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IBC AU COURANT

Insolvency Professional Agency of Institute of Cost Accountants of India



"A goal is a dream with a deadline"

Updates on Insolvency and Bankruptcy Code

NCLAT upholds NCLT's Devas liquidation order

On a petition filed by Antrix Corporation, an entity dealing in commercial business of spectrum under the control of the Department of Space and Indian Space Research Organisation, the NCLT directed the initiation of the liquidation process for Devas Multimedia on account of fraudulent conduct. The National Company Law Appellate Tribunal (NCLAT) on Wednesday dismissed appeals filed by Devas Multimedia employees, representing shareholders and the ex-management, seeking to stay the May 25 order of the National Company Law Tribunal (NCLT), Bangalore, that directed initiation of the liquidation process for Devas Multimedia.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/industry/nclat-upholds-nclts-devas-liquidation-order/2326823/>

NCLT admits TVS Automobile plea against KPN to recover ₹5.27- cr dues

The National Company Law Tribunal (NCLT) on Tuesday admitted an application filed by TVS Automobile Solutions Pvt Ltd against Salem-based KPN Travels, a well-known travels operator in Tamil Nadu, to recover dues of ₹5.27 crore for supply of various products between August 2017 and December 2019. The application sought to initiate the Corporate Insolvency Resolution Process (CIRP) against KPN; declare moratorium and appoint Interim Resolution Professional. The order by R Sucharitha, Member (Judicial) and B Anil Kumar, Member (Technical), said the application stands admitted in terms of Section 9 (5) of IBC, 2016.

Source: The Hindu Business Line

Please find the full news at:

<https://www.thehindubusinessline.com/companies/nclt-admits-tvs-automobile-plea-against-kpn-to-recover-527-cr-dues/article36366727.ece>

Cracking the whip: Panel puts resolution professionals under the scanner

From lack of experience and sectoral expertise to absence of a single independent regulator, the universe of resolution professionals (RPs) has come under the scanner. While some of these issues have been raised by the standing committee in its recent report, government sources insist that there are already enough checks and balances in place for RPs. Experts, however, feel that a peer review or audit and a single regulator might help bring uniformity of approach to the profession. Currently, multiple insolvency professional agencies (IPAs) along with the Insolvency and Bankruptcy Board of India.

Source: Business Standard

Please find the full news at:

https://www.business-standard.com/article/economy-policy/cracking-the-whip-panel-puts-resolution-professionals-under-the-scanner-121090801523_1.html

Manufacturing, construction, real estate firms bear brunt of bankruptcy

action: Manufacturing, construction and real estate companies together accounted for seven out of every 10 companies ending up in bankruptcy courts, official data showed, indicating the pain points in the economy, 71% of the over 4,500 businesses in bankruptcy tribunals at the end of June were from these three sectors, with trade, transport, and hotels making up the rest. Manufacturing, construction and real estate also accounted for 68% of the 1,349 companies ordered to be liquidated. And 73% of the 396 companies that managed to stitch together revival plans under the Insolvency and Bankruptcy Code (IBC) were from these sectors.

Source: Mint

Please find the full news at:

<https://www.livemint.com/news/india/manufacturing-construction-real-estate-firms-bear-brunt-of-bankruptcy-action-11631103467189.html>



Insolvency Professional Agency of Institute of Cost Accountants of India
(A Section 8 Company incorporated under Companies Act 2013)
CMA Bhawan, 3 Institutional Area, Lodi Road,
New Delhi-110003