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Insolvency Professional Agency of Institute of Cost Accountants of India



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Updates on Insolvency and Bankruptcy Code

Ordinance to amend IBC likely this week

The Union Cabinet will likely take up this week an ordinance to amend the Insolvency and Bankruptcy Code, to prevent companies from being forced into insolvency proceedings due to default caused by the Covid-19 crisis.

"A proposal will be moved for Cabinet's consideration this week," a government source told ET.

The ordinance will seek to suspend the relevant provisions of IBC Sections 7, 9 and 10, to provide relief to borrowers from being dragged into insolvency. Suspension will be for six months at least.

Source: IBC Guide

Please find the full news at:

<http://www.ibcguide.com/ordinance-to-amend-ibc-likely-this-week/>

NCLT allows Corporation to take over city hospital

The National Company Law Tribunal (NCLT) Principal Bench, New Delhi (camp at Chennai), has allowed the Tamil Nadu government to temporarily take over Santosh Hospitals in Besant Nagar, which is closed and under liquidation, and utilise its infrastructure for COVID-19 treatment.

In an unprecedented sitting on Sunday, the Bench passed on an order on an application filed by the Greater Chennai Corporation. “Though it is Sunday, this Bench has taken up the hearing on an urgent basis, since the COVID-19 pandemic has been rattling lives and the economy of the nation,” said B.S.V. Prakash Kumar, acting president of NCLT.

Santhosh Hospitals had filed for voluntary insolvency and is under liquidation now. The possession of the hospital is with Muthoot Fincorp Limited, one of the lenders to the hospital. The other major lender is DCB Bank.

Source: IBC Guide

Please find the full news at:

<http://www.ibcguide.com/nclt-allows-corporation-to-take-over-city-hospital/>

Covid-19 crisis led to Rs 4,000-cr fresh NPAs: PNB MD CEO Mallikarjuna Rao

Punjab National Bank’s (PNB’s) integration with Oriental Bank of Commerce (OBC) and United Bank of India (UBI) came at a time when the country was in lockdown to mitigate the impact of the coronavirus disease (Covid-19). On the eve of PNB’s 126th foundation day, the bank’s Managing Director and Chief Executive Officer S.S. Mallikarjuna Rao tells Somesh Jha about the pandemic’s impact on customer outreach programmes related to the amalgamation.

Source: IBC Guide

Please find the full news at:

<http://www.ibcguide.com/covid-19-crisis-led-to-rs-4000-cr-fresh-npas-pnb-md-ceo-mallikarjuna-rao/>



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