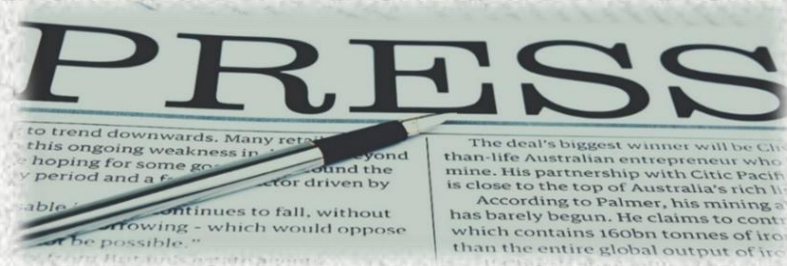


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IBC AU COURANT

Insolvency Professional Agency of Institute of Cost Accountants of India



"It is better to fail in originality than to succeed in imitation"

Updates on Insolvency and Bankruptcy Code

CG Power to close non-operating firms

The board of CG Power and Industrial Solutions Ltd. (CG Power), a Murugappa Group firm, on Wednesday approved a proposal for voluntary winding up and closure of its non-operating firms. The board also approved a proposal for closure of one of its non-operating subsidiaries, CG Power Solutions Ltd, under the provisions of the Insolvency and Bankruptcy Code. CG Power, which was taken over by Tube Investments of India end-2020, had posted a revenue of ₹1,050 crore and PBT of ₹75 crore for Q1 of FY22.

Source: The Hindu

Please find the full news at:

<https://www.thehindu.com/business/cg-power-to-close-non-operating-firms/article35986863.ece>

Five years of IBC: A glass half full?

Nearly half of the 2,653 firms that completed the IBC process got liquidated; only 13% got a fresh lease of life. However, not all businesses are asset-heavy. Many small businesses derive value only if the business is profitable. In the monsoon session of Parliament in 2016, the then minister of state for finance Jayant Sinha moved a Bill for the "creative destruction" of stressed businesses that had become a drag on the economy.

Source: Mint

Please find the full news at:

<https://www.livemint.com/politics/policy/has-ibc-delivered-on-its-lofty-promise-11629302065337.html>

CoCs need best practices code

The recent proposal of a Parliamentary Standing Committee to frame a professional code of conduct for the Committee of Creditors (CoC) is worth a closer look as it can go a long way in defining and circumscribing their decisions in corporate insolvency resolution cases. This is important in the context of many valid questions that have been raised in the recent past about the poor commercial wisdom the lenders have displayed in many cases. In the context of some other arbitrary decisions by the CoCs.

Source: Business Standard

Please find the full news at:

https://www.business-standard.com/article/opinion/cocs-need-best-practices-code-121081801562_1.html



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