

IBC AU COURANT

Insolvency Professional Agency of Institute of Cost Accountants of India



PRESS

"Success is what happens after you have survived all of your disappointments."

Updates on Insolvency and Bankruptcy Code

➤ **IBC: Why ineligibility norms concerning defaulting promoters should be relooked for MSMEs**

The recent discussion paper dated November 3, 2019, released by the Insolvency and Bankruptcy Board of India (IBBI), on the Corporate Liquidation Process (Discussion Paper), seems to have yet again set into motion the unceasing debate concerning ineligibility of the defaulting promoters from indirectly gaining control over the corporate debtor. As understood, the ineligibility norms set out under Section 29A of the Insolvency and Bankruptcy Code, 2016 (IBC) are applicable not only during the Corporate Insolvency Resolution Process (CIRP) but made extended to disposing of assets/properties of the corporate debtor during the liquidation stage as codified under Section 35(1)(f) of the IBC.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/industry/sme/cafe-sme/msme-other-ibc-why-ineligibility-norms-concerning-defaulting-promoters-should-be-relooked-for-msmes/1760077/>

➤ **NCLT directs to initiate insolvency proceedings against AVP Buildtech**

The National Company Law Tribunal (NCLT) has directed to initiate insolvency proceedings against Delhi-based real estate firm AVP Buildtech Ltd by admitting a plea of a flat buyer claiming refund. A two-member NCLT bench has appointed an interim resolution professional (IRP) to run the affairs of the company and also declared moratorium, prohibiting the lenders from recovering any amount during this period.

"We are of the considered view that the financial creditor has succeeded in establishing a case of triggering the corporate insolvency resolution process," said the NCLT. It has also directed the ex-management/auditors of the realty firm to provide all the documents in their possession and furnish "every information in their knowledge" as required by the IRP "within a period of one week otherwise coercive steps would follow". The tribunal order came over a petition by a flat buyer, who had purchased a flat in AVS Orchard being developed by the realty firm in Sector 77 of Noida.

Source: Economic Times

Please find the full news at:

<https://economictimes.indiatimes.com/industry/services/property/-/cstruction/nclt-directs-to-initiate-insolvency-proceedings-against-avp-buildtech/articleshow/71991356.cms>

➤ **Aviva Life faces IBC trial over 'not paying landlord'**

Aviva Life Insurance has become the first financial company to be admitted into Insolvency and Bankruptcy Code (IBC) proceedings after the National Company Law Tribunal (NCLT) upheld a landlord's claim accusing the insurer of failing to meet its payment obligations and ordered the commencement of the company's insolvency process, court documents seen by ET reveal. "Considering the circumstances, this tribunal is inclined to admit this petition and initiate CIRP of the corporate debtor.

The life insurer, which is a 51:49 JV between the Burman family that controls consumer goods maker Dabur and Britain's Aviva Plc, has denied owing money to the landlord, Kolkata-based Apeejay Group, whose premises in Mumbai the company has been occupying for over a decade.

Source: Economic Times

Please find the full news at:

<https://economictimes.indiatimes.com/industry/banking/finance/insure/aviva-life-faces-ibc-trial-over-not-paying-landlord/articleshow/72000087.cms>



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