

# IBC AU COURANT

Insolvency Professional Agency of Institute of Cost Accountants of India



*A strategy of rapid global growth require a different culture than one of focused innovation*

## Updates on Insolvency and Bankruptcy Code

### ➤ India: IBC: Rejection Of Claims Need Evaluation

There have been several instances wherein IRP had rejected the claim(s) of creditor(s) due to various reasons, which have been later allowed by NCLT / higher courts. However, there must be some criteria or guidelines as may be followed by IRP / RP while accepting or rejecting the claims. In the absence of same, issues may crop up resulting into litigation(s) and delay in CIRP or liquidation process.

*Source: Mondaq*

Please find the full news at:

<http://www.mondaq.com/india/x/779636/Insolvency+Bankruptcy/IBC+Rejection+of+Claims>

### ➤ Fresh NPA additions at lenders slow down, recoveries on the rise

Banks after the circular issued by RBI last year has forced recognition and resolution, two things that are key in tackling the bad loan problem from the bank's side. Also, the credit culture has improved, recovery rates have increased and fresh NPAs are on the way down.

*Source: EconomicTimes*

Please find the full news at:

<https://economictimes.indiatimes.com/industry/banking/finance/banking/fresh-npa-additions-at-lenders-slow-down-recoveries-on-the-rise/articleshow/67951659.cms?from=mdr>

➤ **Essar Steel insolvency case: SC clears decks for ArcelorMittal's bid**

The Supreme Court dismissed a plea by 28 operational creditors of Essar Steel seeking to be heard by the National Company Law Tribunal before any decision was taken on ArcelorMittal's bid for the company. The court also rejected their plea seeking a stay on the National Company Law Appellate Tribunal's order asking the NCLT Ahmedabad Bench to take a decision on ArcelorMittal's bid by February 11.

*Source: Business- Standard*

Please find the full news at:

[https://www.business-standard.com/article/companies/sc-clears-hurdle-for-essar-case-rejects-pleas-by-operational-creditors-119021101169\\_1.html](https://www.business-standard.com/article/companies/sc-clears-hurdle-for-essar-case-rejects-pleas-by-operational-creditors-119021101169_1.html)

➤ **NCLAT allows 22 IL&FS group firms to service debt obligations**

The National Company Law Appellate Tribunal has passed an order permitting 22 group companies of debt-laden Infrastructure Leasing and Financial Services (IL&FS) that were able to meet all payment obligations to service their debt obligations as per schedule. The NCLAT also lifted the moratorium on 133 IL&FS group companies incorporated outside the jurisdiction of India. If these companies fail to pay the obligations, lenders can take them to court and recover their dues.

*Source: Economic Times*

Please find the full news at:

<https://economictimes.indiatimes.com/markets/stocks/news/nclat-allows-22-ilfs-group-firms-to-service-debt-obligations/articleshow/67952609.cms>



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