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Insolvency Professional Agency of Institute of Cost Accountants of India



PRESS

“You should never regret anything in life. If it’s good, it’s wonderful. If it’s bad, it is experience.”

Updates on Insolvency and Bankruptcy Code

➤ SBI chief Rajnish Kumar to ED/CBI: Keep off companies under IBC, go after promoters

State Bank chairman Rajnish Kumar on Tuesday said the Enforcement Directorate and other central law enforcement agencies should restrict to attaching personal assets while investigating a promoter and keep off the company which is under the insolvency process. Speaking a day after NCLAT asked the ED to release the attached properties of Bhushan Power & Steel which is being taken over by JSW Steel, Kumar asserted the lenders’ first right of taking charge of an asset of its bank-financed and said no one should dispute the same.

Any action which ED or any other central authority has to take, they can take with the existing promoters and attach their personal assets leaving their companies away,” he said, speaking at a Bloomberg event here.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/india-news/sbi-chief-rajnish-kumar-to-ed-cbi-keep-off-companies-under-ibc-go-after-promoters/1736498/>

➤ PFC expects EOI for KSK Mahanadi project in a month’s time

Power Finance Corporation (PFC), the lead lender to the KSK Energy’s Mahanadi project in Chhattisgarh, expects an early resolution to the 3,600-MW power project after the National Company Law Tribunal (NCLT) accepted its petition to resolve the case under bankruptcy proceedings on October 3. The project had to be taken to NCLT after PFC and other lenders failed to close a deal with Adani Group in an out-of-court settlement.

Mahendra Kumar Khandelwal, the resolution professional for the project, however declined to put a timeline for the EOI, but he stated, it will happen immediately after the constitution of CoC. “We are planning to resolve the project within the stipulated timeframe of 180 days or by March 31, 2020,” Khandelwal said. KSK Energy Ventures, the owner of the project, owes PFC Rs 3,000 crore, and Rs 15,700 crore to the consortium of lenders. The lenders in their petition to NCLT had said that KSK Mahanadi had defaulted on payments of `1,315 crore, following which it was taken to NCLT.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/industry/pfc-expects-eoi-for-ksk-mahanadi-project-in-a-months-time/1737928/>

➤ **NCLT reserves order in RCom versus DoT case over spectrum dues**

Reliance Communications' (RCom) legal representative reiterated that spectrum is a tangible asset and without it, the asset monetisation to repay lenders would be a failure. However, Department of Telecommunications (DoT) stuck to its point that spectrum belonged to the government and also noted that if a company goes into liquidation later, then, under Insolvency and Bankruptcy Code, spectrum cannot be part of it.

However RCom, now under the reigns of resolution professional (RP) Deloitte, highlighted that the company is still under the corporate insolvency process and not liquidation. The tug of war over spectrum between RCom and DoT has been going on for months now and reached boiling point when the government sent a show cause notice in February seeking clarifications on why airwaves should not be withdrawn when dues were not paid.

Source: Economic Times

Please find the full news at:

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/nclt-reserves-order-in-rcom-versus-dot-case-over-spectrum-dues/articleshow/71617082.cms>



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