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IBC AU COURANT

Insolvency Professional Agency of Institute of Cost Accountants of India



“All power is within you; you can do anything and everything”

Updates on Insolvency and Bankruptcy Code

Lenders seek fresh bids for Videocon

The matter is a complex one as earlier the CoC and the NCLT have approved the bid of Twin Star and legal provisions do not permit going back on the approvals once given. With the State Bank of India, the lead banker in the consortium of lenders moving the National Company Law Appellate Tribunal (NCLAT) on behalf of the committee of creditors seeking fresh bids for the bankrupt Videocon Industries, the appellate tribunal on Monday sought a reply from the successful bidder Twin Star Technologies. The matter will now come up for hearing on September 27.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/industry/lenders-seek-fresh-bids-for-videocon/2334258/>

Govt shouldn't have to guarantee NARCL SRs

Banks should ensure they recover as much as possible; else, the purpose of the ARC would be defeated. Given the Centre has already done its bit by pumping in Rs 3.4 lakh crore of capital into state-owned banks over FY16-FY21, one is not clear why they now need a sovereign guarantee of Rs 30,600 crore to back the security receipts (SR) that will be issued by the National Asset Reconstruction Company Limited (NARCL). Apparently, this guarantee is intended to cover the shortfall between the amount realised from the underlying assets and the face value of the SRs. Moreover, the SRs become attractive tradeable instruments in the market if they are backed by a guarantee.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/opinion/govt-shouldnt-have-to-guarantee-narcl-srs/2334117/>

'It's not weakness in IBC, but in how people are gaming it': Nirmala Sitharaman:

I lay a lot of emphasis on the professionals (managing the assets), which is why, along with NARCL, we have set up IDRCL, says Nirmala Sitharaman, Union finance minister. Days after announcing the mechanics of the bad bank, which will remove ₹2 trillion of bad debt from the books of banks, and weeks after announcing a framework that will make more people eligible for loans and scrapping the retrograde retrospective tax, finance minister Nirmala Sitharaman discussed the initiatives, and the state of the economy, in an extensive interview with Hindustan Times.

Source: Mint

Please find the full news at:

<https://www.livemint.com/companies/people/its-not-weakness-in-ibc-but-in-how-people-are-gaming-it-11632165895732.html>

McLeod's return from brink of IBC signals a brief respite for tea industry

In an industry in which more than half the production is accounted for by the small growers, analysts believe that big players may help bring production and pricing discipline. On September 3, the country's largest bulk tea producer, McLeod Russel India, hobbled its way out of insolvency proceedings after a settlement with financial creditor, Techno Electric & Engineering, a power infrastructure company. For the storied business house of Kolkata, it was a close shave. But for the past three years, it has been touch-and-go for the tea producer in the Brij Mohan Khaitan group.

Source: Business Standard

Please find the full news at:

https://www.business-standard.com/article/companies/mcleod-s-return-from-brink-of-ibc-signals-a-brief-respite-for-tea-industry-121092001459_1.html



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