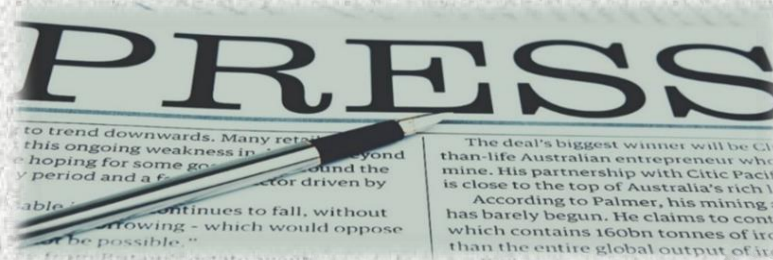


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# IBC AU COURANT

Insolvency Professional Agency of Institute of Cost Accountants of India



**"Knowledge is being aware of what you can do.  
Wisdom is knowing when not to do it."**

**Updates on Insolvency and Bankruptcy Code**

## **Supreme Court refuses to restrain DHFL from disbursing loans**

In a big setback to deposit holders, the Supreme Court on Friday refused to restrain embattled Dewan Housing Finance Corporation (DHFL) from disbursing loans to the tune of `500 crore per month, as decided by its committee of creditors in its meet in December last year.

A Bench led by Justice LN Rao rejected the depositors' plea seeking to restrain DHFL from commencing its lending operations till their matured deposits were paid. It said it was not inclined to interfere with the decision of the CoC, which had on December 30 resolved that the interests of depositors would be taken into account in accordance with the IBC provisions. The CoC had also allowed the corporate debtor to commence disbursement of loans to the tune of Rs 500 crore per month.

**Source: Financial Express**

**Please find the full news at:**

<https://www.financialexpress.com/industry/supreme-court-refuses-to-restrain-dhfl-from-disbursing-loans/1842414/>

## **Come April, small firms could be shut without NCLT nod**

Small firms such as those with paid-up capital of up to Rs 1 crore can soon be wound up without the approval of the National Company Law Tribunal (NCLT) as the government has amended norms for the procedure. The new rules for winding up of small firms will be effective April 1, 2020. Through this move, the Ministry of Corporate Affairs (MCA) not only intends to reduce the burden on NCLT but also make the norms simplified.



Till the advent of the Insolvency and Bankruptcy Code, 2016, (IBC), winding up a company was under the purview of Companies Act, 1956, and later Companies Act, 2013. At present, a firm can be wound up either under the Insolvency and Bankruptcy Code (IBC) or under the Companies Act. However, winding up under the Companies Act is possible only for reasons other than inability to pay off debts. There are more than 9.18 lakh companies (till FY15), which have a paid-up capital of up to Rs 1 crore. Of this majority have a paid-up capital of up to Rs 5 lakh.

**Source: Financial Express**

**Please find the full news at:**

<https://www.financialexpress.com/industry/come-april-small-firms-could-be-shut-without-nclt-nod/1840813/>

### **NCLT orders insolvency proceedings against Dalmia Cement arm**

The Guwahati Bench of the National Company Law Tribunal (NCLT) has given its approval to start insolvency proceedings against Calcom Cement India, a subsidiary of Dalmia Cement (Bharat), admitting an insolvency petition filed by Mauritius-based GuarantCo. Dalmia Cement said it would move the National Company Law Appellate Tribunal (NCLAT) against this judgment.

GuarantCo, a financial creditor to Calcom Cement, had filed the insolvency petition last year at the NCLT against the company under Section 7 of the Insolvency and Bankruptcy Code. According to the petition, there was a total “default” of around Rs 100 crore by the cement manufacturing firm as on September last year. The petition filed by the financial creditor under Section 7 of the Insolvency & Bankruptcy Code, 2016 is hereby admitted for initiating the Corporate Insolvency Resolution Process in respect of Calcom Cement India,” Justice Hari Venkata Subba Rao of the NCLT said while pronouncing the order on January 29.

**Source: Financial Express**

**Please find the full news at:**

<https://www.financialexpress.com/industry/nclt-orders-insolvency-proceedings-against-dalmia-cement-arm/1840678/>



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