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Insolvency Professional Agency of Institute of Cost Accountants of India



PRESS

"Just when the caterpillar thought the world was ending, he turned into a butterfly."

Updates on Insolvency and Bankruptcy Code

DHFL's administrator orders three transaction audit reports

The administrator for Dewan Housing Finance Corp (DHFL), R Subramaniakumar, has ordered three transaction audit reports by Grant Thornton to examine the alleged related-party and fraudulent transactions. The administrator is understood to have informed lenders to the beleaguered lender the three reports would be submitted soon.

DHFL is undergoing a resolution process under the Insolvency and Bankruptcy Code, 2016 after the Mumbai bench of the National Company Law Tribunal (NCLT) admitted the case on December 2, 2019. The bids for the bankrupt mortgage lender are to be invited across three areas — retail, non-retail and slum rehabilitation authority (SRA) loans.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/economy/dhfls-administrator-orders-three-transaction-audit-reports/1838309/>

EPC lenders move NCLT against Mauritian bidder

The monitoring agency of EPC Constructions India has approached the bankruptcy court against successful bidder Mauritius-based Royale Partners Investment Fund for not depositing the required amount after agreeing to pay. In November 2019, the Mumbai bench of the National Company Law Tribunal (NCLT) approved a resolution plan by Mauritius-based Royale Partners for EPC Constructions to revive the company that was previously known as Essar Projects India.

The foreign investor had offered to put in around Rs 900 crore to revive the company, which owed more than Rs 7,700 crore to its financial and operational creditors. “We have got so far Rs 42 crore from the successful resolution applicant (Royale Partners), which is 10% of total infusion of Rs 420 crore by the bidder, but they have failed to pay the remaining amount as per schedule,” said Pradeep Sancheti, senior counsel, who appeared for the monitoring agency along with an advocate Pulkit Sharma. “The bidder was supposed to invest Rs 480 crore by way of issuance of the non-convertible debentures (NCDs).”

Source: Economic Times

Please find the full news at:

<https://economictimes.indiatimes.com/industry/indl-goods/svs/construction/epc-lenders-move-nclt-against-mauritian-bidder/articleshow/73687363.cms>

2 more power plants lined up for one-time settlement

Lenders have placed their hope on the resolution of two struggling thermal power plants, Coastal Energen and Jindal India Thermal operating in different parts of the country, through a so-called one-time settlement (OTS) with the promoters of these company backed by Deutsche Bank-led distressed funds. Banks are currently voting to settle about Rs 11,900 crore of debt through these deals at approximately less than half of the value which they lent in a desperate effort clean up their books and get these assets up and running. OTS is the preferred route for banks to avoid a long drawn litigation via the National Company Law Tribunal (NCLT).

“The Coastal resolution is being planned in stages. The promoter has to bring in a total of Rs 300 crore in equity in two tranches. He has already brought in Rs 150 crore. Banks are now voting on the plan and we expect an outcome soon.

Source: Economic Times

Please find the full news at:

<https://economictimes.indiatimes.com/industry/energy/power/2-more-power-plants-lined-up-for-one-time-settlement/articleshow/73682797.cms>



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