

# IBC AU COURANT

Insolvency Professional Agency of Institute of Cost Accountants of India



*"Change is the law of life and those who look only to the past or present are certain to miss the future." –John F. Kennedy*

## Updates on Insolvency and Bankruptcy Code

### ➤ Bidders face jail term if back out from insolvency process

The government and IBBI are looking at using provisions of the IBC against Liberty House and other companies, which have gone back on their plans to take over companies through the resolution process and derailing the entire process. Lenders were looking to invoke section 74 of the IBC against Liberty House earlier, which provides for a penalty and a possible jail term. The issue has now moved to the government, with sources saying the plan could also include Adani Wilmar, which pulled out of a deal to buy Ruchi Soya after the committee of creditors backed it. Liberty House has backed off from the resolution process of Adhunik Metals and Amtek Auto, citing various issues. But the government and bidders, who kept them out of the ABG Shipyard resolution plan, are not buying its arguments.

Source: TimesofIndia

Please find the full news at:

[https://m.timesofindia.com/business/india-business/bidders-face-jail-term-if-back-out-from-insolvency-process/amp\\_articleshow/67249560.cms](https://m.timesofindia.com/business/india-business/bidders-face-jail-term-if-back-out-from-insolvency-process/amp_articleshow/67249560.cms)

### ➤ RBI shortlists TCS, Wipro, IBM, 3 others for setting up Public Credit Registry

The RBI has shortlisted six major IT companies, including TCS, Wipro and IBM India, to set up a wide-based digital Public Credit Registry for capturing details of all borrowers and wilful defaulters. The proposed PCR will also include data from entities like market regulator Sebi, the corporate affairs ministry, GSTN and IBBI to enable banks and financial institutions to get a 360-degree profile of the existing as well as prospective borrowers on a real-time basis.

*Source: Economic Times*

Please find the full news at:

<https://economictimes.indiatimes.com/news/economy/policy/rbi-shortlists-tcs-wipro-ibm-3-others-for-setting-up-public-credit-registry/articleshow/67215044.cms?from=mdr>

### ➤ NCLT helps recover ₹80,000 crore in 2018 from IBC cases

Tasked with a key job of helping recover unpaid corporate loans, the NCLT has helped resolve insolvency and bankruptcy proceedings involving more than ₹80,000 crore in the year passing-by and the kitty is expected to swell beyond ₹1 trillion in 2019 with several big-ticket default cases pending.

*Source: Livemint*

Please find the full news at:

<https://www.livemint.com/Companies/HivcqyYSmVif6hZDlvY2KM/NCLT-helps-recover-Rs-80k-crore-in-2018-Kitty-may-cross-Rs.html>

### ➤ Looking back 2018: Recoveries of banks, financial institutions under IBC expected to improve

Recoveries of banks and financial institutions under the Insolvency and Bankruptcy Code (IBC) are expected to improve next year as large cases such as Essar Steel and Bhushan Power and Steel get resolved. The IBC, under which cases started flowing in from January 2017, has been one of the biggest financial reforms in the current year to tackle non-performing assets (NPA) in the banking sector and is a precursor to banks restarting lending after getting back stuck capital.

*Source: IndianExpress*

Please find the full news at:

<https://indianexpress.com/article/business/recoveries-of-banks-financial-institutions-under-ibc-expected-to-improve-5509459/>

