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LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

"The key is not to prioritize what's on your schedule, but to schedule your priorities."

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➤ Go First's lenders to seek extension of insolvency process by 60 days -

MUMBAI: Lenders to India's Go First are looking to seek an extension of the insolvency process by another 60 days amid interest from potential suitors, two banking sources said. Under the country's Insolvency and Bankruptcy Code, the National Company Law Tribunal (NCLT) has the authority to extend the resolution timeframe to a maximum of 330 days.

Go First, which filed for bankruptcy in May last year, would have been under the resolution process for 270 days as on Feb. 4. The beleaguered airline has received expressions of interest from SpiceJet promoter Ajay Singh, UAE-based Sky One and Busy Bee, said the sources, who did not want to be identified as they are not authorised to speak to the media.

"Formal expressions of interest and bank guarantees have been submitted by the three suitors and they will need 15-20 more days to conduct due diligence and place formal bids," said the first banker with state-run bank that has exposure to Go First. Go First's resolution professional, who conducts the insolvency process, did not immediately respond to a request for comment.

The Committee of Creditors (CoC) will meet on Thursday and decide on a fresh date to submit bids, the second banker said.

Source: The Economic Times

Read Full news: <https://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/go-firsts-lenders-to-seek-extension-of-insolvency-process-by-60-days-sources/articleshow/107301212.cms?from=mdr>

➤ **IBC reforms may improve NPA recovery, says Ind-Ra**

The proposed reforms in the Insolvency and Bankruptcy Code (IBC) will likely help enhance efficiency, improve resolution value and reduce resolution timelines, thereby leading to higher stressed asset recoveries in the medium to long term, says India Ratings and Research.

The ratings agency said that while IBC has had a profound positive impact on the country's insolvency landscape, the resolution process has seen a divergence from its legislative intent of a faster and high recovery of stressed assets, because of litigations at various stages and judicial delays. An analysis of the data for July-September from the Insolvency and Bankruptcy Board of India showed that the real estate sector ranks second in terms of total cases admitted with a 21% share.

Source: Financial Express

Read Full news : <https://www.financialexpress.com/business/banking-finance-ibc-reforms-may-improve-npa-recovery-says-ind-ra-3379275/>

➤ **NCLT Delhi: Debt Assignment Deed Cannot Be Challenged In CIRP U/s 7 Of IBC**

The National Company Law Tribunal ('NCLT') New Delhi Bench, comprising Justice Mahendra Khandelwal (Judicial Member) and Dr. Sanjeev Ranjan (Technical Member) held that the Debt Assignment Deed cannot be challenged in a Corporate Insolvency Resolution Process ('CIRP') under Section 7 of Insolvency and Bankruptcy Code, 2016 ('IBC'). CFM Asset Reconstruction Private Limited (Applicant), registered with the Reserve Bank of India as a Securitization and Asset Reconstruction Company has filed a CIRP application against M.G. Finvest Private Limited (Corporate Debtor) under Section 7 of the IBC. for a default of Rs. 1025.53 crores.

Source: Live Law

Read Full news : <https://www.livelaw.in/ibc-cases/nclt-delhi-debt-assignment-deed-cannot-be-challenged-in-cirp-us-7-of-ibc-248060>

