

IBC AU COURANT

Insolvency Professional Agency of Institute of Cost Accountants of India



"It is not the strongest or the most intelligent who will survive but those who can best manage change." --Charles Darwin

Updates on Insolvency and Bankruptcy Code

➤ 'Sashakt' plan for resolution of stressed assets active for pre-IBC process

The 'Sashakt' plan for resolution of stressed assets outside the insolvency courts has been made operational after months of delay. The move is expected to help in resolution of over 1,000 assets worth Rs 3 trillion. In October, the IBA had circulated the final operating guidelines for the bank-led resolution process and had received approval from several lenders.

Source: Business- Standard

Please find the full news at:

https://www.business-standard.com/article/companies/sashakt-plan-for-resolution-of-stressed-assets-active-for-pre-ibc-process-118122701035_1.html

➤ Jaypee Infratech: Lenders, home buyers approve evaluation criteria for bankruptcy process

Lenders and home buyers of debt-ridden Jaypee Infratech has approved evaluation criteria to be adopted to select a bidder for taking over the bankruptcy-bound realty firm. State-owned NBCC, Kotak Investment, Singapore-based Cube Highways and Suraksha group have been shortlisted as bidders for debt-laden Jaypee Infratech.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/industry/jaypee-infratech-lenders-home-buyers-approve-evaluation-criteria-for-bankruptcy-process/1426821/>

➤ Creditors plan criminal action against Reid & Taylor promoter Nitin Kasliwal

Promoters of Reid & Taylor India Ltd (RTIL) have diverted Rs 3,580 crore to unknown entities which could not be traced, according to a draft forensic report that KPMG submitted to the lenders on December 18. Creditors are now planning to take criminal action against the promoter Nitin Kasliwal under Section 66 of Insolvency and Bankruptcy Code 2016. The Resolution Professional (RP) is going to file a case of fraud with National Company Law Tribunal (NCLT) in the next few days.

Source: Dnaindia

Please find the full news at:

<https://www.dnaindia.com/business/report-creditors-plan-criminal-action-against-reid-taylor-promoter-nitin-kasliwal-2701145>

➤ Personal Guarantor Has No Right Against Corporate Debtor

In the case of Lalit Mishra & Ors V. Sharon Bio Medicine Ltd. & Ors the NCLAT held that the restructuring of the financial debt as a part of the 'Resolution Plan' approved by the NCLT does not envisage complete discharge of the liability of personal guarantors of the 'Corporate Debtor'. The liability of the guarantors is co-extensive with the borrower and the IB Code is not a recovery suit. Therefore any right available to the surety under the Law of Contract will not be applicable in the case of an approved resolution plan. Therefore the NCLAT held that the personal guarantor's cannot claim to be discriminated in a resolution plan under the IB Code.

Source: Mondaq

Please find the full news at:

<http://www.mondaq.com/india/x/767846/Insolvency+Bankruptcy/Personal+Guarantor+Has+No+Right+Against+Corporate+Debtor>

