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Corporate Insolvency Resolution

Process of Jet Airways

➤ **Jet Airways crisis: Insolvency proceedings initiated**

Insolvency proceedings have been initiated against debt-ridden Jet Airways, which formally stopped flying on 17 April and saw lenders voting for bankruptcy earlier this month. The cash-strapped company became the first domestic airliner to go into bankruptcy after the Mumbai bench of the National Company Law Tribunal (NCLT) admitted an insolvency petition filed by SBI on behalf of 26 lenders on 20 June.

Source: Livemint News

Please find the full news at:

<https://www.livemint.com/companies/news/jet-airways-crisis-insolvency-proceedings-initiated-1561283124597.html>

➤ **Jet Airways insolvency process: Airline employees receive 1st letter from resolution professional**

Days after the National Company Law Tribunal initiated insolvency process against Jet Airways, its employees have received the first letter from Resolution Professional Ashish Chhawchharia. The tribunal also asked the IRP to submit a status report on the resolution process every fortnight. The first status report is to be submitted on July 5, 2019. The letter says under Section 17 of the IBC, the IRP will takeover the company management and exercise the power of the company board, which has been suspended.

Source: Business Today News

Please find the full news at:

<https://www.businesstoday.in/sectors/aviation/jet-airways-insolvency-process-airline-employees-receive-1st-letter-from-resolution-professional/story/358315.html>

➤ **Jet Airways: Story behind the crisis**

India's premium private-owned airline Jet Airways (India) Ltd. is undergoing insolvency proceedings. After 25 years on the now fastest growing domestic aviation market, the air carrier founded by Naresh Goyal stopped flying on April 17. On June 20, 2019 The National Company Law Tribunal (NCLT) admitted the insolvency petition filed by a consortium of lenders led by State Bank of India (SBI).

Source: Sky refund

Please find the full news at:

<https://skyrefund.com/en/blog/jet-airways-insolvency>

➤ **Turbulence in Insolvency Process of Jet Airways**

The ongoing insolvency proceedings against Jet Airways in India and Netherlands bring to fore the lacunae in the Insolvency and Bankruptcy Code, 2016 (IBC) to deal with cross-border insolvencies. Cross-border insolvency involves the handling of distressed debtors who have assets and/or creditors in several countries, and become subject to insolvency proceedings in multiple jurisdictions. If these companies were to flounder, and insolvency proceedings get initiated, it is imperative that these diversely located assets be protected and the claims of creditors from the various jurisdictions be collated and resolved.

Source: Bar and Bench

Please find the full news at:

<https://barandbench.com/turbulence-insolvency-process-jet-airways/>

➤ **Jet lenders asked to release interim funds**

The dedicated bankruptcy court has directed the financial creditors of Jet Airways to provide interim finance immediately for maintenance of aircraft and to keep the company as a going concern. On Wednesday, the Mumbai bench of the National Company Law Tribunal (NCLT) directed the financial creditors to approve and allocate funds to the resolution professional (RP) of Jet Airways. Earlier, the counsel for the resolution professional had informed the tribunal that the share of banks in interim financing was approved in the first meeting of the Committee of Creditors (CoC) held in July, where the lenders had decided to release collectively Rs 63 crore.

Source: Economic Times

Please find the full news at:

<https://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/nclt-asks-jet-lenders-to-release-lifeline-funds-within-15-days/articleshow/71298440.cms?from=mdr>

➤ **Jet Airways to become first Indian company to undergo Cross Border Insolvency proceedings**

In a major breakthrough for India's insolvency mechanism which is still in its evolving stage, Jet Airways would be the first Indian company to undergo insolvency proceedings under the Cross Border Insolvency Protocol along with the Insolvency and Bankruptcy Code (IBC) of India.

The National Company Law Appellate Tribunal (NCLAT) had allowed the Dutch court administrator of Jet Airways to attend the meetings of the bankrupt airline's Committee of Creditors (CoC). The resolution professional and the Dutch administrator, however, filed an application seeking an amendment in the September 26 order providing approval to the Dutch administrator, which the appellate tribunal accepted on Thursday.

Source: Livemint News

Please find the full news at:

<https://www.livemint.com/companies/news/jet-airways-to-become-first-indian-company-to-undergo-cross-border-insolvency-proceedings-11571371382030.html>

➤ **Jet Airways' RP hints at giving more time to South American bidder Synergy**

The resolution professional of Jet Airways on Wednesday said South American company the sole interested party in the grounded airline, is likely to get an extension to submit the bid. Synergy Aerospace is still doing due diligence of Jet Airways, which was admitted for the insolvency on June 20, the airlines resolution professional Ashish Chhawchharia told the NCLT. The

South American company may get time beyond October 14, the final date for submitting the bids, Chhawchharia said. Meanwhile, the RP also submitted the sixth progress report on the insolvency process of the airline that stopped flying from April 17.

