

ROLE OF NCLT IN NPA RESOLUTION IN INDIA

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[Insolvency and bankruptcy code (IBC) 2016 is the new bankruptcy law of India which aims to consolidate the existing different law into a single law. The new framework is supposed to be a time bound process. Cases of stressed accounts once admitted are supposed to be resolved within 270 days; if not, companies go into liquidation. During the resolution process, management control is taken away from promoters and vested with a resolution professional. The objectives of the paper are to analyses regulatory aspects of IBC; evaluate the progress made so far in corporate insolvency resolution process (CIRP); examine the status of the case of big defaulters that have referred to NCLT. The study critically examines the regulatory aspect of IBS. It indicates that in 50 per cent cases resolution interest is shown by the borrower itself which depicts their endeavour to protect the company going into liquidation. The resolution process could not fetch encouraging value as lenders face a substantial haircut in times of settlement of stressed assets. The exposure of steel, power and engineering, project & construction sector is highest in the RBI's big defaulters list referred to NCLT. A noteworthy point is that the operational creditors have been the most influential in the instigation of insolvency proceedings. However, one year after RBI's decision to refer 12 big defaulters to NCLT-1, only two cases – Bhushan Steel and Electrosteel have been resolved. The slow resolution process is ascribed to lack of interest in bidding in certain sectors e.g. power and promoters' intention of delaying the settlement process through litigation.]

Keywords: IBC, NCLT, Bankruptcy Codes, Resolution, Liquidation, Banking]

Introduction

The Indian banking sector is saddled with Non - Performing Assets (NPAs) amounted to INR 7.918 billion of which Public Sector Banks' share amounted to INR 6.847 billion as on 31st March 2017. The asset quality of PSBs deteriorated

during the year 2017 with the Gross Non-Performing assets (GNPA) ratio rose to 11.7 per cent from 9.3 per cent in 2016. This is substantiated by the high slippage ratio - the ratio of fresh NPAs to standard advances which was at over 7 per cent

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for PSBs. All large borrowal loan accounts with any sign of stress (including special mention account-0(SMA-0), SMA-1, SMA-2¹, NPAs and restructured loans) accounted for about 32 per cent of the total funded amount outstanding of PSBs. This suggests persisting stress on the asset quality of the banking system. An estimate of RBI reveals that large borrowers who have an exposure of Rs. 5 crore or more accounted for about 86.5 per cent of all NPAs, while their share in total advances was 56 per cent by end-March 2017. (RBI, 2017)

SMA- 1, where principal or interest payment was overdue for 31-60 days

SMA- 2, where principal or interest payment was overdue for 61-90 days

In India, the present legal and institutional mechanism for managing the stressed assets are through the Indian Contract Act, 1872 or through the Recovery of Debts Due to Banks and Financial Institutions Act, 1993 and the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002. The Sick Industrial Companies (Special Provisions) Act, 1985 and the winding up provisions of the Companies Act, 1956 was aimed to administer various aspects of a corporate rescue and/or insolvency process, speedy restructuring of indebted firms. (RBI, 2017)

Moreover, both the RBI and government took initiatives in order to rescue the corporate in recent years e.g. Corporate

Debt Restructuring (CDR), Flexible Structuring of Long Term Project Loans to Infrastructure and Core Industries - 5/25 scheme, SMA, Strategic Debt Restructuring (SDR) and Scheme for Sustainable Structuring of Stressed Assets (S4A). All these several laws administered various aspects of a corporate rescue and/or insolvency process, without having a wide legal framework that envisages a comprehensive process applicable to troubled or defaulting companies.

At this backdrop, a landmark development is the Insolvency and Bankruptcy Code (IBC), 2016 enacted and notified in the Gazette of India in May 2016. (Narang, *et. al*, 2018)

The President approved the Banking Regulation (Amendment) Ordinance, 2017, on May 5, 2017. This ordinance empowers the Reserve Bank to direct banking companies to initiate insolvency proceedings in respect of corporate borrowers in default, under the provisions of the Insolvency and Bankruptcy Code, 2016 (IBC). It also enables the Reserve Bank to constitute committees to advise banking companies on resolution of stressed assets.

