



INSOLVENCY PROFESSIONAL AGENCY
OF INSTITUTE OF COST ACCOUNTANTS OF INDIA



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LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

"Do what you feel in your heart to be right—for you'll be criticized anyway."

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➤ Lenders reject Go First's pleas for undrawn funds

Lenders to the distressed Go First airline have rejected pleas by its management to release undrawn funds to the company citing processes to be followed under the Insolvency and Bankruptcy Code (IBC).

Banks have informally conveyed to the airline that any release of funds will now be subject to approvals from all lenders through a committee of creditors (CoC) meeting later next week, people aware of the development said.

Go First has undrawn limits of about Rs 200 crore under the government's emergency credit line guarantee scheme (ECLGS), which was introduced to support sectors like travel and tourism that were hit hard by the Covid-19 pandemic disruptions, they said. The banks' decision not to release more money is likely to further delay any chances of the airline resuming operations.

"As far as banks are concerned, this company has now entered insolvency and hence is not a standard account," a person familiar with the process. "So, the question of releasing any more funds does not arise. Any decision of releasing any funds will be collectively taken by lenders when they meet in a CoC after evaluating the company's position and taking the resolution professionals inputs into account," the person said.

Source: The Economic Times

Read Full news at: <https://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/lenders-reject-go-firsts-pleas-for-undrawn-funds-citing/articleshow/100659287.cms?from=mdr>

➤ **NCLT admits insolvency plea against Future Supply Chain Solution**

The National Company Law Tribunal (NCLT) has on Friday admitted the insolvency plea filed against Future Supply Chain Solutions Ltd (FSCSL). Future group firm FSCSL in a regulatory filing said the Mumbai bench of NCLT has allowed the plea filed by DHL E-commerce (India) Pvt Ltd, claiming default.

"NCLT has pronounced its Order today i.e. January 05, 2023, allowing the admission of the said petition of DHL E-commerce (India) Private Limited on for default of outstanding amount payable to operational creditor," the regulatory filing said. DHL Ecommerce has filed the plea as an operational creditor under the Insolvency & Bankruptcy Code (IBC).

Source: Zee Business

Read Full news at: <https://www.zeebiz.com/india/news-nclt-admits-insolvency-plea-against-future-supply-chain-solution-238247>

➤ **Govt considering registration of flats even if developers go bankrupt**

If this move sees daylight, it is expected to relieve thousands of homebuyers living with the scary thought of all their money going down the drain if in case their developer goes bankrupt.

In what may come as a great relief to the home buyers, the government is considering allowing registration of flats in completed projects even if the developer of the project is undergoing insolvency resolution,

Source: Business Standard

Read Full news at: https://www.business-standard.com/industry/news/real-estate-news-govt-considering-registration-of-flats-even-if-developers-go-bankrupt-123053100325_1.html

