

IBC AU COURANT

Insolvency Professional Agency of Institute of Cost Accountants of India

PRESS

to trend downwards. Many retailers beyond this ongoing weakness in demand, hoping for some good news in the coming period and a further recovery driven by a...
able... continues to fall, without...
rowing - which would oppose...
be possible."

The deal's biggest winner will be Cl...
than-life Australian entrepreneur who...
mine. His partnership with Citic Pacific...
is close to the top of Australia's rich...
According to Palmer, his mining a...
has barely begun. He claims to contr...
which contains 160bn tonnes of iron...
than the entire global output of iron...

"The secret of success is to do the common things uncommonly well."

Updates on Insolvency and Bankruptcy Code

➤ Companies pay up Rs 1.1 lakh crore for fear of insolvency action

Banks are seen to be the biggest beneficiaries of the Insolvency and Bankruptcy Code (IBC), enacted to bring rogue borrowers to book. The fear of insolvency action has helped creditors, led by banks, recover Rs 1.1 lakh crore from loan defaulters - who were earlier unwilling to clear dues, with promoters of errant companies paying up to avoid losing control.

Source: *Times of India*

Please find the full news at:

<https://timesofindia.indiatimes.com/business/india-business/companies-pay-up-rs-1-1-lakh-crore-for-fear-of-insolvency-action/articleshow/66021236.cms>

➤ Fraud cases under IBC cross Rs 40,000 crore

Resolution professionals handling various corporate insolvency resolution programmes under the insolvency and bankruptcy framework have reported a large number of fraudulent transactions. These transactions, reported in over 110 companies under resolution, are worth over Rs 40,000 crore. The numbers showed that frauds, which include siphoning of funds, transactions with related parties and fictitious persons, were widespread in cases that have been referred to the NCLTs across the country.

Source: *Economic Times*

Please find the full news at:

<https://economictimes.indiatimes.com/news/economy/finance/fraud-cases-under-ibc-cross-rs-40000-crore/articleshow/66015840.cms>

➤ **Experts hope 50% recovery under bankruptcy code**

Insolvency professionals (IP) believe that India Inc will be able to recover more than 50% of its dues under the Insolvency and Bankruptcy Code (IBC) in the near future. IPs feel that recoveries will rise in the coming months as price discovery of stressed assets improve with more than one buyer entering the fray for purchasing these. The most important parameter on which the recovery rate of debt to the financial creditors depends is the value of the assets of the defaulter company in question.

Source: Economic Times

Please find the full news at:

<https://economictimes.indiatimes.com/news/economy/policy/experts-hope-50-recovery-under-bankruptcy-code/articleshow/66004578.cms>

➤ **Insolvency and Bankruptcy Code: Has IBC been effective in safeguarding the rights of buyers?**

The interest of home buyers continues to remain in jeopardy as many real estate developers who have collected money from the flat owners have not utilized the same for construction of building, resulting in stalled projects. The balance amount of money required to complete the under construction property is substantially higher compared to the balance money receivable/ value of unsold inventory. IBC can only hasten the resolution process but can never take away the pain of all those who are impacted due to the builder's insolvency or inability to meet the commitments. It is very unlikely that the home buyers will get any significant recovery from the sale of the uncompleted projects either.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/money/insolvency-and-bankruptcy-code-has-ibc-been-effective-in-safeguarding-the-rights-of-buyers/1331719/>

