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IBC AU COURANT

Insolvency Professional Agency of Institute of Cost Accountants of India



“Stop chasing the money and start chasing the passion”

Updates on Insolvency and Bankruptcy Code

Get more judges: Bankruptcy logjams make India no country for dying firms

Global investors were genuinely excited by India’s 2016 insolvency law, hoping to profit from the 19 trillion rupees (\$260 billion) of bad loans, including those written off by banks in the last eight years. Initial success in finding new homes for distressed steel plants raised hopes that the savings-starved economy would extricate valuable capital from failed ventures. Across India, 27 bankruptcy tribunals are being run by 29 judges; at least 25 short of what's required. No two bankruptcies are the same, but India’s processes for handling them have some common deficiencies.

Source: Business Standard

Please find the full news at:

https://www.business-standard.com/article/economy-policy/get-more-judges-bankruptcy-logjams-make-india-no-country-for-dying-firms-121082300036_1.html

Does NCLT hold a magic wand to settle all insolvency-related issues?

The National Company Law Tribunal (NCLT) was formulated under the Insolvency and Bankruptcy Code, 2016 (IBC) to deal with insolvency and liquidation matters of corporate entities. Experience has shown that litigants tend to approach the NCLT for redressal of all grievances against companies undergoing insolvency resolution or liquidation. However, does the NCLT really have such powers to deal with all and sundry matters concerning these companies?

Source: The Hindu Business Line

Please find the full news at:

<https://www.thehindubusinessline.com/business-laws/does-nclt-hold-a-magic-wand-to-settle-all-insolvency-related-issues/article36047033.ece>

Govt considers operational changes in IBC following expert panel recommendations

India is considering several operational changes in the Insolvency and Bankruptcy Code (IBC), harnessing digital technology to help remove seemingly insurmountable obstacles of distance or time - and speed up the resolution of bad loans. Under the aegis of Insolvency and Bankruptcy Board of India (IBBI), IIPAI regulates insolvency professionals. It is necessary to learn from every crisis, which is what the said report seems to be doing on recommending best practices.

Source: The Economic Times

Please find the full news at:

<https://m.economictimes.com/news/economy/policy/govt-considers-operational-changes-in-ibc-following-expert-panel-recommendations/articleshow/85536862.cms>

McLeod promoter to move NCLAT challenging NCLT order on insolvency

Aditya Khaitan, a promoter of McLeod Russel India, the country's largest bulk tea producer, has filed an appeal in the appellate tribunal against a National Company Law Tribunal (NCLT) order initiating insolvency proceedings in the company. On August 6, the New Delhi Bench of the NCLT passed an order admitting an application by Techno Electric & Engineering, a power infrastructure company, for initiating corporate insolvency resolution against McLeod Russel after defaulting on a Rs 100 crore loan at 14 per cent interest.

Source: Business Standard

Please find the full news at:

https://www.business-standard.com/article/companies/mcleod-promoter-to-move-nclat-challenging-nclt-order-on-insolvency-121082001173_1.html



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