

# IBC AU COURANT

Insolvency Professional Agency of Institute of Cost Accountants of India



**"People who succeed have momentum. The more they succeed, the more they want to succeed,"**

## **Updates on Insolvency and Bankruptcy Code**

### **IBC dominant mode of recovery in 2019-20**

The Insolvency and Bankruptcy Code (IBC) remained the dominant mode of recovery in 2019-20, according to the report on trend and progress of banking released by Reserve Bank of India (RBI). While the recovery rate in IBC remained at 45.5%, lenders were able to recover 26.7% of the amount involved through securitisation and reconstruction of financial assets and enforcement of security interest (SARFAESI) Act, 2002.

**Source: Financial Express**

**Please find the full news at:**

<https://www.financialexpress.com/industry/ibc-dominant-mode-of-recovery-in-2019-20/2160146/>

### **Classification of RComm, Reliance Telecom Accounts As Fraudulent: Delhi High Court Directs Union Bank, Indian Overseas Bank To Maintain Status Quo**

On a plea by Anil Ambani's Reliance Communication Ltd (RComm) and Reliance Telecom Ltd (RTL) against the declaration of their accounts in the Union Bank of India (UBI) and the Indian Overseas Bank (IOB) as "fraudulent", the Delhi High Court has ordered the banks to maintain status quo until the next date of hearing, i.e. Jan 13, 2021.

**Source: Livelaw**

**Please find the full news at:**

<https://www.livelaw.in/news-updates/delhi-high-court-reliance-communication-fraudulent-account-ubi-iob-167747>

### **NCLT to implement second phase of e-Court with Automatic Case Number registration**

Come January 1, 2021, all benches of the National Company Law Tribunal (NCLT) that have implemented e-filing will embark on the second phase of e-Court, with the launch of Automatic Case Number generation. The Automatic Case Number generation will happen out of the e-filing portal, said an order issued by NCLT.

**Source: Hindu Business Line**

**Please find the full news at:**

<https://www.thehindubusinessline.com/news/national/nclt-to-implement-second-phase-of-e-court-with-automatic-case-number-registration/article33444979.ece>

### **Financial Creditors To Face A New Hurdle While Initiating Insolvency**

Financial creditors who relied on balance sheets as proof of debt to initiate insolvency proceedings may now face a new hurdle following a ruling by the National Company Law Appellate Tribunal. Till now, creditors relied on the acknowledgement of debt in balance sheet entries while initiating insolvency proceedings, which helped them get over the three-year limitation period hurdle.

**Source: Bloomberg**

**Please find the full news at:**

<https://www.bloombergquint.com/law-and-policy/financial-creditors-to-face-a-new-hurdle-while-initiating-insolvency>

### **PMC Bank puts on block 2 aircraft of Wadhawans**

Punjab and Maharashtra Cooperative Bank, is trying to recover Rs 4,335 crore of loans the bank's erstwhile management fraudulently lent to HDIL, has put on the block two aircraft belonging to Wadhawans, the Company's Promoters.

**Source: Times of India**

**Please find the full news at:**

<https://timesofindia.indiatimes.com/business/india-business/pmc-bank-puts-on-block-2-aircraft-of-wadhawans/articleshow/80019602.cms>



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