

IBC AU-COURANT

Insolvency Professional Agency of Institute of Cost Accountants of India



"Not how long, but how well you have lived is the main thing."

Updates on Insolvency and Bankruptcy Code

➤ **IBC Lessons: A bird in hand is worth two in the bush**

The plan by lenders State Bank of India and Union Bank of India to sell loans given to KSK Mahanadi Power is an example of the extent to which banks are willing to go to avoid the uncertainty of the Insolvency and Bankruptcy Code-driven resolution process. Both lenders have decided to offload their loans to asset reconstruction companies in the hope of getting 28-31% of their verified claim account just days before the deadline-December 22- is set for bidders to submit a binding offer for the distressed company.

Source: The Economic Times

Read Full news at:

<https://economictimes.indiatimes.com/markets/stocks/news/ibc-lessons-a-bird-in-hand-is-worth-two-in-the-bush/articleshow/88112920.cms>

➤ **NCLT reserves order on RBI's plea to commence insolvency against Reliance Capital**

Before that Ravi Kadam, senior advocate, appearing for the RBI informed the Mumbai bench of the National Company Law Tribunal (NCLT) that under the IBC, only the regulator has the power to initiate CIRP against financial services providers. "YES Bank was a subscriber to the Non-Convertible Debenture (NCDs) to the tune of Rs 987 crore, issued by the company on October 30, 2017. The default occur on the same after which all other events got triggered," argued counsel for RBI.

Source: The Economic Times

Read Full news at:

<https://economictimes.indiatimes.com/industry/banking/finance/nclt-reserves-order-on-rbis-plea-to-commence-insolvency-against-reliance-capital/articleshow/88119532.cms>

➤ **NCLT can't rely on residuary powers to allow withdrawal of resolution plan on plea of Successful Resolution Applicant**

Adjudicating Authority had no jurisdiction to rely on residuary powers of section 60(5)(c) to entertain application of Successful Resolution Applicants for withdrawal of resolution plan once resolution plan was approved by Committee of Creditors (CoC) and it was placed before Adjudicating Authority under section 31

Source: Taxmann

Read Full news at:

<https://www.taxmann.com/research/ibc/top-story/101010000000317183/nclt-cant-rely-on-residuary-powers-to-allow-withdrawal-of-resolution-plan-on-plea-of-successful-resolution-applicant-caselaws>



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