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*"Once you face your fear, nothing is ever as hard as you think."*

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## ➤ **Reliance Capital Resolution: More challenges ahead**

Although Reliance Capital's (RCap) lenders succeeded in concluding the second auction with an improved offer, they will have to cross several hurdles before completing the sale of the Anil Ambani financial services company as part of the insolvency process.

Hinduja entity IndusInd International Holdings offered ₹9,650 crore, almost ₹1,000 crore more than the highest bid by Torrent Investments made in the first round in December. But that's still below the ₹12,500-13,000 crore liquidation value, achieving which had been the primary purpose of the second auction. Torrent did not participate in the second auction, and nor did any other entity; IndusInd was the sole bidder. Before the second auction, India's largest life insurer and lender to RCap, Life Insurance Corporation of India (LIC), had indicated that it would not vote on plans below the liquidation value.

Beginning next week, lenders will negotiate only with the highest bidder, the Hinduja, for an improved offer. They're unlikely to significantly bridge the gap between the liquidation value and the offer. The financial services company has a cash balance of Rs 430 crore, which too will be distributed to lenders, thus taking the total of what they'll get to Rs 10,080 crore, which equates to a 42.5% recovery.

The administrator has filed an avoidance transaction claim with the National Company Law Tribunal (NCLT), seeking to reverse transactions worth Rs 2,000 crore by Reliance Capital before being admitted for insolvency.

**Source: The Economic Times**

**Read Full news at:** <https://economictimes.indiatimes.com/industry/banking/finance/reliance-capital-resolution-more-challenges-ahead/articleshow/99825387.cms>

## ➤ **NCLAT admits YEIDA petition, says Jaypee resolution won't be held up**

The National Company Law Appellate Tribunal (NCLAT) has admitted the Yamuna Expressway Industrial Development Authority (YEIDA) petition against bankruptcy court NCLT's order in the insolvency resolution of Jaypee Infratech Ltd (JIL).

On March 7, the National Company Law Tribunal (NCLT) approved resolution applicant Suraksha Group's bid to take over JIL. but rejected YEIDA's Rs 1,689 crore claim for payment of additional compensation to farmers. The NCLT limited YEIDA's additional compensation demand to Rs 10 lakh, considering it an operational creditor. YEIDA told NCLAT its challenge of the NCLT order is restricted to the part on additional compensation and does not concern any other aspects of the resolution plan. It referred to the Supreme Court's judgment of May 2022 upholding 64.7% additional compensation to farmers in Yamuna Expressway areas.

To argue its case, the YEIDA counsel cited a Supreme Court order on Jaypee Kensington that approval by the development authority was "sine qua non" (an essential condition) for the validity of the resolution plan. After hearing all parties, NCLAT said it found substantial grounds to entertain the appeal and scheduled the next hearing on May 29. It clarified that pendency of the appeal would not be a constraint on implementation of the JIL resolution plan.

**Source: The Times of India**

**Read Full news at:** <https://timesofindia.indiatimes.com/city/noida/nclat-admits-yeida-petition-says-jaypee-resolution-wont-be-held-up/articleshow/99829039.cms?from=mdr>

