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# IBC AU-COURANT

*Insolvency Professional Agency of Institute of Cost Accountants of India*



*"When writing the story of your life, don't let anyone else hold the pen"*

## Updates on Insolvency and Bankruptcy Code

### ➤ Piramal Capital initiates bankruptcy proceedings against Reliance Power

Piramal Capital and Housing Finance (PCHFL) has initiated bankruptcy proceedings against Anil Ambani-controlled Reliance Power and its subsidiary Reliance Natural Resources (RNRL), following a default of Rs 526-crore loan. RNRL, which was merged with Reliance Power in 2010, had obtained the loan from Dewan Housing Finance Corporation (DHFL). The Piramal Group, controlled by billionaire Ajay Piramal, had acquired DHFL for a total consideration of Rs 34,250 crore in 2021 and then merged it with PCHFL. PCHFL has moved the National Company Law Tribunal's Mumbai bench under Section 7 (initiation of insolvency proceedings against the corporate debtor by a financial creditor) of the Insolvency and Bankruptcy Code (IBC), sources close to the development said. As per Reliance Power's website, the company has close to 6,000 MW of operational power generation assets, including the 3,960 MW Sasan Ultra Mega Power Project in Madhya Pradesh.

The company's projects under development include three coal-fired projects, one gas-fired project and twelve hydroelectric projects in Arunachal Pradesh, Himachal Pradesh and Uttarakhand. A number of firms of Anil Ambani group, including Reliance Infratel (the tower arm of Reliance Communications), Reliance Telecom, Reliance Naval and Reliance Capital are currently under insolvency processes.

**Source: Financial Express**

**Read Full news at:**

<https://www.financialexpress.com/industry/piramal-capital-initiates-bankruptcy-proceedings-against-reliance-power/2467288/>

➤ **Indian banks to start debt recovery proceedings against Future Retail: report**

Indian lenders are set to initiate debt recovery proceedings against Future Retail this week to safeguard their interests after rival Reliance unexpectedly took over some of the retailer's stores, two bankers told Reuters. Future Retail hit by the pandemic, has been struggling to pay off its debt and is fighting a bitter legal battle with U.S retail giant Amazon. That battle has successfully blocked a \$3.4 billion sale of its retail assets to India's largest retailer Reliance, citing violation of certain contracts. Future denies any wrongdoing. But Reliance Industries suddenly took control of hundreds of Future stores late last month, citing non-payment of rent, after assuming many of the leases held by cash-strapped Future. State-owned lender Bank of Baroda will be the first to take Future to the Debt Recovery Tribunal (DRT) and is expected to file the paperwork this week, the two bankers said.

**Source: Mint**

**Read Full news at:**

<https://www.livemint.com/companies/news/indian-banks-to-start-debt-recovery-proceedings-against-future-retail-report-11647906724142.html>



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