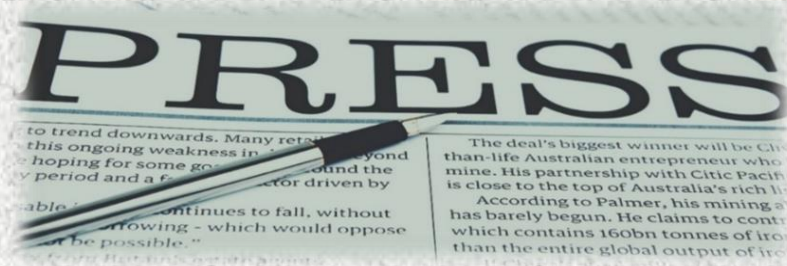


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IBC AU COURANT

Insolvency Professional Agency of Institute of Cost Accountants of India



“The greatest glory in living lies not in never falling, but in rising every time we fall”

Updates on Insolvency and Bankruptcy Code

IBC resolutions delayed, but still a blessing

The average time taken for completion of corporate insolvency — where corporates get rescued through a resolution plan — at 375 days may still be above the legally stipulated timeline of 330 days. However, this performance is noteworthy compared with the situation five years back where insolvency resolution took about 4.3 years on an average, say insolvency experts. This is a good outcome given that the Insolvency and Bankruptcy Code (IBC) is a nascent law and has brought positive results like improvement in the Ease of Doing Business ranking, they added

Source: The Hindu Business Line

Please find the full news at:

<https://www.thehindubusinessline.com/economy/ibc-resolutions-delayed-but-still-a-blessing/article35803502.ece>

Recoveries under IBC far better than Sarfaesi and DRT, says governor Das

Amid mounting criticism of low recoveries under the Insolvency and Bankruptcy Code (IBC), Reserve Bank of India governor Shaktikanta Das has said that the resolution mechanism is far better than what was seen under the Sarfaesi Act and debt recovery tribunals (DRT). Das said total recovery, after haircuts, under the Lok Adalat regime was about 5%; under the DRT framework, it was 6% between 2014-15 and 2019-20. While under the Sarfaesi framework, the recovery was 20%, under IBC it is 40%. “Till the onset of the pandemic, the recoveries were 45%. It is only during the pandemic here that recoveries have slightly come down,” said Das.

Source: Mint

Please find the full news at:

<https://www.livemint.com/news/india/recoveries-under-ibc-far-better-than-sarfaesi-and-drt-says-governor-das-11628306992942.html>

Insolvency plea against sugar unit admitted

The National Company Law Tribunal (NCLT) has admitted the insolvency petition against Tamil Nadu-based Dharani Sugars and Chemicals Ltd. The insolvency petition was filed by Bank of India for non-payment of dues totalling ₹28.24 crore. In its petition, Bank of India said the company had three integrated sugar plants with a combined crushing capacity of 10,000 tonnes a day, a co-generation plant with a capacity to generate 35 MW of power and a distillery with a capacity of 160 kilo litres a day.

Source: The Hindu

Please find the full news at:

<https://www.thehindu.com/news/national/tamil-nadu/insolvency-plea-against-sugar-unit-admitted/article35778445.ece>

NCLT admits tea producer McLeod Russel for bankruptcy proceedings

The bankruptcy proceedings were initiated by construction company Techno Electric and Engineering Company in 2019 over a default on interest payments towards a Rs 100- crore loan, according to a court order. The National Company Law Tribunal (NCLT) has admitted bankruptcy proceedings against tea producer, promoted by the Khaitan family of group.

Source: The Economic Times

Please find the full news at:

<https://m.economictimes.com/industry/banking/finance/banking/nclt-admits-tea-producer-mcleod-russel-for-bankruptcy-proceedings/articleshow/85121116.cms>



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