



INSOLVENCY PROFESSIONAL AGENCY
OF INSTITUTE OF COST ACCOUNTANTS OF INDIA



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LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

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➤ **IBBI boosts liquidation process with stakeholder engagement**

Insolvency regulator IBBI has mandated the involvement of Stakeholders' Consultation Committee (SCC) during the preparation of preliminary report in liquidation.

Liquidators should seek suggestions/observations of the members of the SCC while preparing the preliminary report, the IBBI said in a circular. They should finalise the preliminary report only after considering such suggestions/observations of the members of the SCC and thereafter submit it to the Adjudicating Authority (AA), Board and members of SCC, it added.

Simultaneously, Insolvency and Bankruptcy Board of India (IBBI) has also mandated that liquidator must share progress reports on the liquidation with the SCC. Currently, regulations provide that liquidator would have to submit progress reports, to the AA, IBBI and the Board within 15 days after the end of every quarter.

Source: *The Hindu Business Line*

Read Full news: <https://www.thehindubusinessline.com/economy/ibbi-boosts-liquidation-process-with-stakeholder-engagement/article67885208.ece>

➤ **Go First Receives Two Financial Bids Amid Bankruptcy Proceedings**

Two financial bids have reportedly been submitted to India's Go First airline as part of its bankruptcy proceedings, according to a report by the news agency Reuters quoting two bankers present at a creditors' meeting held on Friday. SpiceJet's managing director, Ajay Singh, and Busy Bee Airways jointly put forward a bid of 16 billion rupees (\$193.10 million) for the airline, as per the report.

"The plan includes additional fund infusion to restart the airline's operations," Reuters quoted a banker saying.

"Our bid for launching the airline remains confidential, guarded by the Committee of Creditors (CoC) until a successful bidder is announced," stated Nishant Pitti, the majority shareholder of Busy Bee Airways.

Additionally, the airline has received a financial bid from Sharjah-based Sky One Airways, which is lower than the competing bid, according to the report. In addition, the due diligence on the bids is expected to be completed next month.

Source: ABP Live

Read Full news : <https://news.abplive.com/business/go-first-receives-two-financial-bids-amid-bankruptcy-proceedings-report-1667022>

➤ **Mediation Act to yield to IBC on debt resolution matters**

The government is likely to shift the process of mediation for debt resolution to the Insolvency and Bankruptcy Code (IBC) so that negotiations between creditors and defaulting businesses are exclusively determined by bespoke provisions of the IBC, two people informed about the development said.

These matters currently fall under the purview of the Mediation Act of 2023. For the IBC to cover the process, however, it will have to be tweaked. The ministry of corporate affairs is likely to propose to the law ministry to notify the IBC that the debt mediation process will not to be covered under the purview of the Mediation Act.

Source: Mint

Read Full news : <https://www.livemint.com/economy/mediation-act-to-yield-to-ibc-on-debt-resolution-matters-11708707158653.html>

