

IBC AU COURANT

Insolvency Professional Agency of Institute of Cost Accountants of India



"A wise man adapts himself to circumstances, as water shapes itself to the vessel that contains it."

Updates on Insolvency and Bankruptcy Code

➤ Liquidation under insolvency and bankruptcy code a long and tedious journey

The law on liquidation is at a nascent stage, procedures need to be smoothed further as almost two years since IBC came into force, the first firms that faced liquidation such as UB Engineering and Innoventive Industries have not been dissolved. One major issue for delays in liquidation is the attachment of assets by the enforcement directorate (ED), service tax, income tax agency or other probe agencies and statutory authorities for past investigations.

Source: Livemint

Please find the full news at:

<https://www.livemint.com/Companies/yVhg4tc7HKlr8e2njqN4K/Liquidation-under-insolvency-and-bankruptcy-code-a-long-and.html>

➤ [Insolvency law: Government mulls easing related-party rule](#)

The government is considering relaxing the 'related party' criterion under the Insolvency and Bankruptcy Code (IBC) to make it less restrictive and give conditional approval to certain relatives of defaulting promoters to bid for stressed assets as through changes in section 29A of the IBC people related to defaulters by blood or other familial relationships could be declared only "deemed to be related". Some analysts have said the scope of the definition is too broad to disqualify many people unless more clarity is brought in.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/industry/insolvency-law-government-mulls-easing-related-party-rule/1425895/>

➤ [Section 74 of insolvency code needed, but can deter bidders: Experts](#)

Section 74 of the Insolvency and Bankruptcy Code (IBC), details provisions for punishment of company officials who breach the moratorium or terms of the resolution plan approved by the committee of creditors as well as the adjudicating authority. While some experts say that invoking the Section is necessary to retain the seriousness of the corporate insolvency resolution process, others believe such stringent measures could deter bidders.

Source: Business-Standard

Please find the full news at:

https://www.business-standard.com/article/companies/section-74-of-insolvency-code-needed-but-can-deter-bidders-experts-118122600555_1.html?q=section+74+of+insolvency+code+needed+but+can+deter+bidders+experts

➤ [On bailout path: NCLT clears Bhagwati Power resolution plan for Adhunik](#)

The Kolkata bench of the National Company Law Tribunal (NCLT) has approved Bhagwati Power and Steel's (BPSL) resolution plan for debt-ridden Adhunik Alloys and Power under Section 31(1). The insolvency petition was filed by State Bank of India (SBI) against Adhunik Alloys under Section 7 of the Insolvency and Bankruptcy Code (IBC) on August 23, 2017.

Source: FinancialExpress

Please find the full news at:

<https://www.financialexpress.com/industry/on-bailout-path-nclt-clears-bhagwati-power-resolution-plan-for-adhunik/1425868/lite/#referrer=https://www.google.com& tf=From%20%251%24s>

