



INSOLVENCY PROFESSIONAL AGENCY  
OF INSTITUTE OF COST ACCOUNTANTS OF INDIA



# IBC AU-COURANT

*Latest updates On Insolvency & Bankruptcy*

**11<sup>th</sup> October 2022**

**"Once you replace negative thoughts with positive ones, you'll start having positive results"**

## ➤ **GVK Power (Goindwal Sahib) admitted for insolvency**

The bankruptcy court Monday admitted GVK Power (Goindwal Sahib) Ltd for corporate resolution and insolvency proceedings based on a petition filed by Axis Bank.

This is the second company of the GVK group, after GVK Industries to be admitted for insolvency proceedings.

The Hyderabad bench of the National Company Law Tribunal (NCLT) gave an oral judgement on Monday, while a complete judgement order is yet to be uploaded on its website.

GVK Power and Infrastructure Ltd, the parent company of GVK Power (Goindwal Sahib), informed the stock exchange that it would challenge the order at the National Company Law Appellate Tribunal. The company has a debt of around Rs 3000 crore, said a senior bank official.

If the appellate authority does not grant any relief, the interim resolution professional will immediately take charge of the company's affairs, the parent company disclosed to the exchange.

GVK Power (Goindwal Sahid) operates two thermal power plants in Punjab of 270mw each. It has a power purchase agreement (PPA) with Punjab State Power Corporation Ltd. GVK Power has tied up with CoalIndia for the supply of coal under Shakti Policy.

In October last year, the state government terminated GVK on the grounds that its charges a higher tariff. The termination of PPA by the then Congress government was an election promise made by the state government. The Punjab state had signed PPA with GVK Power when Shiromani Akali Dal – BJP was in power.

The cancellation of PPA resulted in a series of litigations between the company and the state government

**Source: The Economic Times**

**Read Full news at:** <https://economictimes.indiatimes.com/industry/energy/power/nclt-admits-gvk-power-goindwal-sahib-for-corporate-resolution-on-axis-banks-petition/articleshow/94769689.cms>

## ➤ JSW Steel registers sequential decline in Q2 production

JSW Steel registers sequential decline in Q2 steel production Government's export duty on steel products is beginning to hurt production schedule of domestic steel producers with private sector steel maker JSW Steel reporting a 3% decline in crude steel production sequentially in July-September quarter of FY23.

In a statement the company said that though at the group level, combined crude steel production at 5.68 million tonnes for Q2 FY'23 registered a growth of 12% YoY (over 5.07 mt last year), sequentially the production slipped 3%, indicating re-emergence of demand slowdown.

"This drop in production was attributable mainly to extended maintenance shutdowns in JISPL (JSW Ispat Special Products Ltd.), subdued market conditions in USA and lower capacity utilisation in other locations in India due to supply and logistics constraints in sourcing of iron ore and steep decline in export volumes, "

JSW Steel said in a statement. While the company produced 5.68 mt of steel in Q2 this year, the production was higher at 5.88 mt in Q1 FY23.

Of the total Q2 production, almost entire steel (5.57 MT) has been rolled out by JSW Steel Indian Operations that includes production from Bhushan Power and Steel Ltd (BPSL) which was acquired by the group early last year under the insolvency and bankruptcy process and included under JSW Steel Indian Operations in October, 2021.

Only a production of 0.03 MT came from JISPL in Q2. The total crude steel production in the quarter also included 0.08 MT steel produced by JSW Steel USA Ohio.

In H1FY23 (April-September) the total combined steel production by the group stood at 11.56 MT, 14% higher than 10.14 MT crude steel production registered in H1 of FY22.

**Source: Mint**

**Read Full news at:** <https://www.livemint.com/companies/news/jsw-steel-registers-sequential-decline-in-q2-production-11665385237281.html>

