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IBC AU COURANT

Insolvency Professional Agency of Institute of Cost Accountants of India



"Always ask yourself if what you're doing today is getting you closer to where you want to be tomorrow."

Updates on Insolvency and Bankruptcy Code

Explained: How the NCLT ruling on Delhi Gymkhana Club could set a precedent

The Principal Bench of National Company Law Tribunal (NCLT) has ruled that the Delhi Gymkhana Club was acting in a manner prejudicial to "public interest" and therefore must be probed. A single member bench of acting president B S V Prakash Kumar ruled that a five-member central government-appointed panel should look into the affairs of the club, including the land usage and various policies on member admissions it has had over the years.

Source: Indian Express

Please find the full news at:

<https://indianexpress.com/article/explained/nclt-ruling-on-delhi-gymkhana-club-explained-6480346/>

RBI board debates 90-day NPA cap

The RBI board on Friday discussed the need for extending the non-performing assets (NPA) recognition date beyond 90 days, citing widespread distress in the corporate sector, which may not be confined to small businesses.

The issue was flagged by Sachin Chaturvedi, director general at policy think tank Research and Information System for Developing Countries (RIS), with Teamlease chairman Manish Sabharwal and Tata Sons chairman N Chandrasekaran too joining in.

Source: Economic Times

Please find the full news at:

<https://economictimes.indiatimes.com/markets/stocks/news/rbi-board-debates-90-day-npa-cap/articleshow/76681843.cms>

Germany to sever ties with accounting watchdog

The German government plans to terminate its contract with the country's accounting watchdog after payments company Wirecard filed for insolvency last week in one of Germany's biggest fraud scandals, a government official said on Sunday.

Bild am Sonntag newspaper reported earlier on Sunday that the Justice and Finance Ministries would on Monday cut ties with the Financial Reporting Enforcement Panel (FREP), a quasi-private entity that supervises the financial statements of listed firms.

Source: Economic Times

Please find the full news at:

<https://economictimes.indiatimes.com/news/international/world-news/germany-to-sever-ties-with-accounting-watchdog/articleshow/76678375.cms>

Sebi acts against Monnet on pre-IBC violations

An order against Monnet Ispat & Energy for violating disclosure norms five years ago has put the spotlight on the legal liabilities of buyers taking over debt-laden and distressed assets in bankruptcies, with experts saying the charges for past lapses be laid at the door of the erstwhile owners.

The Securities and Exchange Board of India (Sebi) passed the order Friday on alleged disclosure violations in FY16, when the previous owners were at the helm. In 2018, a consortium that included Aion Investments and JSW Steel took over the debt-laden company.

Source: Economic Times

Please find the full news at:

<https://economictimes.indiatimes.com/markets/stocks/news/sebi-slaps-rs-6-lakh-fine-on-monnet-ispac-energy-for-disclosure-lapses/articleshow/76650072.cms>

View: Rescue solvent companies but kill off zombies

Former Chief Economic Advisor Arvind Subramanian said India had moved from socialism with limited entry (for firms) to capitalism without exit. Alas, capitalism without exit is zombieland, full of companies neither dead nor alive.

The problem has been intensified by Covid-19 and lockdowns. These have mortally wounded lakhs of firms that have then been rescued by loan moratoriums, loan guarantees, and evergreening of debts. This provides immediate relief but creates ever-more zombies.

Source: Economic Times

Please find the full news at:

<https://economictimes.indiatimes.com/news/economy/policy/view-rescue-solvent-companies-but-kill-off-zombies/articleshow/76669956.cms>

Vrihis Properties buys Jet Airways' Bandra Kurla office premises for ₹490 crore

Brookfield Asset Management's subsidiary, Vrihis Properties Pvt Ltd, has purchased Jet Airways' office premises at Bandra Kurla Complex (BKC) In Mumbai for ₹490 crore. Late evening on Saturday, Jet Airways Resolution professional informed the exchanges that Vrihis Properties Pvt Ltd was the successful bidder. Vrihis, is owned by Brookfield.

Source: Hindu Business Line

Please find the full news at:

<https://www.thehindubusinessline.com/news/real-estate/vrihis-properties-buys-jet-airways-bandra-kurla-office-premises-for-490-crore/article31937775.ece>



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