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Insolvency Professional Agency of Institute of Cost Accountants of India

PRESS

"What seems to us as bitter trials are often blessings in disguise."

Updates on Insolvency and Bankruptcy Code

Resolutions via IBC see a big fall in third quarter

Realisation by financial creditors through the Insolvency and Bankruptcy Code (IBC) has fallen drastically in the fiscal third quarter, resurfacing industry concerns over slowing recoveries that are increasingly prompting lenders seek out-of-court settlements. Data from the Insolvency and Bankruptcy Board of India (IBBI) showed that financial creditors realised just 12% of their claims in the quarter-ended December, down from 34% in the quarter-ended September. The statistics are published each quarter. During the quarter-ended December, a total of 30 cases were resolved with realisation ranging from just 5% on Rs 218 crore of claims for Ambey Iron to 90% on Rs 13 crore of claims.

Source: Economic Times

Please find the full news at:

<https://economictimes.indiatimes.com/industry/banking/finance/banking/resolutions-via-ibc-see-a-big-fall-in-third-quarter/articleshow/74166885.cms>

Lenders set to recover 43.1% from insolvency proceedings

Successful resolutions of corporate insolvency proceedings till the end of 2019 are set to result in recoveries of Rs 1.52 lakh crore for lenders, averaging 43.1% of their admitted claims of Rs 3.52 lakh crore, according to data released by the Insolvency and Bankruptcy Board of India (IBBI). Resolutions in the quarter through December 2019, however, yielded only around 12.2%, or about Rs 2,879 crore, of the admitted claims of Rs 23,668 crore. In the preceding quarter, lenders recovered around 34.4% of their total claims of Rs 78,592 crore.

Many of the large cases have already been resolved and the smaller companies that are undergoing resolution process are finding fewer suitors, said experts, explaining the reason for the fall in recoveries. “Trends suggest that there are lower recoveries in smaller cases, where there are not many takers for stranded business assets. With many of the larger cases being resolved or near resolution, we are likely to see lower average recoveries for lenders going forward,” said an industry watcher, who wished to remain anonymous.

Source: Economic Times

Please find the full news at:

<https://economictimes.indiatimes.com/industry/banking/finance/lenders-set-to-recover-43-1-from-insolvency-proceedings/articleshow/74144226.cms>

JetLite staff moves NCLT to be part of Jet’s insolvency resolution

The employees of JetLite, a subsidiary of Jet Airways, have moved the dedicated bankruptcy court to be part of the corporate insolvency resolution process of the defunct carrier. On Friday, the employees approached the Mumbai bench of the National Company Law Tribunal (NCLT) with the argument that when they had approached the resolution professional (RP), their claims were rejected. “Claims submitted to the Jet Airways’ RP are being rejected and JetLite’s employees are being neglected,” argued the counsel for the employees of JetLite. “Jet Airways and JetLite are interdependent entities. The dues of JetLite employees are around Rs 50 crore.”

Source: Economic Times

Please find the full news at:

<https://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/jetlite-staff-moves-nclt-to-be-part-of-jets-insolvency-resolution/articleshow/74144208.cms>



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