



# IBC AU-COURANT

*Latest updates On Insolvency & Bankruptcy*

**Tuesday, 5<sup>th</sup> July, 2022**

**"The bad news is time flies"**

## ➤ **Over 97% of lenders voted in favour of ASG Hospital's bid for Vasan Health Care, NCLT told**

The National Company Law Tribunal (NCLT), Chennai, was informed on Monday that the committee of creditors has voted in favour of a resolution bid submitted by Rajasthan-based ASG Hospital Private Limited for Vasan Health Care Pvt. Ltd. under the insolvency process.

The resolution professional told the tribunal that the lenders had approved the plan in a meeting held on February 8, with 97.9% voting in favour of the bid and sought for approval of the plan. The NCLT has posted the case for further hearing on July 8.

According to sources, ASG Hospital had submitted a bid for ₹550 crore. The other bidders in the fray included MGM Healthcare's managing director M.K. Rajagopalan in his personal capacity, Dr. Agarwal's Health Care Ltd. and iLabs India Special Situations Fund. Mr. Rajagopalan has sought to file a petition against the lenders choosing ASG Hospital's plan. The NCLT said it wanted to first hear ASG Hospital's resolution plan in detail and then take up cases relating to any objections.

In 2017, the NCLT had ordered the commencement of insolvency proceedings against Vasan Health Care in a petition filed by Alcon Laboratories (India) Pvt. Ltd., one of its suppliers. This was the first case to be admitted by NCLT, Chennai, under the Insolvency and Bankruptcy Code, 2016. Financial creditors, including Andhra Bank, Edelweiss Asset Reconstruction, Kotak Mahindra Bank and HDFC Bank, have a claim totalling ₹1,268 crore against the company.

Last year, the National Company Law Appellate Tribunal, Chennai, had allowed an appeal filed by the lenders seeking extension of time-frame under the insolvency resolution process. The lenders had appealed against an NCLT order that refused to grant extension of time for the insolvency process and directed for filing for liquidation of the company.

**Source: Nagpur Today**

**Read Full news at:** <https://www.nagpurtoday.in/awareness-program-on-insolvency-profession-at-rtmnu-auditorium/06061227>

## ➤ NCLT Hyderabad Initiates Insolvency Process Against The Personal Guarantor Of Deccan Chronicle Holdings

The National Company Law Tribunal, Hyderabad Bench, comprising of Dr. N. Venkata Ramakrishna Badarinath (Judicial Member) Shri Veera Brahma Rao Arekapudi (Technical Member), while adjudicating a petition filed in L&T Finance Limited v Tikkavarapu Venkaram Reddy, has initiated insolvency resolution process against Mr. Tikkavarapu Venkatarami Reddy, who is the Personal Guarantor of M/s Deccan Chronicle Holdings Ltd. in respect of the credit facilities availed by Deccan Chronicle Holdings from L&T Finance Ltd. The order was passed on 24.06.2022.

L&T Finance Ltd. ("Petitioner") had sanctioned a term loan amounting to Rs. 25 Crores to M/s Deccan Chronicle Holdings Ltd. ("Principal Borrower") on 10.05.2013. The Petitioner and the Principal Borrower had entered into a Facility Agreement dated 13.05.2011, Demand Promissory Note dated 13.05.2011 and under a Deed of Guarantee Mr. Tikkavarapu Venkatarami Reddy ("Respondent/Personal Guarantor") was named as the guarantor to secure the repayment of the financial assistance availed by the Principal Borrower. On 31.01.2021, the total amount in default was Rs. 62,96,35,739.60/-

When both Principal Borrower and the Respondent failed to repay the loan, arbitration proceeding was initiated by the Petitioner in 2012 against them. The Arbitral Tribunal on 15.03.2013 passed an Award, directing the Principal Borrower and the Respondent to pay an amount of Rs. 25,02,61,350/- along with interest @15% per annum from 27.01.2012 till payment/realization. However, the execution proceeding in respect of the Arbitral Award is pending before the High Court of Bombay.

On 19.07.2017, Corporate Insolvency Resolution Process ("CIRP") was initiated against the Principal Borrower and subsequently resolution plan submitted by SREI Multiple Asset Investments Trust Vision India Fund was approved on 03.06.2019. Thereafter, on 20.01.2020 the Petitioner had issued a demand notice to the Respondent for payment of the amount due and payable under the Arbitration Award. The Respondent sent a response dated 03.02.2020 to the Petitioner, stating that since the Resolution Plan for the Principal Borrower has been approved by the NCLT on 03.06.2019, the Petitioner cannot maintain any proceedings against the Respondent.

**Source: Live Law**

**Read Full news at:** <https://www.livelaw.in/news-updates/nclt-hyderabad-insolvency-of-bankruptcy-code-corporate-insolvency-resolution-process-cirp-personal-guarantor-deccan-chronicle-holdings-lt-finance-ltd-202873>

