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Knowledge SBU Initiative

NCLAT stays tribunal's order to liquidate Sterling Biotech

The National Company Law Appellate Tribunal (NCLAT) has stayed the liquidation order passed by the dedicated bankruptcy court against Gujarat-based Sterling Biotech. The tribunal has granted a stay against the liquidation of the firm in two separate petitions filed by its employees and Andhra Bank, a lead consortium lender of the company.

Info About Insolvency Professionals Facing Disciplinary Proceedings Exempt From RTI Act, Says IBBI

Even as the Insolvency and Bankruptcy Code promised to accelerate insolvency cases and raised the demand for insolvency professionals, the Insolvency and Bankruptcy Board of India (IBBI) claims information about insolvency professionals facing disciplinary proceedings is exempt from disclosure under the RTI Act.

The IBBI claimed exemption under section 8(1)(h) of the RTI Act which exempts an information which would impede the process of investigation or apprehension or prosecution of offenders.

Banking Stress: IBC amendments to usher in cross-border insolvency resolution

The government is expected to introduce amendments to the Insolvency and Bankruptcy Code (IBC), to introduce provisions for putting in place a resolution framework in case of individual insolvency and cross border insolvency, sources said. The changes will enable initiation of resolution process in case of personal guarantors to corporate debtors, proprietorship and partnerships.

Provisions for cross border insolvency would enable Indian firms to claim their dues from foreign companies, while allowing foreign creditors to recover loans from Indian companies, sources said. Apart from foreign creditors, this would also help foreign branches of Indian banks to recover their dues in India.

POINT TO PONDER

**"Integrity has no need of rules."
-Albert Camus**

Bad loans: Is the NPA fire spreading?

India's NPA cycle appears relentless. In 2014, bad loans were confined to the nonfinancial corporate sector. But now, the NPA fire seems spreading to micro, small and medium businesses (MSMEs), even drawing some retail loans into its fold. On the lenders side, if it were mostly banks that were overwhelmed with bad loans some years ago, it is the nonbank segment that is dragged in now. A fresh cycle of toxic assets could further pressure the financial system, which is already under tremendous strain.

Reliance Infratel lenders approach NCLT against interim RP's move

A few lenders with direct exposure to Reliance Infratel (RITL) on Thursday moved the National Company Law Tribunal (NCLT) against the interim resolution professional's admission of claims of bankers. The bankers' claims were reported to be around Rs 8,000 crore and based on invoked corporate guarantees issued by RITL in favour of Reliance Communication.

NCLT gives HDIL 4 weeks to clear lenders' dues

The bankruptcy court has directed Housing Development & Infrastructure Limited (HDIL) to clear its outstanding to Bank of India within four weeks in line with the one-time settlement it had agreed to, or face the consequences.

The Mumbai bench of the National Company Law Tribunal (NCLT) on Tuesday said the BSE-listed real estate developer will have to pay Rs 98 crore to Bank of India within four weeks. HDIL owes around Rs 520 crore to Bank of India and it had agreed to pay it in tranches.

Jaypee Infratech Insolvency: Homebuyers' role key as COC votes on NBCC bid

Lenders to insolvent Jaypee Infratech (JIL) on Thursday decided to put to vote staterun NBCC's revised bid for the debt-laden realty firm. The exercise will go on for 10 days from Friday in which apart from 13 banks, over 23,000 homebuyers too will cast their votes via electronic mode.

***Feedback requested at ipa@icai.in**