Following this, the Reserve Bank released a detailed action plan to implement the Ordinance on May 22, 2017. An Internal Advisory Committee (IAC) constituted by the Reserve Bank held its first meeting on June 12, 2017. The IAC recommended that all accounts with an outstanding

¹SMA- 0, where principal or interest payment was not overdue for more than 30 days, but the account showed signs of incipient stress.

amount greater than Rs. 50 billion, and with more than 60 per cent classified as non-performing by banks as on March 31, 2016 be resolved using the new IBC. Using these criteria, 12 accounts aggregating to around 25 per cent of the current gross NPAs were referred to the National Company Law Tribunal (NCLT), a statutory body responsible for judging insolvency proceedings under the new IBC law (RBI, Annual Report, 2017).

Since the code has been launched recently, we have come across limited number of literature on this subject. The extant literature focuses mainly on regulatory aspect of IBC. It is attempted in the study not only to critically analyze the code but also evaluating the performance of the judicial institution under the IBC i.e. NCLT after one year of its functioning.

The objectives of the paper are to critically analyse regulatory aspects of IBC; evaluate the progress made so far in corporate insolvency resolution process (CIRP); examine the status of the cases of big defaulters that have referred to NCLT.

Regulatory Features of IBC

In time of a business failure, resolution has to be done at the earliest and expeditiously. Any undue delay in starting or finishing the resolution might lead to flight of key stakeholders and deteriorate the chances of failure sometimes beyond repair. If resolution is not possible, an orderly exit mechanism should allow stakeholders to recover their dues from liquidation proceeds of the business and free up resources for

reallocation. However, this is not how business failures were addressed till recently in India.

The bankruptcy resolution of a financially distressed firm can be done by any of the following two approaches:

- i) the process of winding up of business by selling assets to satisfy creditors' claims i.e. liquidation
- ii) restructuring of firm's debt

Indian bankruptcy procedures are governed by two acts: (1) SICA; and (2) IBC

In order to deal with industrial sickness by way of closure or revival, if possible, the Sick Industrial Companies Act, 1985 (SICA) was enacted.

Two quasi-judicial bodies were established under SICA

- Board for Industrial and Financial Reconstruction (BIFR) and
- Appellate Authority for Industrial and Financial Reconstruction (AAIFR) (Tyagi, V. 2018)

By any standard the BIFR, on which high hopes had been placed failed to live up to the expectation which is envisaged in the speech of Finance Minister Mr. Arun Jately "*The SICA experiment was an absolute failure. It was brought in with an idea that companies which are sick would be revived irrespective of whether they were capable of being revived or not. The only effective purpose it served was that the debtors got an iron curtain around them. Then the iron curtain, which prevented the creditors from making recoveries, continued indefinitely.*

Therefore, effectively there was very little purpose that the SICA was able to achieve for which it was created.”(Jaitley, A, 2017)

The IBC provides for a single window, time-bound process for resolution of an asset with an explicit emphasis on promotion of entrepreneurship, maximisation of value of asset, and balancing the interests of all stakeholders.

The institutional infrastructure under the IBC, 2016 rests on four pillars, viz.

- insolvency professionals (they assist in the completion of insolvency resolution, liquidation and bankruptcy proceedings)
- information utilities (maintaining electronic databases on lenders and terms of lending, thereby eliminating delays and disputes when a default actually takes place)
- the Insolvency and Bankruptcy Board of India (IBBI) (has regulatory oversight over insolvency professionals, insolvency professional agencies and information utilities) and
- adjudicating authorities National Company Law Tribunal (NCLT) and Debt Recovery Tribunal (DRT). While NCLT will deal with rehabilitation and restructuring matters, DRT will look after loan recovery if not feasible for rehabilitation and restructuring. These institutions, along with their Appellate bodies, viz., the National Company Law Appellate Tribunal (NCLAT) and the Debt Recovery Appellate Tribunal (DRAT), respectively, will seek to achieve smooth functioning of the bankruptcy process. (RBI, 2017, pp. 53-54)

A two steps resolution procedure was proposed in IBC.

