

# IBC AU-COURANT

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



**"The best way to predict the future is to invent it"**

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

### ➤ **Think global, act local – Budget introduces cross-border insolvency and accelerates voluntary liquidation**

The theme for reforms in insolvency code is that of glocalization. Adoption of cross-border insolvency framework based on UNCITRAL model law is a welcome development. In today's world supply-chains stretch across geographies and assets can be move and dissipate across jurisdictions. Thus, access to foreign courts, recognition of proceedings therein, subsequent grant of relief to protect assets of debtor or interest of creditors, and communication and coordination between jurisdictions will help successfully resolve the cross-border cases.

**Source: The Economic Times**

**Read Full news at:**

<https://economictimes.indiatimes.com/news/economy/policy/think-global-act-local-budget-introduces-cross-border-insolvency-andaccelerates-voluntary-liquidation/articleshow/89268737.cms>

### ➤ **Application initiating CIRP must meet the threshold as mentioned in amended S.4 IBC, even though notice u/s 8 was issued prior to such amendment**

The High Court of Kerala in a Bench comprising of Justice T.R. Ravi in the case of M/s Tharakan Web Innovations Pvt. Ltd. v. National Company Law Tribunal & Ors. held that the litmus test is whether the default exists as defined in amended Section 4 of the Insolvency and Bankruptcy Code w.e.f. 24.3.2020, increasing the default amount from Rs. 1 Lakh to Rs. 1 Crore, on the date of the application, and not on the date when the notice was sent to the Corporate Debtor u/s 8 of the Code.

**Source: Live Law**

**Read Full news at:**

<https://www.livelaw.in/ibc-cases/insolvency-and-bankruptcy-code-article-226-of-the-constitution-ministry-of-corporate-affairs-190906>

➤ **Insolvency proceedings: SC asks banks' response on Future Retail's plea**

During a hearing today, the bench of Chief Justice of India NV Ramana and Justices AS Bopanna and Hima Kohli asked the lenders to file an affidavit. The court also posted the matter for hearing on Thursday. The Supreme Court today asked a consortium of banks to file an affidavit after Kishore Biyani-led Future Group Ltd (FRL) sought the quashing of their warnings against the company for starting insolvency proceedings against it.

**Source: Mint**

**Read Full news at:**

<https://www.livemint.com/companies/insolvency-proceedings-sc-asks-banks-response-on-future-retail-s-plea-1164370777639.html>



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