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# IBC AU COURANT

Insolvency Professional Agency of Institute of Cost Accountants of India



**"The Pessimist Sees Difficulty In Every Opportunity. The Optimist Sees Opportunity In Every Difficulty."**

## **Updates on Insolvency and Bankruptcy Code**

### **NCLT reserves order on resolution plan of Aircel**

The dedicated bankruptcy court has reserved for order the resolution plan for Aircel, whose proposed buyer is asset reconstruction firm UV Asset Reconstruction Company Ltd (UVARCL).

According to the resolution plan for bankrupt Aircel, the total realisation for financial creditors will be Rs 6,600 crore, against claims of about Rs 20,000 crore. In the resolution plan mentioned in National Company Law Tribunal on Monday, this realisation will happen when UVARCL manages to sell Aircel's assets. There will be no upfront payment made to the lenders but they will get zero optionally convertible debentures spread over a period of five years.

**Source: Economic Times**

**Please find the full news at:**

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/nclt-reserves-order-on-resolution-plan-of-aircel/articleshow/74183491.cms>

### **Cox & Kings' RP seeks access to company documents**

The Mumbai bench of the National Company Law Tribunal (NCLT) has directed the suspended directors of travel company Cox & Kings—which is undergoing insolvency proceedings—as well as the erstwhile auditors of the company to give the details sought by the resolution professional (RP). Alok Kumar Agarwal, the company's RP, had informed the tribunal that he is unable to go ahead with corporate insolvency resolution process (CIRP) in the absence of relevant documents and that the tribunal needs to direct the suspended board to furnish the documents.



“We direct the former directors of the company to produce all the relevant documents sought by the RP within two days,” said the division bench of the NCLT comprising Bhaskara Pantula Mohan and Shyam Babu Gautam. “Failing which we will be compelled to issue an arrest warrant against the suspended directors.” The tribunal has set February 20 as the next date for hearing.

**Source: Economic Times**

**Please find the full news at:**

<https://economictimes.indiatimes.com/news/company/corporate-trends/cox-kings-seeks-access-to-company-documents/articleshow/74183460.cms>

### **Avoid bankruptcy trial for companies with minor defaults: FinMin**

The finance ministry has issued an advisory to the Indian Banks’ Association (IBA) asking it to avoid referring companies with loan defaults of less than Rs. 200 crores to the bankruptcy tribunal, two bankers familiar with the matter said. The ministry has also proposed that the banks work with promoters to ensure that under no condition would the companies be forced into closure which leads to job losses. According to the two-page advisory sent to IBA on Friday, later circulated by the association to its members on Monday, there is a need to create an atmosphere where government servants work to protect against the closure of companies and loss of jobs. “Around 19,000 cases have been referred to NCLT and 10,000 have been admitted,” the finance ministry advisory note said.

**Source: Economic Times**

**Please find the full news at:**

<https://economictimes.indiatimes.com/industry/banking/finance/avoid-bankruptcy-trial-for-companies-with-minor-defaults-finmin/articleshow/74183510.cms>



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