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IBC AU COURANT

Insolvency Professional Agency of Institute of Cost Accountants of India



“A successful man is one who can lay a firm foundation with the bricks others have thrown at him.”

Updates on Insolvency and Bankruptcy Code

Suzlon committee of creditors starts voting on promoters' restructuring plan

The committee of creditors (CoC) of beleaguered wind energy producer Suzlon Energy have started voting on the debt restructuring plan presented by promoters of the company. The process will conclude by March 26. “Out of 19 lenders, 16 have voted on resolution plan” the source added. The e-voting for Suzlon was supposed to be completed on March 21, but due to the existing scenario over Covid-19, it has been extended till March 26.

As per the Insolvency and Bankruptcy Code (IBC), a 66% vote is required for the CoC to approve a resolution plan. The current proposal by promoters of Suzlon offers a 60% haircut to lenders in which the total debt will be split in sustainable and unsustainable portion.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/industry/suzlon-committee-of-creditors-starts-voting-on-promoters-restructuring-plan/1909483/>

Govt mulls suspending IBC process for 6 months

In a relief for small and medium enterprises facing the threat of insolvency because of the coronavirus crisis, the government on Tuesday raised the threshold for invoking insolvency to Rs 1 crore from the current Rs 1 lakh. Finance Minister Nirmala Sitharaman, while addressing the media through video conferencing, also said if the situation continued to be difficult, the government would consider suspending the provisions for triggering insolvency for six months.

This means suspending Sections 7, 9 and 10 of the Insolvency and Bankruptcy Act (IBC), which enable a financial creditor, operational creditor and the promoter, respectively, to initiate insolvency proceedings against a company. The proposed move will “stop companies at large from being forced into insolvency proceedings in such force majeure causes of default”, said a government release.

Source: IBCguide

Please find the full news at:

<http://www.ibcguide.com/govt-mulls-suspending-ibc-process-for-6-months/>

DHFL claims cross Rs 1 lakh crore

The amount claimed by creditors of troubled Dewan Housing Finance Corporation (DHFL) has crossed Rs 1 lakh crore, sources told FE. The sources added that 70,913 creditors “have claimed Rs 1,00,064 crore from DHFL till now.” Financial creditors, including bondholders, have claimed Rs 86,469 crore from DHFL.

India’s largest lender State Bank of India, including SBI Singapore, is the lead creditor with a claim of Rs 10,083 crore, followed by Bank of India, which has claimed Rs 4,126 crore. Canara Bank has claimed Rs 2,682 crore, National Housing Bank (NHB) has claimed Rs 2,434 crore, Union Bank of India `2,378 crore and Syndicate Bank Rs 2,229 crore, among other lenders.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/industry/banking-finance/dhfl-claims-cross-rs-1-lakh-crore/1907431/>



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