



INSOLVENCY PROFESSIONAL AGENCY
OF INSTITUTE OF COST ACCOUNTANTS OF INDIA



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LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

"The successful warrior is the average man, with laser-like focus."

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➤ **IBBI proposes new measures to improve corporate insolvency process efficiency**

Insolvency regulator IBBI has come up with slew of proposals to ensure timely resolution and higher realizations in corporate insolvency resolution process (CIRP).

The measures outlined in a new IBBI discussion paper include seeking CoC approval for operational expenses, holding regular CoC meetings (mandatory monthly meeting), holding deliberations on valuation methodology and disclosure of fair value in Information Memorandum.

The other proposals of Insolvency and Bankruptcy Board of India (IBBI) are providing clarity in the payout to dissenting financial creditors and segregating the distribution of plan value from plan implementation.

Hari Hara Mishra, CEO, ARC Association, said that sharing of valuation in Information Memorandum is a positive move towards transparency and would help attract serious bidders.

Abdullah Qureshi, Associate Partner, India Law LLP, said the discussion paper issued by IBBI is a welcome move as it displays the commitment of the insolvency regulator to mitigate the practical issues faced during the CIRP period and accordingly reform the CIRP regulations to compliment the objective of the Insolvency and Bankruptcy Code (IBC).

Source: The Hindu Business Line

Read Full news at: <https://www.thehindubusinessline.com/economy/ibbi-proposes-new-measures-to-improve-corporate-insolvency-process-efficiency/article67489635.ece>

➤ **Insolvency Law: Supreme Court Divided Over Government's Position As Secured Creditor**

In a judgement that irked India Inc. last year, the Supreme Court held that dues owed to the government rank equally with other debts, including debts on account of workmen's dues, meaning that the government would be considered a secured creditor under the Insolvency and Bankruptcy Code. This stance has now attained finality as the top court has dismissed a batch of review petitions filed against the judgement.

Source: BQ Prime

Read Full news at: <https://www.bqprime.com/law-and-policy/insolvency-law-supreme-court-divided-over-governments-position-as-secured-creditor>

➤ **NCLT Allahabad Allows SBI's Application For Withdrawal Of Section 7 Petition Against Bajaj Hindustan Sugar**

The National Company Law Tribunal ('NCLT') Allahabad Bench comprising of Shri Praveen Gupta (Judicial Member) and Shri Ashish Verma (Technical Member) allowed the State Bank of India's ('SBI') application for withdrawal of the Section 7 petition filed under the Insolvency and Bankruptcy Code, 2016 (IBC) against Bajaj Hindustan Sugar (Corporate Debtor). The SBI had filed the application for withdrawal of the Section 7 petition under IBC as the outstanding amount as fallen due had been paid by Bajaj Hindustan Sugar.

Source: Live Law

Read Full news at: <https://www.livelaw.in/ibc-cases/nclt-allahabad-allows-sbis-application-for-withdrawal-of-section-7-petition-against-bajaj-hindustan-sugar-241435>

