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IBC AU COURANT

Insolvency Professional Agency of Institute of Cost Accountants of India



PRESS

"Happiness is a butterfly, which when pursued, is always beyond your grasp, but which, if you will sit down quietly, may alight upon you."

Updates on Insolvency and Bankruptcy Code

Dewan Housing Finance withdraws draft resolution plan

Stressed mortgage lender Dewan Housing Finance Corp Ltd (DHFL) on Monday withdrew a resolution plan it had submitted to lenders and other institutional creditors in September 2019. The company said in a regulatory filing that the draft resolution plan is no longer valid following commencement of insolvency proceedings against it in November last year under the Insolvency and Bankruptcy Code (IBC). The resolution plan envisaged lenders converting a part of the debt into equity and take a 51% stake in the mortgage lender.

"We hereby request you to take down/ remove from record, the draft Resolution Plan that was formulated and presented to all its institutional creditors including banks, financial institutions, mutual funds, insurance companies and other institutional bond holders. The draft resolution plan, prepared by the erstwhile management of the company, is no longer valid and may no longer be valid," the company said in a statement to stock exchanges.

Source: Livemint News

Please find the full news at:

<https://www.livemint.com/companies/news/dewan-housing-finance-withdraws-draft-resolution-plan-11580127187041.html>

SEBI, NHB issue notice to DHFL over non-compliance of guidelines

Stressed mortgage financier Dewan Housing Finance Corp (DHFL) has been served showcase notices by Securities and Exchange Board of India (Sebi) and National Housing Bank (NHB), the housing finance regulator, over non-compliance of their guidelines. The Reserve Bank of India appointed administrator disclosed this at a meeting with lenders.

The administrator informed lenders that the showcause notices (SCN) were received from Sebi over Listing Obligations and Disclosure Requirements (LODR) & Debenture Redemption Reserve (DRR). The LODR show-cause notices are sent to listed companies based over disclosures under Section 30 of the SEBI Act of 1992. Similarly, DRR showcause notices are sent to companies for non-compliance of DRR guidelines. Companies raising capital through debentures are required to create a debenture redemption reserve as a provision to protect investors from the possibility of the company defaulting.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/industry/sebi-nhb-issue-notice-to-dhfl-over-non-compliance-of-guidelines/1837033/>

NCLT grants post-facto approval to Liquidator under IBC to initiate legal proceeding on behalf of Corporate Debtor

The National Company Law Tribunal, Cuttack has granted post-facto approval in terms of Section 33(5) of Insolvency & Bankruptcy Code, 2016 to a Liquidator for initiation of a legal proceeding on behalf of the corporate debtor. The order was passed by a single-member Bench of Member (Judicial), **Sucharitha R** in a Section 60 (5) IBC application by the Liquidator of the Corporate Debtor i.e. M/s Coastal Projects Ltd.

The order of liquidation was passed by the NCLT in December 2018. Meanwhile, an award was passed by an Arbitral Tribunal in a proceeding between the Corporate Debtor and the respondent, M/s Bharat Heavy Electricals Ltd. The Award allowed a portion of the amount in favour of the Corporate Debtor and the other part of the claim was rejected.

Source: IBC Guide

Please find the full news at:

<http://www.ibcguide.com/nclt-grants-post-facto-approval-to-liquidator-under-ibc-to-initiate-legal-proceeding-on-behalf-of-corporate-debtor/>



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