

IBC AU-COURANT

Insolvency Professional Agency of Institute of Cost Accountants of India



"The value of an idea lies in the using of it."

Updates on Insolvency and Bankruptcy Code

➤ **SC: NCLT has no authority to ask creditors to settle with defaulter**

In an important verdict concerning the Insolvency and Bankruptcy Code (IBC), the Supreme Court on Tuesday ruled that the National Company Law Tribunal (NCLT) has no authority to ask creditors to settle with a defaulter though it has the power to either summarily reject or entertain pleas for initiation of insolvency proceedings.

Source: The Times of India

Read Full news at:

<https://timesofindia.indiatimes.com/business/india-business/sc-nclt-has-no-authority-to-ask-creditors-to-settle-with-defaulter/articleshow/88288492.cms>

➤ **EPFO invested Rs 2,500 crore in Reliance Capital's bonds; asked Centre to initiate insolvency process, says FinMin**

The Employees Provident Fund Organisation (EPFO) had asked the government to initiate insolvency and bankruptcy proceedings against Reliance Capital NSE -4.70 % as it has invested Rs 2,500 crore in the company's bond programmes, the Finance Ministry said in Parliament on Tuesday. The Ministry of Labour and Employment has apprised that Employees Provident Fund Organisation (EPFO) has invested Rs 2,500 crore in Reliance Capital Ltd (RCL), for which RCL has defaulted in payment of interest from October 2019.

Source: The Economic Times

Read Full news at:

<https://economictimes.indiatimes.com/news/economy/finance/epfo-invested-rs-2500-crore-in-reliance-capitals-bonds-asked-centre-to-initiate-insolvency-process-says-finmin/articleshow/88282515.cms>

➤ **PSUs with high liabilities may face IBC-based closure**

The government has unveiled a new public sector companies' policy for nonstrategic sectors so that the department of public enterprises (DPE) can drive the privatisation or closure of state-run firms. In cases where the liabilities are "exorbitantly high", the government has indicated its willingness to go for the Insolvency & Bankruptcy Code (IBC) route as well. The government has unveiled a new public sector companies' policy for nonstrategic sectors so that the department of public enterprises (DPE) can drive the privatisation or closure of state-run firms. In cases where the liabilities are "exorbitantly high", the government has indicated its willingness to go for the Insolvency & Bankruptcy Code (IBC) route as well.

Source: The Times of India

Read Full news at:

<https://timesofindia.indiatimes.com/business/india-business/psus-with-high-liabilities-may-face-ibc-based-closure/articleshow/88289170.cms>

➤ **Arpwood, Welspun Group in race to buy Sintex BAPL**

Rajeev Gupta and Raj Kataria-promoted Arpwood Capital improved their offer to ₹1,100 crore, soon after Welspun Group offered ₹1,076 crore to lenders, the people said. Both bidders made unsolicited offers last month involving upfront cash payments and seeking an out-of-court settlement.

Source: The Economic Times

Read Full news at:

<https://economictimes.indiatimes.com/industry/banking/finance/arpwood-welspun-group-in-race-to-buy-sintex-bapl/articleshow/88267505.cms>



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