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LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

"Opportunities don't happen, you create them."

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➤ **Future Enterprises insolvency: Jindal (India) emerges as the sole bidder for Kishore Biyani's company**

Jindal (India), which is part of the BC Jindal Group, has emerged as the sole bidder for Kishore Biyani's Future Enterprises Limited (FEL). According to a report in Economic Times, Kolkata-based steel tubes and pipes maker Jindal's plan was the only one that was submitted to the creditors till last week. November 10 was the last date to submit the resolution plans for FEL.

Mukesh Ambani-controlled Reliance Retail was earlier in the race to acquire the company. It had sought time till October 30 to take a call on its bid for Future Enterprises. There has been no update on this following that. "There is only one bidder after the extensions. Lenders will now scrutinise the plan and seek clarifications. There has been no further extension proposed," an official told ET.

The exact value, payment schedule and other details of the Jindal plan have not been disclosed. The Corporate Insolvency Resolution Process (CIRP) against Future Retail was started by its creditors following loan defaults last year. The Kishore Biyani-led Future group firm had significant borrowings in the form of bonds and thus, several trusteeship companies have filed claims.

The retail chain owes a total of Rs 12,265 crore to its creditors. Centbank Financial Services had filed the highest claim of Rs 3,344 crore, followed by Axis Trustee Services at Rs 1,341 crore and Vistra ITCL (India) at Rs 210 crore.

Source: Business Today

Read Full news at: <https://www.businesstoday.in/latest/corporate/story/future-enterprises-insolvency-jindal-india-emerges-as-the-sole-bidder-for-kishore-biyanis-company-says-report-405516-2023-11-13>

➤ **Wake-up call for promoters: Importance of SC judgment lies in sanction to plug loopholes in IBC**

With the Supreme Court pinning down the obligations of personal guarantors under the Insolvency and Bankruptcy Code (IBC), creditors now have a better chance of recovering the dues of Rs 1.64 trillion relating to personal guarantees. Last week, the apex court upheld the constitutionality of the provisions of the IBC relating to the Personal Guarantors Insolvency Resolution, which became effective through amendments in 2019. The provisions had been challenged by a group of promoters, including Anil Ambani, on the ground that they were not given a chance to present their case, among other things. The apex court, however found their arguments untenable. The moratorium, the three-judge bench headed by Chief Justice DY Chandrachud noted, was automatically imposed on the guarantors at the time of the insolvency petition being filed.

Source: The Financial Express

Read Full news at: <https://www.financialexpress.com/opinion/wake-up-call-for-promoters-importance-of-sc-judgment-lies-in-sanction-to-plug-loopholes-in-ibc/3306262/>

➤ **IIM Ahmedabad study finds significant improvement in firms post IBC**

Average sales of companies, three years post-resolution rose 76 per cent, while the build-up of tangible assets surged 50 per cent, according to a study by the Indian Institute of Management Ahmedabad (IIMA) into the outcomes of companies that were resolved under the Insolvency and Bankruptcy Code (IBC).

The study found that hotels and restaurants have had the highest recovery rate for creditors under the IBC while electricity, gas, and water supply firms have the lowest recovery rates. The average recovery rate in IBC, according to the study, is about 33.2 per cent.

Source: Business Standard

Read Full news at: https://www.business-standard.com/companies/news/iim-ahmedabad-study-finds-significant-improvement-in-firms-post-ibc-123111200476_1.html

