

IBC AU COURANT

Insolvency Professional Agency of Institute of Cost Accountants of India



“The way to get started is to quit talking and begin doing”

Updates on Insolvency and Bankruptcy Code

Integrity of insolvency processes: A tough ask

Five years of India’s IBC have shown that it’s an imperfect handler of business bankruptcy, but we’ll need broader changes than IBBI’s new proposals to protect it from gaming efforts. The IBBI has put two discussion papers out for stakeholder feedback—on strengthening our framework for liquidation, and on issues related to the corporate insolvency resolution process (such as whether the committee of creditors, or CoC, should have a code of conduct). Our Insolvency and Bankruptcy Code (IBC), instituted in 2016 as a big reform, is in cross-hairs today for a host of reasons.

Source: Mint

Please find the full news at:

<https://www.livemint.com/opinion/online-views/integrity-of-insolvency-processes-a-tough-ask-11630524622687.html>

Real regulation: Need to plug the gaps in the RERA regime

A clutch of court judgments have left the legislation playing the second fiddle in the real estate sector, and there are weaknesses in the Act itself. The SC recently ruled that, in case of conflict with the Insolvency and Bankruptcy Code (IBC), the insolvency law will prevail over RERA, meaning RERAs will be merely one of the regulatory authorities in the real-estate space, not the sole or binding one. The Supreme Court struck one for homebuyers’ rights in upholding the Allahabad High Court’s 2014 order to demolish two apartment “towers” violating construction by-laws in a housing project in Noida.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/opinion/real-regulation-need-to-plug-the-gaps-in-the-rera-regime/2322218/>

Why controlling CoC conduct could be a challenging task for IBBI

While the Insolvency and Bankruptcy Board of India (IBBI) has proposed a code of conduct for the committee of creditors (CoC), industry experts feel the move is not required since most entities under CoC are well regulated already. Such a code could lead to litigation which may affect the decision-making ability of the committee, experts have cautioned. Last week, the insolvency regulator invited suggestions on its discussion paper suggesting a code of conduct for CoC whose actions sometimes, as IBBI puts it, have been detrimental to objectives of the Code.

Source: Business Standard

Please find the full news at:

https://www.business-standard.com/article/economy-policy/why-controlling-coc-conduct-could-be-a-challenging-task-for-ibbi-121090101104_1.html

Lenders panel to hire an independent consultant to negotiate a deal with RNaval bidders

Operational creditors have claimed another ₹1,922 crore from the company, of which only ₹485 crore has so far been admitted. The admitted debt by the resolution professional and approved by the committee of creditors is ₹12,000 crore. The liquidation value for the shipyard has been set at ₹1,800 crore while fair value has been pegged at ₹2,500 crore. The resolution plan of Hazel Mercantile of ₹730 crore was about 6 per cent of the admitted debt while Naveen Jindal Group's offer of ₹320 crore translates into a haircut of 97 per cent of the admitted debt.

Source: The Hindu Business Line

Please find the full news at:

<https://www.thehindubusinessline.com/companies/lenders-panel-to-hire-an-independent-consultant-to-negotiate-a-deal-with-rnaval-bidders/article36229366.ece>



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