



INSOLVENCY PROFESSIONAL AGENCY
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LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

"The only way to do great work is to love what you do."

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➤ **IBBI issues new guidelines to streamline process of appointing IPs as resolution professionals**

New Delhi: The Insolvency and Bankruptcy Board of India (IBBI) has issued a new set of guidelines to streamline the process for appointing insolvency professionals (IPs) as interim resolution professionals, liquidators, and bankruptcy trustees. Under the new guidelines, issued on June 5, a panel of IPs will be set up, which will be effective from July 1, 2024, to December 31, 2024.

The panel will be shared with the National Company Law Tribunal and the Debt Recovery Tribunal (DRT) to avoid administrative delays. The panel will have a validity of six months.

To be eligible for inclusion in the panel, the IPs must have no pending disciplinary proceedings or convicted in the last three years by a court of competent jurisdiction. Further, they also hold an authorization for assignment, which will be valid till the validity of the panel, and submit an expression of interest, along with their consent to act in various capacities.

In addition, they should have prior experience in handling assignments under the Insolvency and Bankruptcy Code. The IBBI will prepare the panel based on the volume of completed assignments and registration dates of the IPs, ensuring those with more experience are given priority.

The IPs are expected to accept appointments without withdrawing consent unless permitted by the NCLT, DRT, or IBBI. Failure to do so without sufficient justification could result in removal from the panel for six months.

Source: The Economic Times

Read Full news: <https://economictimes.indiatimes.com/industry/services/consultancy/-/audit/ibbi-issues-new-guidelines-to-streamline-process-of-appointing-ips-as-resolution-professionals/articleshow/110775723.cms?from=mdr>

➤ **Tweaks to insolvency code may be reviewed**

The much-awaited amendments to the Insolvency and Bankruptcy Code (IBC), including those aimed at expediting the resolution process, and introduction of cross-border and group insolvency regimes, may undergo a review by the incoming government before being taken to Parliament for approval, official sources told FE on condition of anonymity.

A draft Bill prepared by the ministry of corporate affairs (MCA) during the last leg of the Narendra Modi 2.0 government had included many of these changes, but the new coalition government would likely take a relook at the all the provisions, the sources added. This would inevitably mean that the Bill would not be tabled in the Budget session of the new Lok Sabha in July, as planned earlier.

Source: Financial Express

Read Full news : <https://www.financialexpress.com/business/banking-finance-insolvency-draft-may-be-reviewed-3517101/>

➤ **Once Resolution Plan Is Approved By NCLT, Corporate Entity Starts With Clean Slate : Calcutta High Court**

The Calcutta High Court bench of Justice Sugato Majumdar held that after the insolvency proceeding is over and the resolution plan is duly approved by the National Company Law Tribunal, the corporate entity starts with a clean slate on rejuvenation.

Defendant No. 1 merged with Defendant No. 5 in 2008, according to an Order by Court. Consequently, Defendant No. 1 ceased to exist, and subsequently, Defendant No. 5's operations were halted for over fourteen years. This led to the initiation of the Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016, by the National Company Law Tribunal (NCLT), Kolkata Branch. The resolution plan was approved by the Committee of Creditors and was largely endorsed by the NCLT, Kolkata Branch. By an Order dated, the NCLT directed the implementation of the approved resolution plan within thirty days. Defendant No. 5 approached the Calcutta High Court for striking its name from the suit.

Source: Live Law

Read Full news : <https://www.livelaw.in/high-court/calcutta-high-court/calcutta-high-court-resolution-plan-nclt-corporate-entity-clean-slate-259842>

