



INSOLVENCY PROFESSIONAL AGENCY  
OF INSTITUTE OF COST ACCOUNTANTS OF INDIA



# IBC AU-COURANT

LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

*"Once you face your fear, nothing is ever as hard as you think."*

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## ➤ IBBI moots new measures to increase efficiency of insolvency professional entity as an IP

Insolvency regulator Insolvency and Bankruptcy Board of India (IBBI) has proposed a slew of measures to enhance the effectiveness of Insolvency Professional Entities (IPEs) in the Insolvency Resolution Process. The proposals outlined in a new discussion paper are aimed at rationalising the framework of IPEs commensurate to achieve the expected outcomes of their expanded role as Insolvency Professionals (IPs).

The discussion paper covers four main issues — monitoring of IPE acting as IP; related party definition for an IPE acting as IP; restriction on number of assignments by an IP and minimum fee structure of an IPE acting as IP. The public comments on the discussion paper have to be sent in by November 11, IBBI has said.

The proposals in the discussion paper are expected to provide clarity and flexibility to the IPEs to perform their functions within the purview of regulatory framework. As of September 30, there are 113 active recognised IPEs. Of these 64 entities have also been registered as IPs.

The discussion paper provides that for an IP who is an individual, overall limit of 10 assignments at any point of time would be applicable, out of which not more than three can have admitted claims exceeding ₹ 1,000 crore each.

**Source :** *The Hindu Business Line*

**Read Full news at:** <https://www.thehindubusinessline.com/economy/ibbi-moots-new-measures-to-increase-efficiency-of-insolvency-professional-entity-as-an-ip/article67454727.ece>

## ➤ **Insolvency and Bankruptcy Code prevails over Electricity Act**

The Supreme Court (SC) recently held that the provisions of the Insolvency and Bankruptcy Code, 2016 (IBC) override those of the Electricity Act, 2003 (act) so far as they relate to the recovery of electricity debts.

In Paschimanchal Vidyut Vitran Nigam Limited v Raman Ispat Private Limited and Ors, the distribution company (PVVNL) obtained an order, as provided by the power purchase agreement (PPA), for the attachment of the properties of Raman Ispat Private Limited (Raman). This followed the failure of Raman to discharge its debts relating to the supply of electricity under the PPA.

**Source :Law Asia**

**Read Full news at:** <https://law.asia/ibc-over-electricity-act/>

## ➤ **NCLAT dismisses plea to initiate insolvency proceedings against Inox Wind**

The National Company Law Appellate Tribunal (NCLAT) has dismissed the plea to initiate insolvency proceedings against Inox Wind by an operational creditor of the company.

A three-member bench of the insolvency appellate tribunal also upheld the orders of the Chandigarh Bench of the National Company Law Tribunal (NCLT), which on May 22, 2023, rejected the plea of GRI Towers India. While dismissing the plea, the NCLAT again said that the Insolvency & Bankruptcy Code (IBC) are "not proceedings for recovery of contractual dues".

The bench said it was apparent from the facts of the present case the operational creditor has initiated proceedings for recovery of its contractual dues arising out of a contract between the parties.

**Source: Business Standard**

**Read Full news at:** [https://www.business-standard.com/companies/interviews/nclat-dismisses-plea-to-initiate-insolvency-proceedings-against-inox-wind-123102301059\\_1.htm](https://www.business-standard.com/companies/interviews/nclat-dismisses-plea-to-initiate-insolvency-proceedings-against-inox-wind-123102301059_1.htm)

