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Insolvency Professional Agency of Institute of Cost Accountants of India



PRESS

"Hard times don't create heroes. It is during the hard times when the 'hero' within us is revealed."

Updates on Insolvency and Bankruptcy Code

PNB's woes of bad loans to continue; Sintex Industries likely to go to IBC

- Lenders to Sintex Industries Ltd. rejected a debt restructuring plan by the company and intend to push it into bankruptcy. According to the resolution proposal, the Indian textile company will be able to service only 30% of its 63 billion rupees (\$888 million) of bank loans, the people said, asking not to be named, as the information isn't public.
- The plan also included infusion of about 2 billion rupees into Sintex by two other yarn producers. Indian banks, saddled with the world's worst bad-loan ratio, have been struggling to recover money from delinquent borrowers amid a prolonged credit crunch and weakening economic growth. Though banks have been increasingly pushing more cases to bankruptcy, only 15% of cases admitted to the insolvency courts have been closed through a resolution plan.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/industry/pnbs-woes-of-bad-loans-to-continue-sintex-industries-likely-to-go-to-ibc/1798404/>

Patanjali completes acquisition of bankrupt Ruchi Soya for Rs 4,350 crore

- Patanjali Ayurved on Wednesday said that it had completed the transfer of the equity and debt portion for its acquisition of Ruchi Soya through proceedings under insolvency and bankruptcy resolution. In this deal, 75% of the acquisition is being financed by banks. Baba Ramdev-led Patanjali has infused Rs. 1,150 crore as equity and the remaining Rs. 3,200 crore has been raised through bank debt.

- Patanjali Ayurved has taken a loan from a consortium of lenders led by State Bank of India. Patanjali has taken loan of Rs. 1,200 crore from SBI, Rs. 700 crore from Punjab National Bank, Rs. 600 crore from Union Bank of India, Rs. 400 crore from Syndicate Bank and Rs. 300 crore from Allahabad Bank. A banking source which did not wish to be named said, “The loan given by banks will be treated as fresh disbursement, as it is given to entirely new entity. This will now be termed as sustainable loan for banks.”

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/industry/patanjali-completes-acquisition-of-bankrupt-ruchi-soya-for-rs-4350-crore/1798230/>

Take decision on Jet Airways soon: NCLT to Synergy Group

- The National Company Law Tribunal (NCLT) on Thursday told representatives of the Colombian Synergy Group to “take a decision early” on Jet Airways. Synergy Group Corp chief operating officer Michael Welch told the two-member bench of the NCLT on Thursday that the group is ready to invest in Jet Airways only if certain conditions are met.
- Welch told the tribunal that the Synergy Group has put forth conditions that need to be met to safeguard the interest of its stakeholders, including formation of a new company free of the liabilities of Jet Airways, assurance on slots in India, London Heathrow Airport and the Schiphol Airport in Amsterdam. Synergy also wanted other assets including erstwhile airport operating rights of Jet Airways, Welch told the tribunal.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/industry/take-decision-on-jet-airways-soon-nclt-to-synergy-group/1799282/>



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