Source: Economic Times

Please find the full news at:

<https://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/jet-airways-rp-hints-at-giving-more-time-to-south-american-bidder-synergy/articleshow/71510030.cms>

➤ Jet formed illegal pacts with related offshore parties

An ongoing probe against Jet Airways founder Naresh Goyal has revealed that the grounded carrier entered into illegal agreements with related offshore parties based in tax havens at rates way above market prices, causing losses to the airline as well as the national exchequer, said people aware of the matter. They said the Enforcement Directorate (ED) has gathered details of the offshore entities, with which Jet Airways and its group companies entered into lease and maintenance and general sales agent (GSA) agreements, on the basis of information shared by the Toronto-based Egmont Group — an international network of 164 financial intelligence units formed for the purpose of combating money laundering as well as terror financing.

Source: Economic Times

Please find the full news at:

<https://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/jet-formed-illegal-pacts-with-related-offshore-parties/articleshow/71590257.cms>

➤ Jet Airways headquarter owner, lenders reach settlement

The lenders of Jet Airways have approved the settlement with Luckystar Property Holding, the owner of the Siroya Centre, a building that once was headquarters for the grounded carrier. Luckystar and the committee of creditors (CoC) were in talks since August, when the custodian of airways' assets informed the National Company Law Tribunal (NCLT) that the airline was willing to vacate its headquarters and another office in Mumbai to resolve its disputes with Luckystar Property Holdings and mortgage lender HDFC Ltd.

Source: Economic Times

Please find the full news at:

<https://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/jet-airways-headquarter-owner-lenders-reach-settlement/articleshow/71510720.cms>

➤ Shares of grounded Jet Airways inexplicably soar by 50%

Shares of grounded carrier Jet Airways India Ltd have surged inexplicably more than 50% in the last eight sessions even as the airline has not been operating for more than six months. While the lenders saw initial interest from potential bidders such as Etihad Airways PJSC, India's National Investment and Infrastructure Fund and private equity firms TPG Capital and Indigo Partners, none placed binding bids.

Mint reported on 3 September that Synergy Group, which runs several airlines in South America, including Colombian carrier Avianca Holdings, the region's second largest airline, was willing to acquire a majority stake in the Indian carrier if lenders agree to take a deep haircut and convert their debt into equity.

Source: Livemint News

Please find the full news at:

<https://www.livemint.com/market/stock-market-news/grounded-jet-airways-stock-inexplicably-soars-by-50-11572504202532.html>

➤ Jet Airways stares at liquidation as Synergy Group yet to finalise plan

Colombia's Synergy Group, the only entity which evinced interest in the grounded Jet Airways, has been "less enthusiastic than hoped for" in moving forward with discussions and is yet to submit a final resolution plan for the airline. In the absence of a concrete resolution plan by November 15, the airline will be staring at liquidation. "If a plan is not in place by November 15, we lose any chance of requesting for slots in the next year's schedule, which is not a desirable proposition since Jet Airways has been grounded since April.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/industry/jet-airways-stares-at-liquidation-as-synergy-group-yet-to-finalise-plan/1755671/>

➤ Jet Privilege rebranded as InterMiles

Jet Privilege (JPPL), a part of the Etihad Aviation group, on Thursday rebranded itself as "InterMiles." The rewards management programme, which was earlier linked to the beleaguered Jet Airways, has over one crore members. The rebranded entity will let members earn and redeem InterMiles (previously JPMiles) across travel, hospitality and lifestyle services in over 10 categories with more than 150 partner companies.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/industry/jet-privilege-rebranded-as-intermiles/1765278/>



➤ **Claims against beleaguered Jet Airways increase to Rs 36,090 crore**

The total claims against beleaguered Jet Airways stood at Rs. 36,090.9 crore as on October 20. Of this, the resolution professional for Jet, Ashish Chhawccharia, has so far admitted claims worth Rs. 14,640.32 crore, according to the latest data available on the airline's website. Claims worth over Rs. 17,003 crore have been rejected. Jet Airways was admitted for insolvency on June 20 and the 180-day deadline for completing the corporate insolvency resolution process (CIRP) will end on December 16.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/industry/claims-against-beleaguered-jet-airways-increase-to-rs-36090-crore/1765285/>