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IBC AU COURANT

Insolvency Professional Agency of Institute of Cost Accountants of India



"The difference between a stumbling block and a stepping stone is how high you raise your foot."

Updates on Insolvency and Bankruptcy Code

Dhanuka resolution plan gets rolling; Orchid Pharma lenders to get 32% recovery

The monitoring committee attached to the insolvency resolution process of Chennai-based Orchid Pharma has implemented the approved resolution plan by Gurgaon-based Dhanuka Laboratories, which would fetch the secured lenders close to 32.3% recovery of their dues. Besides, the lenders will also receive around 4,08,164 equity shares of Orchid Pharma, at an issue price of Rs 10 each for part of their debt.

According to a regulatory filing by Orchid Pharma on Tuesday, the paid-up equity share capital of the company has been reduced from Rs 88.96 crore to Rs 40.81 crore, with cancellation of 88.56 million equity shares of Rs 10 each.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/industry/dhanuka-resolution-plan-gets-rolling-orchid-pharma-lenders-to-get-32-recovery/1915288/>

Covid-19 puts question mark on IBC process

As uncertainty looms over corporate India in the wake of the Covid-19 outbreak, several companies under the bankruptcy resolution process may see potential buyers pulling out, said four people involved in such negotiations.

There is a worry that large cases like IL&FS, Dewan Housing Finance, Jaypee Infra, Bhushan Power & Steel, Alok Industries and Reliance Communication may now take longer to execute resolution plans. Many potential buyers have reached out to the resolution professionals managing companies under bankruptcy, seeking more time to take decisions. Buyers have adopted a wait-and-watch approach even in cases where the deals were in the final stages or bids submitted, as the Covid-19 crisis has put a question mark on valuations and viability of businesses.

Source: Economic Times

Please find the full news at:

<https://economictimes.indiatimes.com/news/company/corporate-trends/covid-19-puts-question-mark-on-ibc-process/articleshow/74923874.cms>

ICABA writes to Supreme Court seeking expansion of its limitation order to timelines prescribed under Arbitration Act, IBC, NI Act

The Indian Commercial and Arbitration Bar Association (ICABA) has addressed a letter to the Supreme Court seeking expansion of its order passed in the wake of the Coronavirus lockdown, by which it had extended the limitation period for cases pending in all courts and tribunals.

According to ICABA, while the order dated March 23 has extended the period of limitation prescribed under both general and special law, it does not encompass and deal with situations where certain proceedings abate/terminate on account of non-adherence to timelines prescribed by certain statutes or those that provide for adverse consequences to follow on the expiry of time periods prescribed therein.

Source: Bar and Bench

Please find the full news at:

<https://www.barandbench.com/news/icaba-writes-to-supreme-court-seeking-expansion-of-its-limitation-order-to-timelines-prescribed-under-arbitration-act-ibc-ni-act>



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