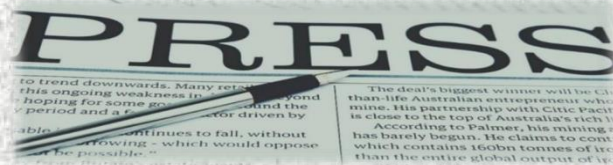


Date: May 19, 2020

IBC AU COURANT

Insolvency Professional Agency of Institute of Cost Accountants of India



If you can't explain it simply, you don't understand it well enough.

Updates on Insolvency and Bankruptcy Code

Banks cling to restructuring hopes in tough year for recoveries

With the insolvency law remaining out of bounds for a year, banks are pinning their hopes on a regulatory dispensation for restructuring stressed assets. An existing restructuring scheme for micro, small and medium enterprises (MSMEs) could also come in handy in a year that will have little to offer in terms of recoveries, bankers said.

Unfazed by the absence of any mention of restructuring in the five rounds of briefings held by the finance ministry, industry executives expect the Reserve Bank of India (RBI) to accede to their request for allowing a one-time restructuring of stressed assets without classifying them as bad loans.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/industry/banking-finance/banks-cling-to-restructuring-hopes-in-tough-year-for-recoveries/1962304/>

Suspension – Boon or bane for the Insolvency and Bankruptcy Code

Hon'ble Finance Minister Nirmala Sitharaman announced on Sunday, as part of the fifth press conference, suspension of fresh initiation of insolvency proceedings up to one year. This announcement comes as part of the government of India's Rs 20 trillion Covid-19 economic package.

While the announcements were made today, the seeds of the repeal of Sections 7, 9 and 10 of the IBC had already been sown in April.

Effectively, this will prevent a borrower from being dragged into insolvency by a financial and/or an operational creditor. Ever since the proposal came in, arguments have been made for it and against it.

Source: IBC Guide

Please find the full news at:

<http://www.ibcguide.com/suspension-boon-or-bane-for-the-insolvency-and-bankruptcy-code/>

NFRA begins audit of Dewan Housing, seeks statutory audit documents for FY18

An audit of DHFL by Grant Thornton had indicated instances of “avoidance transactions” by the company. In November, RBI had superseded DHFL’s The National Financial Reporting Authority (NFRA) has begun an audit of Dewan Housing Finance Corp Ltd (DHFL) and has reached out to the administrator for documents, said a person aware of the development.

According to the person, the NFRA, an independent regulator for auditors, has sought documents pertaining to DHFL’s statutory audit for FY18. "The documents will be provided after the lockdown and this has been communicated to NFRA," the person cited above said. That apart, he added that the Securities and Exchange Board of India (Sebi) has also sought an update on the lender’s transaction audit.

Source: Livemint News

Please find the full news at:

<https://www.livemint.com/companies/news/nfra-begins-audit-of-dewan-housing-seeks-statutory-audit-documents-for-fy18-11589775493275.html>



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