



INSOLVENCY PROFESSIONAL AGENCY  
OF INSTITUTE OF COST ACCOUNTANTS OF INDIA

# IBC AU-COURANT

LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

*"If you tell the truth, you don't have to remember anything."*

## ➤ NCLAT Tells NCLT To Expedite Decision On EoI Stay In Jaiprakash Insolvency Case

In a significant development concerning the corporate insolvency proceedings of Jaiprakash Associates (JAL), the National Company Law Appellate Tribunal (NCLAT) has directed the Allahabad bench of the National Company Law Tribunal (NCLT) to promptly decide on the stay of the Expression of Interest (EoI) process involving key group investments.

The direction comes after NCLT's order on 29 April 2025, which stayed the process of inviting EoIs for the sale of JAL's investments in Jaiprakash Power Ventures Limited (JPVL) and Jaypee Fertilisers & Industries Limited (JFIL), even as the matter remains under active judicial consideration. This interim relief, granted on the plea of JAL's suspended director Sunil Kumar Sharma, was immediately challenged by the National Asset Reconstruction Company Ltd (NARCL), the assignee of 85 per cent of JAL's total debt, and the Resolution Professional (RP) overseeing the case.

A three-member bench of NCLAT, led by Chairperson Justice Ashok Bhushan, while hearing appeals from both NARCL and the RP, observed that since the matter is already listed for hearing before the NCLT on 26 May 2025, the tribunal should now "endeavour to dispose of the application on the date fixed or as early as possible". The appellate body instructed the Adjudicating Authority to duly consider the reply filed by the Committee of Creditors (CoC) and the RP before making a decision. "The NCLT shall take a decision with regard to further process without being influenced by any observation made in the impugned order," the NCLAT noted in its 20 May order.

**Source: Business World**

**Read Full news:** <https://www.businessworld.in/article/nclat-tells-nclt-to-expedite-decision-on-eoi-stay-in-jaiprakash-insolvency-case-557750>

## ➤ **New IBC rule stricter on personal guarantors**

The Insolvency and Bankruptcy Board of India (IBBI) has made it mandatory for resolution professionals (RPs) to inform the national company law tribunal (NCLT), if a personal guarantor fails to submit a repayment plan.

The new rule will effectively increase the accountability of personal guarantors, make it difficult for them to escape culpability. "Where no repayment plan has been prepared by the debtor under section 105 of the (Insolvency and Bankruptcy) Code, the resolution professional shall file an application, with the approval of creditors, before the adjudicating authority intimating the non-submission of a repayment plan and seek appropriate directions," the IBBI said in new notification.

**Source: Financial Express**

**Read Full news:** <https://www.financialexpress.com/business/banking-finance/new-ibc-rule-stricter-on-personal-guarantors/3856983/>

## ➤ **Resolution Professional can only File Application for Avoidance of Preferential Transactions u/s 43 of IBC: NCLAT**

The National Company Law Appellate Tribunal (NCLAT) in New Delhi ruled that, in accordance with Section 43 of the Insolvency and Bankruptcy Code, 2016 (Code), only the Resolution Professional may file an application for the avoidance of preferential transactions. The Corporate Insolvency Resolution Process (CIRP) was initiated by order dated 07.03.2024 in response to an application submitted by Santosh Ananda Shetty and 66 other homeowners as Financial Creditors in class against the Corporate Debtor, Snehanjali and S.B. Developers Private Limited.

**Source: Taxscan**

**Read Full news:** <https://www.taxscan.in/resolution-professional-can-only-file-application-for-avoidance-of-preferential-transactions-u-s-43-of-ibc-nclat-read-order/521490/>

