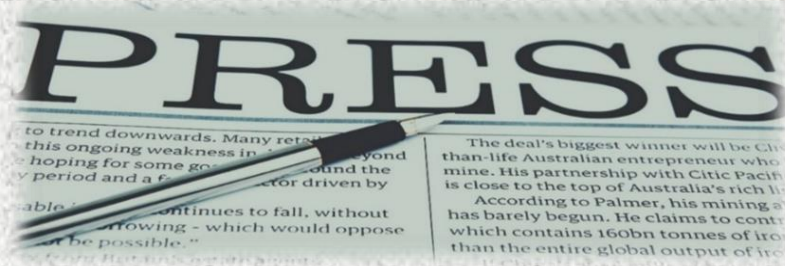


Date: July 01, 2021

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Insolvency Professional Agency of Institute of Cost Accountants of India



"Success is often achieved by those who don't know that failure is inevitable."

Updates on Insolvency and Bankruptcy Code

NCLT cites 'use it or lose it' rule to deny slots to Jet Airways

The Mumbai Bench of NCLT has applied the 'use it or lose it' rule to deny historical slots to Jet Airways' new promoters — Murari Lal Jalan and Kalrock Capital. In its final judgment, the Mumbai Bench of NCLT said that on any ground, the slots cannot be pre-allotted. "The facts and circumstances would indicate that presently the slots cannot be restored to the Corporate Debtor on a historic basis. The thumb rule being 'use it or lose it,'" the two judge-Bench headed by Janab Mohammed Ajmal and V Nallasenapathy said in their final order.

Source: The Hindu Business Line

Please find the full news at:

<https://www.thehindubusinessline.com/companies/nclt-cites-use-it-or-lose-it-rule-to-deny-slots-to-jet-airways/article35065280.ece>

Royal Refinery's liquidator includes customs department as operational creditor

The investigating agency in the case is the Directorate of Revenue Intelligence, Mumbai. The IRP and the Committee of Creditors (CoC), comprising only YES Bank, had however rejected the department's claim at the time of the CIRP process. The liquidator of Mumbai-based wholesale jewellery maker Royal Refinery Pvt Ltd has included the Customs department as a statutory operational creditor, a development that is likely to set a precedent in cases where government departments seek to recover claims from companies facing liquidation.

Source: The Economic Times

Please find the full news at:

<https://economictimes.indiatimes.com/industry/cons-products/fashion/-/cosmetics/-/jewellery/royal-refinerys-liquidator-includes-customs-department-as-operational-creditor/articleshow/83984510.cms>

Financial creditors to take 95% haircut on Rs 7,800 cr Jet Airways dues

Financial creditors to Jet Airways will be taking around 95 per cent haircut as the successful bidder Jalan-Kalrock consortium have proposed to pay Rs 385 crore against the total claim of Rs 7,807.74 crore. Out of that Rs 185 crore will be paid upfront within 180 days after start of operations of the company, whereas Rs 195 crore will be paid through issuance of zero coupon bonds, each of Rs 1,000 face value after two years. The consortium has offer Rs 391 crores in the form of non-convertible debentures (NCDs). It has also offered 9.5 percent stake to the lenders in Jet Airways.

Source: Business Standard

Please find the full news at:

https://www.business-standard.com/article/companies/financial-creditors-to-take-95-haircut-on-rs-7-800-cr-jet-airways-dues-121063001882_1.html



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