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IBC AU COURANT

Insolvency Professional Agency of Institute of Cost Accountants of India



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Updates on Insolvency and Bankruptcy Code

SBI votes in favour of RCom resolution, China Development Bank's stand unclear

The committee of creditors (CoC) of Reliance Communications (RCom) has started voting on a resolution plan that will conclude on Wednesday. Lead lender State Bank of India (SBI) is likely to have voted in favour of the plan. The SBI board has already approved RCom resolution. The stand of China Development Bank (CDB), which has around 30% voting share in the CoC, remains unclear as it had raised the issue of disproportionate share in the resolution plan earlier. According to the Insolvency and Bankruptcy Code (IBC), a 66% vote is required for the CoC to approve a resolution plan.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/industry/sbi-votes-in-favour-of-rcom-resolution-china-development-banks-stand-unclear/1888086/>

Individual Insolvency: Debt settlement for poor on the anvil

The Insolvency Law Committee under corporate affairs secretary Injeti Srinivas may soon submit a report on individual insolvency, suggesting this change. The government has initiated the process of preparing individual insolvency norms that will provide for loan waiver up to Rs 35,000 for the poorest of the poor through "out-of-court settlements" under the Insolvency and Bankruptcy Code (IBC), seeking to extend a breather to those in the vulnerable sections struggling in the clutch of a debt trap.

This will require an amendment to the IBC that typically involves resolution under the overall scrutiny of an adjudicating authority (NCLT, in the case of corporate insolvency). In fact, the government's earlier plan was to facilitate individual insolvency resolution for all categories of debtors through the debt recovery tribunal (DRT).

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/industry/individual-insolvency-debt-settlement-for-poor-on-the-anvil/1888046/>

NBCC gets NCLT nod to buy Jaypee Infratech

The National Company Law Tribunal (NCLT) on Tuesday approved a proposal of state-run NBCC (India) to acquire bankrupt realty developer Jaypee Infratech. Resolution of Jaypee Infratech's bankruptcy case will provide relief to around 20,000 homebuyers in the company's residential projects in Noida and Greater Noida. In its bid, NBCC had proposed to complete these stuck projects. The NCLT has ordered that Rs 750 crore that Jaypee Infratech's parent, Jaiprakash Associates, had deposited with Supreme Court registry would be part of the resolution plan. NBCC had put in a condition that it would withdraw from the process in case the money was not transferred to it.

Source: Economic Times

Please find the full news at:

<https://economictimes.indiatimes.com/industry/services/property/-/cstruction/nbcc-gets-nclt-nod-to-buy-jp-infra/articleshow/74467966.cms>



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