AMTEK AUTO TAKEOVER

SC drops contempt case against DVI with rider

INDU BHAN
New Delhi, February 23

THE SUPREME COURT on Tuesday dropped the contempt proceedings initiated by lenders of bankrupt Amtek Auto against US-based hedge fund Deccan Value Investors (DVI) on the condition that it does not raise the 'force majeure' clause before the National Company Appellate Law Tribunal (NCLAT).

The NCLAT is hearing DVI's appeal against approval granted to its bid for takeover of the auto parts maker.

The apex court also rejected DVI's application for rectification, terming it to be "an attempt to renege from the resolution plan which it submitted and to resile from its obligations. This is a devious attempt which must be disallowed," it said.

The SC said DVI "shall not set up a plea for force majeure in the proceedings which are pending before the NCLAT..."

Amtek Auto's lender wanted DVI to be prosecuted for trying to wriggle out of its obligation to acquire the bankrupt auto parts maker after emerging as the successful resolution applicant. DVI's ₹12,700-crore bid was approved by NCLT, Chandigarh, on July 9, 2020. However, the US firm had challenged it in the NCLAT by invoking the force majeure clause during the pandemic, which had drastically altered the financial calculations that formed the basis for its previous offer.

In 2019, UK-based Liberty House, which had been the successful bidder, had backed out citing technical reasons.

A bench led by Justice DY Chandrachud, while dismissing the contempt petition filed by the Committee of Creditors, held that "it is not expedient in the interest of justice to pursue the contempt proceedings, which stand dismissed" subject to the condition that DVI "shall not set up a plea for force majeure in the proceedings which are pending before the NCLAT in appeal against the order of the NCLT approving the resolution plan".

Amtek Auto, which owes ₹12,800 crore to banks and others, featured on the first list of 12 companies referred by the RBI to initiate insolvency proceedings in 2017.

NCLT rejects pleas seeking copy of Jet resolution plan

PRESS TRUST OF INDIA
Mumbai, February 23

THE NATIONAL COMPANY Law Tribunal (NCLT) on Tuesday rejected applications filed by various parties seeking a copy of the resolution plan submitted by winning bidder Kalrock-Jalan Consortium for grounded Jet Airways.

The pleas were dismissed by the Mumbai bench of NCLT chaired by Mohammed Ajmal and V Nallasenapathy. On Monday, the tribunal had also rejected applications of five employee unions to see the resolution plan.

In January, the Jet Airways Aircraft Maintenance and Engineers Workers Association had filed an application in the NCLT to expedite the insolvency process of the grounded airline. The application had urged the tribunal to hear applications it deems necessary to complete the Corporate Insolvency Resolution Process, the delay of which will cost further loss to the company.

Closure notice to UPL plant in Gujarat after fire, blast kill 2

FE BUREAU
Ahmedabad, February 23

THE GUJARAT GOVERNMENT issued a closure notice to UPL's plant in Bharuch district late on Tuesday after a fire and explosion at the plant.

The incident occurred in the early hours of Tuesday at Unit 5 of UPL's Jhagadia plant in Bharuch district. As per official sources, at least two people died, 20 were injured and five are still missing.

A closure notice for the entire plant has been issued, said an official with the Director Industrial Safety and Health, adding that operating the plant is a safety risk.

UPL said in a statement said that there was a fire followed by an explosion at approximately 1:35 am at one of its plants. The plant had been shut since February 5 for its annual boiler inspection.

'IT sector sees sequential growth in hiring in Jan'

PRESS TRUST OF INDIA
Mumbai, February 23

INDIA'S IT SECTOR is experiencing a sequential growth in hiring since the lockdown in 2020, witnessing 39% growth in job postings in January compared to the previous month, according to a report.

The IT sector was followed by BPO (10% growth) and banking (6%), according to the report by job site SCIKEY.

Job postings have seen a significant rise in several metro cities, including Bengaluru, Hyderabad, Pune and Delhi, accounting for more than 50% jobs in the sector in January 2021, it added.

The report by SCIKEY Market Network has analysed data from over 15,000 job postings across India.

Further, the report revealed that Bengaluru and Hyderabad are the highest paying cities for IT jobs in India for the salary bracket of ₹25 lakh or more.