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LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

"Not all of us can do great things. But we can do small things with great love."

➤ **Insolvency regulator proposes uniform valuation format for bankrupt firms**

The insolvency regulator on Wednesday proposed to introduce uniform format and documentation requirements for the valuation of stressed companies undergoing bankruptcy resolution, seeking to mandate a scientific approach and reduce the scope for arbitrary valuations.

In a discussion paper, the Insolvency and Bankruptcy Board of India (IBBI) said the draft guidelines "are intended to promote consistency, transparency, and standardisation in valuations".

"The objective is to ensure that valuation reports are comprehensive, supported by adequate documentation, and prepared through a structured and well-reasoned assessment of the assets of the corporate debtor," the regulator said.

One part of the draft guidelines sets out the general requirements, including documentation that would be maintained by the registered valuer, minimum content in the valuation report and key parameters considered while valuing receivables of stressed firms. Another part contains the asset-specific formats for the valuation report. In the valuation report, the registered valuer has to clearly mention the basis of value adopted, the valuation standards and approaches followed, and any conflict of interest, among other details.

Source: Economic Times

Read Full news: [Insolvency regulator proposes uniform valuation format for bankrupt firms - The Economic Times](#)

➤ **NCLAT Fines Prospective Resolution Applicant Rs 15 Lakh For Obstructing Insolvency Process, Turning It Into A "Tom & Jerry Show"**

The National Company Law Appellate Tribunal (NCLAT) at New Delhi on Tuesday imposed a cost of Rs. 15 lakh on Astral Agro Ventures, a Prospective Resolution Applicant (PRA), for obstructing the Corporate Insolvency Resolution Process (CIRP) of Megi Agro Chem Ltd.

The tribunal observed that the insolvency resolution process “cannot be reduced to a Tom & Jerry show” where a PRA, who doesn't have any right to challenge continuously seeks extensions only to derail the resolution.

The tribunal described the appellant's conduct as “pretentious” and “loaded with well-concealed chicanery. A bench of Judicial Member **Justice N Seshasayee** and Technical Member **Arun Baroka** noted, “*When on facts locus standi of the appellant is reduced to procedural irrelevance due to its failure to submit a resolution plan within the time stipulated, it does create considerable uneasiness in accommodating it to object to CoC's approval of the resolution plan. Its voice does not merit consideration.*”

Source: Live Law

Read Full news: [NCLAT Fines Prospective Resolution Applicant Rs 15 Lakh For Obstructing Insolvency Process, Turning It Into A “Tom & Jerry Show”](#)

➤ **Mumbai News: NCLT Admits Canara Bank Insolvency Plea Against KTPL Over ₹330.40 Crore Default, Orders CIRP Initiation**

Mumbai, Nov 19: The National Company Law Tribunal (NCLT) has admitted an insolvency petition filed by Canara Bank against Karanja Terminal & Logistics Private Limited (KTPL), thereby commencing the Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy Code (IBC), 2016. The tribunal has thus appointed Vijay Pitambar Lulla, an Insolvency Professional, in the case.

Tribunal Confirms Default Above Statutory Threshold

The commission, in its order, held, “In view of the foregoing findings, analysis and discussions, we conclude that the Corporate Debtor (KTPL) has committed a default in repaying the financial debt to the Financial Creditor (Canara Bank) for a sum well beyond rupees one crore. Thus, the present petition satisfies the minimum threshold of default of INR 1 crore prescribed u/s 4 of the Code for initiating the CIRP of the Corporate Debtor. It is trite to say that the Adjudicating Authority need not ascertain the exact amount of default committed by the Corporate Debtor for the purpose of admitting the application u/s 7 of the Code, as the same is the duty of the IRP/RP while verifying and collating the claim of the Applicant during the course of the CIRP of the Corporate Debtor.”

Source: Free Press Journal

Read Full news: [Mumbai News: NCLT Admits Canara Bank Insolvency Plea Against KTPL Over ₹330.40 Crore Default, Orders CIRP Initiation](#)



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