



INSOLVENCY PROFESSIONAL AGENCY
OF INSTITUTE OF COST ACCOUNTANTS OF INDIA



IBC AU-COURANT

LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

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➤ **Allotted flat won't be part of liquidation process: IBBI**

Insolvency and Bankruptcy Board of India (IBBI) has made major amendments to strengthen the regulatory framework of the liquidation process under Insolvency and Bankruptcy Board of India Regulations, 2016 and notified the amendment on February 12, 2024.

These changes are aimed at facilitating a smoother process for liquidation, ensuring accountability, and bolstering the confidence of stakeholders in the liquidation process. According to one of the amendments, wherever the corporate debtor has given possession to an allottee in a real estate project, such asset shall not form a part of the liquidation estate of the corporate debtor.

Nesara B.S, chairman, Concorde said, "It is a good move, however, there needs to be clarity and differentiation between completed and under construction projects Completed projects that are registered where units have been handed over can be excluded, whereas under construction projects where allottees have paid part amount and registration and handover is not done, must be included in a consolidated resolution plan, otherwise achieving the resolution might be difficult."

The liquidator may reduce the reserve price by up to 25% for assets with existing valuation of the Corporate Insolvency Resolution Process (CIRP) on one occasion with the approval of the Stakeholders' Consultation Committee (SCC) at any time during the process.

Source: The Economic Times

Read Full news: <https://realty.economictimes.indiatimes.com/news/regulatory/allotted-houses-to-stay-out-of-liquidation-ibbi/107691435>

➤ Panel bats for phased adoption of mediation in insolvency cases

An expert committee set up by the insolvency regulator has pitched for a phased introduction of voluntary mediation between parties as a dispute resolution mechanism under the overarching Insolvency and Bankruptcy Code (IBC) while retaining the IBC timelines for resolution processes.

Source: *The Economic Times*

Read Full news : <https://economictimes.indiatimes.com/news/india/panel-bats-for-phased-adoption-of-mediation-in-insolvency-cases/articleshow/107700668.cms?from=mdr>

➤ Personal Guarantors Insolvency: IBBI Mandates RPs To Submit Reports To Both Creditors And Debtors

In a bid to strengthen the resolution process pertaining to personal guarantors, the Insolvency and Bankruptcy Board of India has mandated resolution professionals to provide a copy of its report containing recommendations to both creditors and debtors. Under the Insolvency and Bankruptcy Code, a resolution professional is required to submit a report before the adjudicating authority that contains the resolution professional's recommendations for approval or rejection of an insolvency application.

Source: *NDTV*

Read Full news : <https://www.ndtvprofit.com/law-and-policy/personal-guarantors-insolvency-ibbi-mandates-rps-to-submit-reports-to-creditors-debtors>

