea in terms of the interim moratorium imposed under Section 96 of IBC. He submitted that the interim moratorium had kicked in when L&T Finance had filed an application in this regard thus no creditor including SBI had jurisdiction to file any proceeding against the personal guarantor.

Dham had given personal guarantee to Castex Technologies and Stride Auto Parts Ltd. In 2015, Dham had given a deed of guarantee in favour of L&T Finance to secure the debt of Castex Technologies. While in 2016, Dham executed a deed of guarantee in SBI's favour to secure the debt of Stride Auto Parts.

**Source: The Economic Times**

**Read Full news:** <https://economictimes.indiatimes.com/news/india/amtek-case-sc-junks-arvind-dhams-plea-against-personal-insolvency-proceedings/articleshow/111642396.cms?from=mdr>

## ➤ **Proposed IBC amendment on guarantees to aid NPA recovery: India Ratings**

The Insolvency and Bankruptcy Board of India's (IBBI) proposed amendments to the regulations regarding the treatment of guarantees in resolution plans will increase prudence among potential guarantors, knowing they would remain accountable even post-resolution, according to India Ratings.

This could lead to more responsible financial practices and risk assessments by corporate debtors and their guarantors, promoting a healthier credit ecosystem, it said.

"The amendment is likely to enhance recovery value for creditors," India Ratings said. "The proposed amendment clears the ambiguity around the liability of guarantors, thus bringing in the much-needed clarity to the resolution process involving guarantors and will significantly reduce the cross litigation on account of varied interpretations."

**Source: The Economic Times**

**Read Full news :** <https://economictimes.indiatimes.com/news/economy/policy/proposed-ibc-amendment-on-guarantees-to-aid-npa-recovery-india-ratings/articleshow/111640347.cms?from=mdr>

## ➤ **Yeida withdraws plea at NCLAT against Ace Infracity's bid for Three C Homes**

The Yamuna Expressway Industrial Development Authority (Yeida) has retracted its appeal from the National Company Law Appellate Tribunal (NCLAT) against an NCLT order that approved Ace Infracity's bid for Three C Homes. This follows Yeida's agreement with Ace Infracity Developers' proposal to compensate farmers. Yeida and Ace Infracity were negotiating a settlement while the appeal was pending before NCLAT.

On July 4, 2024, Yeida proposed a compensation plan for farmers, which Ace Infracity accepted during the NCLAT hearing. NCLAT noted, "In view of the acceptance of the proposal by the SRA (Ace Infracity), the appellant (YEIDA) is not to proceed with its appeal subject to compliance with the conditions as indicated in the communication dated July 4, 2024, which has been given to counsel for the SRA." NCLAT further stated, "Recording the aforesaid, we are of the view that no useful purpose shall be served in continuing with the appeals. The appeal is permitted to be withdrawn with liberty to revive."

**Source: Housing.com**

**Read Full news :** <https://housing.com/news/yeida-withdraws-plea-at-nclat-against-ace-infracitys-bid-for-three-c-homes/>

