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Insolvency Professional Agency of Institute of Cost Accountants of India



PRESS

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Updates on Insolvency and Bankruptcy Code

NTPC to bid for Jhabua power plant facing IBC process

- State-run power generation behemoth NTPC is preparing to bid for the 600-MW Jhabua power plant, which is facing insolvency proceedings, a top company official said. This is the first instance where the company is showing interest in brownfield expansion through stressed assets.
- The power ministry has asked NTPC to bid for potentially viable projects that are being resolved under the Insolvency and Bankruptcy Code (IBC) and acquire them if valuations of the stressed assets are attractive. Power Finance Corporation, Rural Electrification Corporation, SBI, Union Bank of India and Axis Bank were the main lenders, with each of them having exposure of more than `3,000 crore in the project.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/industry/ntpc-to-bid-for-jhabua-power-plant-facing-ibc-process/1800344/>

Companies under IBC process may get GST relief

- The government may allow companies undergoing resolution under the Insolvency and Bankruptcy Code (IBC) to pay current levies of goods and services tax (GST) without the mandatory payment of past dues. This will remove a hurdle in the bankruptcy resolution process. Ministry of Corporate Affairs and Department of Revenue (DoR) officials have begun talks on the matter and a framework is likely to be unveiled soon.

- “The issue is under discussion... A procedure will be worked out,” said one of them, adding that the officials are expected to meet this week to finalise the contours. Tax authorities are treated on a par with operational creditors and eligible to receive payments with others. However, GST framework currently doesn’t allow a firm to file current tax dues if it has past dues. Penal action has been initiated for noncompliance even in cases where the insolvency resolution process has been initiated or GST registration has been cancelled.

Source: Economic Times

Please find the full news at:

<https://economictimes.indiatimes.com/news/economy/policy/companies-under-ibc-process-may-get-gst-relief/articleshow/72931581.cms>

Tribhovandas Bhimji Zaveri & Sons Retail (TBZSR), filed for bankruptcy

- Tribhovandas Bhimji Zaveri & Sons Retail (TBZSR), has filed for bankruptcy following an order from the National Company Law Tribunal (NCLT). TBZSR’s creditors have been asked to submit their claims to the interim resolution professional by January 3. The process is set to be completed by June 12, 2020. This firm is not connected to the listed Tribhovandas Bhimji Zaveri (TBZ).
- To distance itself from TBZSR, TBZ clarified to the stock exchanges that it has nothing to do with the company which has filed for bankruptcy. “We would like to clarify that Tribhovandas Bhimji Zaveri Ltd is neither connected nor does it have any relation with Tribhovandas Bhimji Zaveri & Sons Retail.

Source: Livemint news

Please find the full news at:

<https://www.livemint.com/companies/news/how-bankruptcy-got-redefined-in-india-11577025972861.html>



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