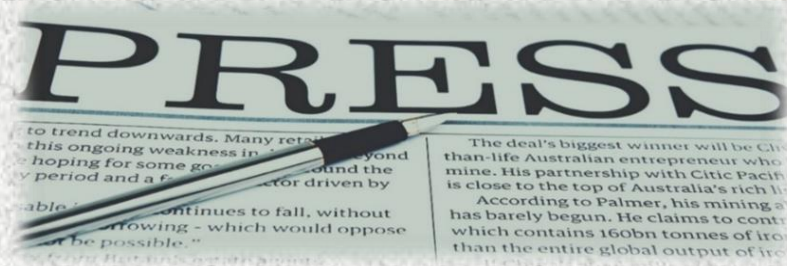


Date: May 27, 2021

# IBC AU COURANT

Insolvency Professional Agency of Institute of Cost Accountants of India



**“The function of leadership is to produce more leaders, not more followers.”**

## **Updates on Insolvency and Bankruptcy Code**

### **More promoters move to make aggressive bids to regain control of their bankrupt companies**

These are IDBI-C Sivasankaran’s one-time settlement (OTS) plan, Kapil Wadhawan’s proposal for Dewan Housing Finance Ltd (DHFL) and Manoj Gaur’s settlement offer for debt-ridden Jaypee Group. Except in the case of Siva Industries and Holdings Ltd (SIHL) owned by Sivasankaran, the bidding process is at various stages in the other two cases.

**Source: Money Control**

**Please find the full news at:**

<https://www.moneycontrol.com/news/business/more-promoters-move-to-make-aggressive-bids-to-regain-control-of-their-bankrupt-companies-6943611.html>

### **SC ruling to hold personal guarantor liable in insolvency cases to strengthen MSMEs’ credit discipline**

The Insolvency and Bankruptcy Code, 2016 (IBC) introduced a creditor-in-control, resolution professional-managed insolvency regime for Indian companies. Importantly, the IBC process as a general rule excludes the promoters of any entity in IBC from retaining control of the company or regaining control of the company through the IBC process. This fundamentally changed the equation between promoters and creditors, bringing about a paradigm shift in the insolvency resolution process in India. Since its inception, large legacy NPAs have been resolved under the IBC.

**Source: Financial Express**

**Please find the full news at:**

<https://www.financialexpress.com/industry/sme/caf-sme/sc-ruling-to-hold-personal-guarantor-liable-in-insolvency-cases-to-strengthen-msmes-credit-discipline/2258952/>

## **Naredco's UP chapter urges govt to suspend insolvency law provisions for 1 year**

Realtors body Naredco's Uttar Pradesh chapter has demanded that the government should suspend the provisions of insolvency law for one year to protect cash-starved builders on view of a second wave of the COVID-19 pandemic. Naredco UP Chairman R K Arora has written a letter to Union Finance Minister Nirmala Sitharaman seeking suspension of the IBC (Insolvency and Bankruptcy Code) provisions for one year to protect the corporate entities considering the unprecedented second wave of COVID-19.

**Source: Financial Express**

**Please find the full news at:**

<https://www.financialexpress.com/industry/naredcos-up-chapter-urges-govt-to-suspend-insolvency-law-provisions-for-1-year/2258769/>

## **Shut the back door**

The National Company Law Appellate Tribunal on Tuesday stayed an order of the National Company Law Tribunal (NCLT) that had directed lenders of Dewan Housing Finance Corp. Ltd (DHFL), which went bust in 2019 and was pushed into bankruptcy proceedings, to consider a proposal by its promoter Kapil Wadhawan to repay the entire principal amount that was due to them through an upfront transfer and staggered payments over several years..

**Source: Live Mint**

**Please find the full news at:**

<https://www.livemint.com/opinion/quick-edit/shut-the-back-door-11621961405319.html>



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