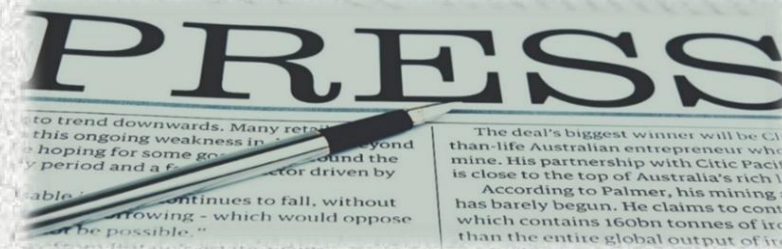


IBC AU COURANT

Insolvency Professional Agency of Institute of Cost Accountants of India



“You Learn More From Failure Than From Success. Don’t Let It Stop You. Failure Builds Character.”

Updates on Insolvency and Bankruptcy Code

➤ Sterling Biotech: NCLAT sets conditions for promoters to take back control

The National Company Law Appellate Tribunal (NCLAT) on Friday set two preconditions — clean money certified by the Enforcement Directorate (ED) and timely payment to the creditors — for the absconding promoters of Sterling Biotech to wrest back control of the insolvent firm. Failing which, the firm with a debt of over `9,000 crore will be sent back to liquidation.

NCLAT’s latest direction comes days after it termed “uncalled for” the National Company Law Tribunal (NCLT), Mumbai bench’s order of liquidation of Sterling Biotech on the ground that an application to take the company out of the insolvency process filed under section 12A of the Insolvency and Bankruptcy Code (IBC) has got nothing to do with a promoter’s eligibility under section 29A provided the proposal has the backing of over 90% affirmative votes of the lenders.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/industry/sterling-biotech-nclat-sets-conditions-for-promoters-to-take-back-control/1698914/>

➤ Supreme Court stays Amtek Auto liquidation

Liberty House was selected as the highest bidder by the Committee of Creditors (CoC) of Amtek Auto. However, it later backed out citing some reasons, following which lenders requested for another 90 days to find a new buyer.

However, the NCLAT had last month declined CoC's request for extension of the insolvency resolution process deadline. Challenging the August 16 liquidation order, the lenders led by Corporation Bank told the SC that the appellate tribunal had failed to uphold the tenets of IBC to resolve a financially viable entity. It said Amtek Auto being a financially viable entity was being pushed into liquidation merely on account of the fact that Liberty House, the successful resolution applicant, had defaulted in implementing the resolution plan.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/industry/supreme-court-stays-amtek-auto-liquidation/1698854/>

➤ **JSW may challenge NCLT order on Bhushan Power profits redistribution**

JSW Steel, which won Bhushan Power and Steel (BPSL) at the insolvency court, is likely to challenge the National Company Law Tribunal (NCLT)'s decision to redistribute profits earned during the insolvency resolution period among creditors, while seeking further immunity from ongoing investigations against the bankrupt steelmaker, people aware about the development said.

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Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/industry/jsw-may-challenge-nclt-order-on-bpsl-profits-redistribution/1698851/>

