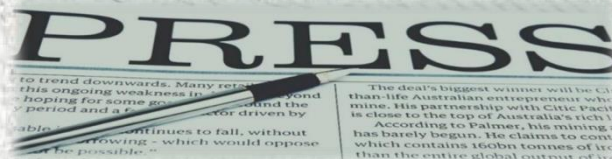


Date: April 30, 2020

IBC AU COURANT

Insolvency Professional Agency of Cost Accountants of India



“Don’t wish it were easier. Wish you were better.”

Updates on Insolvency and Bankruptcy Code

Jet Airways’ RP asks SpiceJet to pay up for leased engines

The Resolution Professional of the grounded Jet Airways has served a notice to SpiceJet seeking payment for engines that were leased out to the latter. Jet Airways was dragged to the NCLT over unpaid dues in June 2019. The tribunal had considered Jet Airways as a ‘going concern’, after which a few of Jet Airways’ assets had been leased out to industry players in order to recover some cost.

Some of the engines from aircraft flown by Jet Airways were mounted on the fleet of SpiceJet. SpiceJet was to pay a lease amount for the same. These engines are owned by Jet Airways.

Source: IBC Guide

Please find the full news at:

<http://www.ibcguide.com/nclt-jet-airways-rp-asks-spicejet-to-pay-up-for-leased-engines/>

Banks set to declare Cox and Kings exposure as ‘fraud’ account

Lenders to troubled tour operator Cox & Kings are set to declare the exposure as a ‘fraud’ account after Pricewaterhouse Coopers (PWC) submitted an audit report. This classification will require banks to make provisions of 100% of the total amount due to them as per Reserve Bank of India (RBI) guidelines.

State Bank of India (SBI) and IndusInd Bank had already red-flagged the account in December 2019. Cox & Kings’ total dues to financial creditors stand at Rs 5,900 crore. Many banks have already provisioned 15-25% till December 2019 for the account. Suspecting a fraud, the lenders to Cox & Kings had roped in PwC for a forensic investigation into the matter and the role of senior executives of the company.

Source: Financial Express

Please find the full news at:

<https://www.financialexpress.com/industry/banking-finance/banks-set-to-declare-cox-and-kings-exposure-as-fraud-account/1943492/>

NCLT: Pay VBC staff salary from fixed deposit

The National Company Law Tribunal (NCLT) in Hyderabad on Tuesday directed the Insolvency Resolution Professional (IRP) currently involved in the corporate insolvency resolution process pertaining to VBC Industries Ltd to pay the salaries to the employees of VBC by defreezing a fixed deposit in the name of the company.

Following a Rs 100 crore default to finance company IFCI, the tribunal earlier initiated the insolvency process against the company. “The company has not been paying the salaries to the staff since January this year,” N Harinath, the counsel for the employees said.

Source: IBC Guide

Please find the full news at:

<http://www.ibcguide.com/nclt-pay-vbc-staff-salary-from-fixed-deposit/>



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