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Insolvency Professional Agency of Institute of Cost Accountants of India



"Never bend your head. Hold it high. Look the world straight in the eye."

Updates on Insolvency and Bankruptcy Code

JC Penney is planning to file for bankruptcy as early as Friday

J.C. Penney is planning to file for bankruptcy protection, people familiar with the matter tell CNBC. Its advisors are currently working on a bankruptcy filing that could come early Friday morning, they said. They cautioned there is still a chance that final negotiations between the retailer and its lenders spill into the weekend and delay the filing.

J.C. Penney employed roughly 90,000 full-time and part-time employees as of February. It is working on a plan that would contemplate closing 180 to 200 stores while in bankruptcy. The retailer had 846 department stores as of February.

Source: CNBC

Please find the full news at:

<https://www.cnbc.com/2020/05/15/jc-penney-is-planning-to-file-for-bankruptcy-in-the-next-day.html>

DHFL resolution: CoC extends deadline for submission of bids till July 24

The committee of creditors (CoC) of beleaguered mortgage financier Dewan Housing Finance Corporation (DHFL) has decided to extend the deadline for submission of bids for the company till July 24. The decision was taken at a meeting held on May 12. DHFL had already extended the deadline for the submission of bids for the company to June 9, from April 16 earlier. The bidders for the company had earlier requested DHFL to relook at the timeline of the resolution post the Covid-19 scenario.

The deadline for submission of bids can be extended even further, in case of announcement of a fourth phase of lockdown. The third phase of the lockdown announced by the government due to Covid-19 is expiring on May 17.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/industry/dhfl-resolution-coc-extends-deadline-for-submission-of-bids-till-july-24/1960476/>

Lockdown: 72% of outstanding bank credit in red zones, says report

Nearly 72% of outstanding bank credit and 62 per cent of deposits are in the red zone districts and any delay in restarting of economic activity could put pressure on the lenders' balance sheet and asset quality, says a report. The Ministry of Health and Family Welfare has classified the country into three zones -- green, orange and red (along with containment zones within districts) based on the COVID-19 cases, with varying levels of economic activity across the zones.

As of December 2019, the overall bank credit stood at Rs 100.7 lakh crore while deposits were at Rs 132.9 lakh crore. Of this, the outstanding bank credit stood at Rs 72 lakh crore and deposits at Rs 82.5 lakh crore in the red zones, according to the report by Care Ratings.

Source: Economic Times

Please find the full news at:

https://m-economictimes.com.cdn.ampproject.org/c/s/m.economictimes.com/industry/banking/finance/banking/lockdown-72-of-outstanding-bank-credit-in-red-zones-report/amp_articleshow/75741641.cms



Insolvency Professional Agency of Institute of Cost Accountants of India
(A Section 8 Company incorporated under Companies Act 2013)

CMA Bhawan, 3 Institutional Area, Lodi Road,
New Delhi-110003