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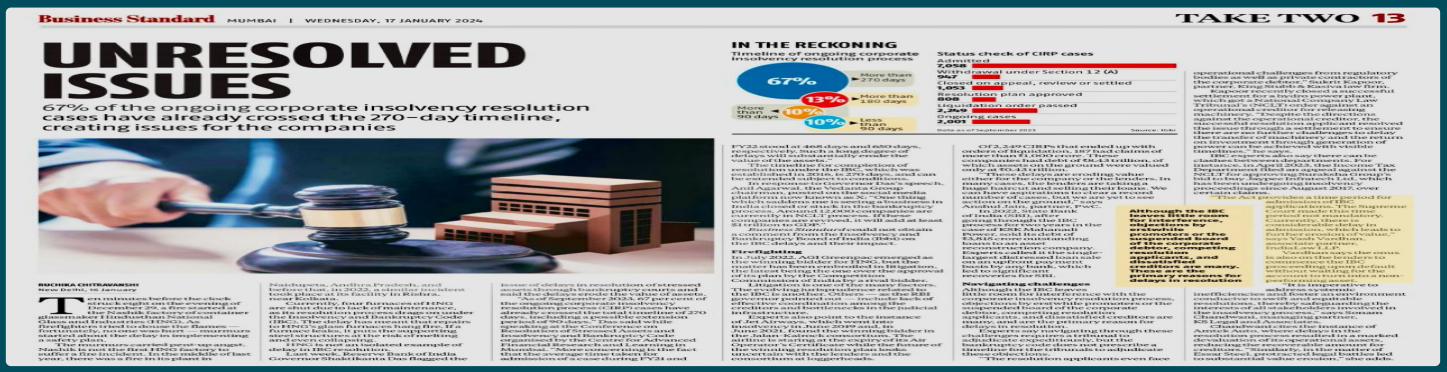

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TAKE TWO 13

UNRESOLVED ISSUES

67% of the ongoing corporate insolvency resolution cases have already crossed the 270-day timeline, creating issues for the companies

IN THE RECKONING

Timeline of ongoing corporate insolvency resolution process

67%
More than 270 days
13%
More than 180 days
10%
More than 90 days
10%
Less than 90 days

Status check of CIRP cases

Admitted 7,896
Withdrawal under Section 12 (A) 947
Closed on appeal, review or settled 1,853
Resolution plan approved 2,269
Liquidation order passed 2,901
Ongoing cases 2,901

Data as of September 2023 Source: IBBI

BUCHIKA CHITRAVANSHI
New Delhi, 16 January

Ten minutes before the clock struck eight on the evening of 25 December 2023, a fire broke out in the Nashik factory of container glassmaker Hindustan National Glass & Industries Ltd. Firefighters tried to douse the flames—fortunately, no one was hurt—murmurs around the factory premises suggested a safety glitch.

The murmurs carried great significance. Nashik's HNG Glass had suffered a fire incident. In the middle of last year, there was a fire in its plant in Naihupeta, Andhra Pradesh, and before that, in 2022, a similar incident near Kolkata.

Currently, four furnaces of HNG are under the corporate insolvency process as its resolution process drags on under the Insolvency and Bankruptcy Code (IBC). Industry sources attribute the fires to HNG's glass furnaces being fire, fire, furnace leaks, it puts the supporting structure at the risk of melting and even collapsing.

HNG is not an isolated example of delays in resolution of stressed assets through bankruptcy courts and subsequent impact on the underlying business.

As of September 2023, 67 per cent of the ongoing corporate insolvency resolution process (CIRP) cases have already crossed the total timeline of 270 days, including a possible extension of 90 days, as per data presented by IBBI's glass furnaces long fire, fire, furnace leaks, it puts the supporting structure at the risk of melting and even collapsing.

HNG is not an isolated example of delays in resolution of stressed assets through bankruptcy courts and subsequent impact on the underlying business.

Last week, Reserve Bank of India Governor Shaktikanta Das flagged the issue