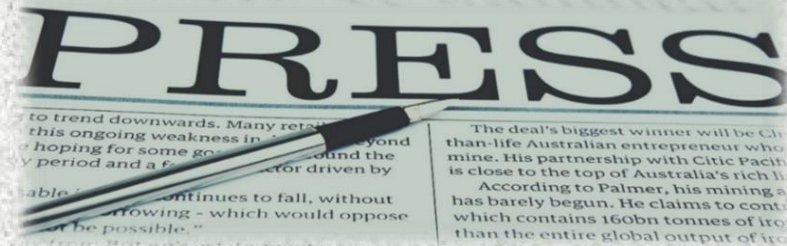


Date: March 25, 2020

IBC AU COURANT

Insolvency Professional Agency of Institute of Cost Accountants of India



“You measure the size of the accomplishment by the obstacles you had to overcome to reach your goals.”

Updates on Insolvency and Bankruptcy Code

First set of economic steps: FM Nirmala Sitharaman allays insolvency fears, eases compliance burden

As India Inc struggles to cope with the Covid-19 pandemic, the government on Tuesday stepped in with the first set of economic measures to ease compliance burden on companies and promised to consider suspending the invocation of insolvency proceedings against new defaulters for six months if the situation doesn't improve by April 30.

Announcing the raft of decisions, which contain relief to both companies and individuals, finance minister Nirmala Sitharaman also pledged a broader economic relief package soon. “No move to impose financial emergency, as was claimed by some reports,” the minister said, asserting the government’s ability as well as willingness to deal the situation appropriately.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/economy/first-set-of-economic-steps-fm-nirmala-sitharaman-allays-insolvency-fears-eases-compliance-burden/1908468/>

Covid-19 impact: Deadline for DHFL bids may be extended beyond April 16

The deadline for submission of bids for troubled mortgage lender Dewan Housing Finance Corporation (DHFL) may be extended beyond April 16, as bidders will need more time due to Covid-19 impact. “Whatever period we are going through will be counted as ‘exclusion’ going forward, accordingly there will be adjustments in the date of submission of bids.”

The troubled lender is undergoing a resolution process under the Insolvency and Bankruptcy Code, 2016, after the Mumbai bench of the National Company Law Tribunal (NCLT) admitted the case on December 2, 2019. According to sources, DHFL has shortlisted 22 out of 24 applicants for the resolution of the troubled company. The final date to submit bids for shortlisted candidates was April 16.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/industry/covid-19-impact-deadline-for-dhfl-bids-may-be-extended-beyond-april-16/1908375/>

Govt raises default threshold to Rs 1 cr for invoking insolvency proceedings against firms

The government on Tuesday raised the threshold for invoking insolvency under the IBC to Rs 1 crore from the current Rs 1 lakh with a view to prevent triggering of such proceedings against small and medium enterprises that are facing currently the heat of coronavirus pandemic.

"Due to the emerging financial distress faced by most companies on account of the large-scale economic distress caused by COVID 19, it has been decided to raise the threshold of default under section 4 of the IBC 2016 to Rs 1 crore from the existing threshold of Rs 1 lakh," Finance Minister Nirmala Sitharaman said, adding that it will be implemented straightaway.

Source: Economic Times

Please find the full news at:

<https://economictimes.indiatimes.com/news/economy/policy/govt-raises-default-threshold-to-rs-1-cr-for-invoking-insolvency-proceedings-against-firms/articleshow/74796076.cms>



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