

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

➤ BPSL lenders seek NCLAT order for JSW Steel to execute resolution plan without delay

Lenders to Bhushan Power and Steel (BPSL) have urged the National Company Law Appellate Tribunal (NCLAT) to direct the bankrupt firm’s highest bidder JSW Steel to implement the corporate insolvency resolution plan (CIRP) without further delay. JSW Steel has offered to pay Rs 19,350 crore to financial creditors and Rs 350 crore to operational creditors in its bid that was approved by the National Company Law Tribunal (NCLT) on September 5.

Banks and financial institutions also want JSW Steel to pay a minimum 8.25% interest on their Rs 19,350 crore due from October 4 — one month from the date JSW Steel’s plan was approved — till the plan is implemented. They have also claimed their share of the profits earned by BPSL during the CIRP period that started on July 26, 2017.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/industry/bpsl-lenders-seek-nclat-order-for-jsw-steel-to-execute-resolution-plan-without-delay/1733475/>

➤ Govt against attachment of insolvent firm’s assets once CIRP is completed

The Ministry of Corporate Affairs (MCA) is of the view that once the corporate insolvency resolution process (CIRP) is completed against an insolvent firm, there cannot be any attachment or confiscation of its assets by enforcement agencies.

Replying to a notice issued to it by the National Company Law Appellate Tribunal (NCLAT), which is hearing an application moved by JSW Steel seeking immunity from attachment of any asset of Bhushan Power and Steel (BPSL) post takeover, the MCA said the provision of the Insolvency and Bankruptcy Code (Amendment) Act, 2019 makes it amply clear that a resolution plan is binding on the central government and all statutory authorities.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/economy/govt-against-attachment-of-insolvent-firms-assets-once-cirp-is-completed/1734586/>

➤ How to make IBC fool-proof: Govt crowd sourcing for ideas as delays hit insolvency resolutions

The insolvency regulator is undertaking a massive drive to “crowd-source” ideas to bolster the evolving architecture of insolvency rules and regulations. The move comes at a time when most high-profile cases, including Essar Steel and Bhushan Power and Steel, are still mired in litigation, threatening to derail the time-bound resolution process that the Insolvency and Bankruptcy Code (IBC) seeks to ensure.

The Insolvency and Bankruptcy Board of India (IBBI) held consultations with valuers last Monday, followed by one with close to a dozen of key companies (resolution applicants) on Friday, sources told FE. Over the last weekend, it organised four programmes with senior income tax officials in Mumbai, Kolkata, Bengaluru and Ahmedabad and discussed in detail various contours of the insolvency law.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/economy/ibc-delays-ibbi-goes-to-town-to-bolster-insolvency-norms/1734536/>



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