

# IBC AU-COURANT

*Insolvency Professional Agency of Institute of Cost Accountants of India*



**“Cheers to a new year and another chance for us to get it right”**

## **Updates on Insolvency and Bankruptcy Code**

### ➤ **To handle insolvency in financial companies, modified FRDI Bill up for discussions**

The government has started discussions to put in place a resolution mechanism to deal with insolvency of firms in the financial sector. A modified version of the Financial Resolution and Deposit Insurance (FRDI) Bill—which was withdrawn in 2018 due to its controversial provision of bail-in that was perceived as undermining safety of depositors is being contemplated. The Finance Ministry has recently sought views of the Reserve Bank of India (RBI) on drafting the fresh to depositors, sources familiar with the discussions said.

**Source: The Indian Express**

**Read Full news at:**

<https://indianexpress.com/article/business/banking-and-finance/modified-frdi-bill-up-for-discussions-7702781/>

### ➤ **Applying the insolvency code to the power distribution sector**

Recently, the Union ministry of power has asserted that State-owned power distribution companies (discoms) come under the ambit of the Insolvency and Bankruptcy Code (IBC). The ministry believes that if such an entity were to default on its payments, it can be admitted to the Corporate Insolvency Resolution Process under the Code. However, the resolution of these discoms raises many complex issues.

**Source: Hindustan Times**

**Read Full news at:**

<https://www.hindustantimes.com/ht-insight/economy/applying-the-insolvency-code-to-the-power-distribution-sector-101641128199330.html>

➤ **COVID Spike: NCLT Benches To Function Through Virtual Mode From January 3 To January 31**

Taking note of the present spike of Covid-19 and its variant, the guidelines of the Government of India and the various States Governments, imposing certain restrictions, regulations etc, the National Company Law Tribunal (NCLT) has decided to revert to Virtual Mode of hearing from January 3, 2022, to January 31, 2022. An official order to this effect has been issued under the orders of the President, NCLT to direct all the NCLT Benches to take up the hearing by virtual mode during the abovementioned period.

**Source: Live Law**

**Read Full news at:**

<https://www.livelaw.in/news-updates/covid-spike-nclt-benches-function-virtual-mode-january-3-to-january31-188596>



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