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LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

"You can be everything. You can be the infinite amount of things that people are."

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➤ **RBI wants debt resolution revision for corporates under Insolvency and Bankruptcy Code reforms**

Reserve Bank of India (RBI) deputy- governor Swaminathan J on Wednesday said there was a need to look at the resolution of conglomerates and corporate groups as part of the reform agenda of the Insolvency and Bankruptcy Code (IBC).

Swaminathan added there should be a separate resolution framework for financial service providers such as banks, non-banking finance companies (NBFCs) and insurance firms. Reserve Bank of India (RBI) deputy- governor Swaminathan J on Wednesday said there was a need to look at the resolution of conglomerates and corporate groups as part of the reform agenda of the Insolvency and Bankruptcy Code (IBC).

Due to the absence of an IBC-like framework, the current bankruptcy code has been used for the resolution of NBFCs.

"From a banker's and supervisor's perspective, amongst the various improvements brought in by IBC, the fundamental shift from a debtor in possession to a creditor in control model is perhaps one of the most impactful," Swaminathan said at a meet on stressed assets. "There is growing evidence to suggest that debtors are avoiding defaults due to a credible threat of loss of control of their businesses," Swaminathan said.

Source: The Telegraph

Read Full news at: <https://www.telegraphindia.com/business/rbi-wants-debt-resolution-revision-for-corporates-under-insolvency-and-bankruptcy-code-reforms/cid/1994518>

➤ **Indian Bank files case against Mumbai Metro in bankruptcy court**

State-run lender Indian Bank has taken legal action by approaching the insolvency court against Mumbai Metro One Private Limited (MMOPL) due to defaults on its loans. The bank has initiated proceedings under section 7 of the Insolvency and Bankruptcy Code (IBC) against MMOPL. This specific section allows a creditor to file an application to start a corporate insolvency resolution process (CIRP) against a corporate debtor in instances of loan default or financial distress.

MMOPL is a joint venture of Anil Ambani-owned Reliance Infrastructure Ltd and Mumbai Metropolitan Regional Development Authority (MMRDA). Earlier, IDBI Bank and the State Bank of India (SBI) had dragged Mumbai Metro to the insolvency court.

Source: Money Control

Read Full news: <https://www.moneycontrol.com/news/business/indian-bank-files-case-against-mumbai-metro-in-bankruptcy-court-12065961.html>

➤ **NCLAT sets aside notice against lenders over liquidation without bids**

The National Company Law Appellate Tribunal (NCLAT) on Wednesday set aside an order of the NCLT, which had issued a show cause notice for recommending liquidation of realty firm SARE Realty Projects, without exploring the possibility of finding a buyer.

The appellate tribunal said there is an "error in the approach" of the National Company Law Tribunal (NCLT) for taking a decision regarding the liquidation of a corporate debtor (CD) and the lenders have to complete all the steps regarding resolution.

Source: Business Standard

Read Full news: https://www.business-standard.com/companies/news/nclat-sets-aside-notice-against-lenders-over-liquidation-without-bids-124011700879_1.html

