

# IBC AU COURANT

Insolvency Professional Agency of Institute of Cost Accountants of India



*"Today's Accomplishments Were Yesterday's Impossibilities." – Robert H. Schuller*

## Updates on Insolvency and Bankruptcy Code

### ➤ Meet with RBI: Banks want to keep NPAs out of court

Anxious that provisioning requirements for stressed assets will go up, bankers are understood to have asked the Reserve Bank of India (RBI) to relax the rules for out-of-court resolutions as envisaged in the central bank's February 12 circular. Following the February 12 circular, a clutch of power companies to which banks had an aggregate exposure of around Rs.70,000 crore turned non-performing assets(NPA) in August. However, insolvency proceedings against them have not been initiated because the Supreme Court (SC) has directed a status quo in the matter. This has given banks more time to look for out-of-court resolutions for 11-odd power companies.

Source: Financial- Express

Please find the full news at:

<https://www.financialexpress.com/industry/banking-finance/meet-with-rbi-banks-want-to-keep-npas-out-of-court/1419333/>

➤ [Ericsson to again move court against Anil Ambani as RCom fails to pay up](#)

Ericsson is set to file a second contempt of court petition against Reliance Communications' (RCom) chairman Anil Ambani for failing to repay dues on time despite Supreme Court's orders, a move which will add to the telco's troubles already facing the threat of a revival of insolvency proceedings for failing to pay the Swedish telecom gear maker on time.

Source: *Economic Times*

Please find the full news at:

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/ericsson-to-again-move-court-against-anil-ambani-as-rcom-fails-to-pay-up/articleshow/67171335.cms>

➤ [Mumbai: DGGSTI arrests promoters of textile firms and asked NCLT to remove Oneworld Industries from the IBC proceedings](#)

The Directorate General of Goods and Services Tax Intelligence (DGGSTI) has arrested the promoters of two Mumbai-based textile firms for an alleged Central Goods and Services Tax (CGST) fraud of about Rs.625 crore. The DGGSTI has also written to the National Company Law Tribunal (NCLT) to remove Oneworld Industries from the Insolvency and Bankruptcy Code (IBC) proceedings as one of the operational creditors of the textile firm dragged it to bankruptcy court with its connivance.

Source: *IndianExpress*

Please find the full news at:

<https://indianexpress.com/article/cities/mumbai/dggsti-arrests-promoters-of-textile-firms-5501265/>

➤ [HC upholds bank's right against private company](#)

The Hyderabad High Court passed an order upholding the right of Andhra Bank to auction assets of private company Transstroy. It declared that all lender banks are free to initiate legal proceedings against the company. Also, it said the RBI's letter dated August 28, 2017, did not speak about any authorisation given by the Central government to initiate only "insolvency resolution process" in the event of a default, under the Insolvency and Bankruptcy Code.

Source: *IndianExpress*

Please find the full news at:

<https://www.thehindu.com/news/national/telangana/hc-upholds-banks-right-against-private-company/article25784393.ece>