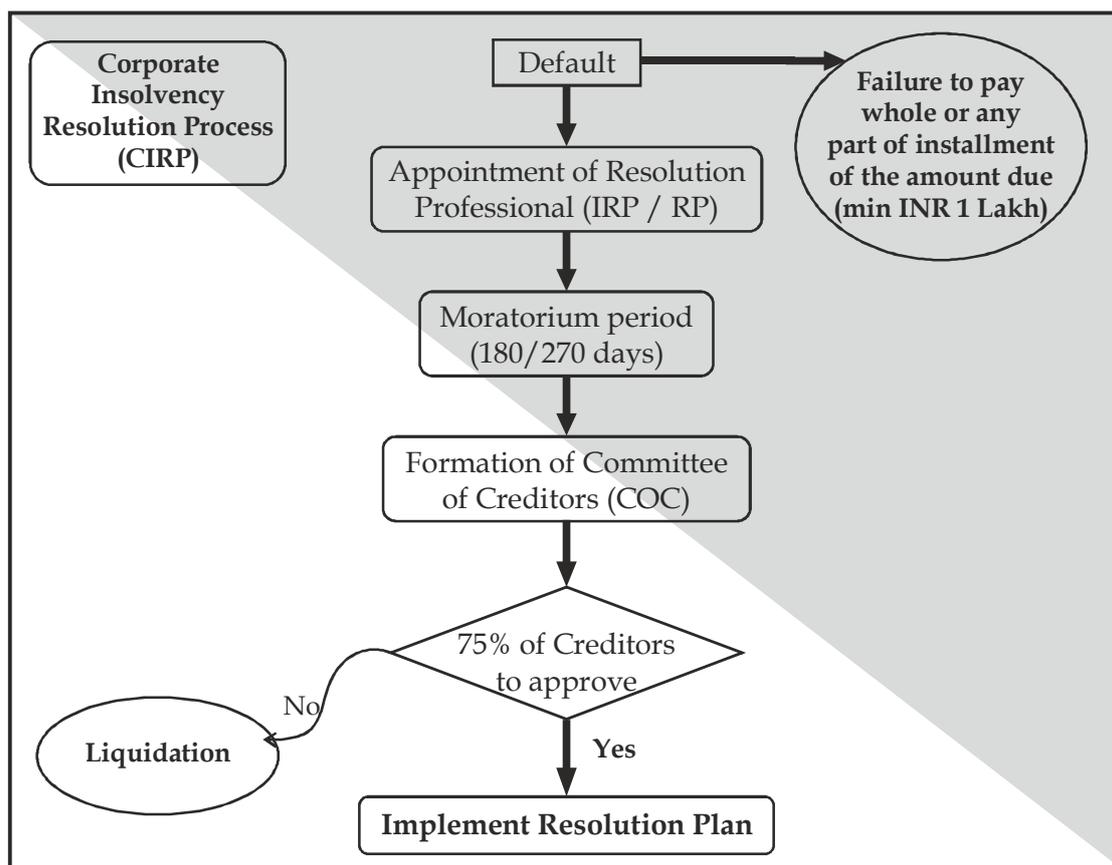
- i) Insolvency Resolution Procedure (IRP)
- ii) Liquidation

i) During the insolvency resolution period of moratorium which is 180 days and can be extended by another 90 days, the management control will be passed on to resolution professionals who will come up with an insolvency resolution plan which has to be approved by lenders with a super majority and also by NCLT.

Therefore it can be said that the Code emphasizes on the concept of ‘Creditors in Control’. IRP allows creditors to examine the feasibility of a business as a going concern or to go for liquidation. This is a significant procedural departure from SICA, which followed a debtor-in possession bankruptcy procedure. Both Operational and Financial Creditors can initiate insolvency proceedings. Operational creditors like workmen, employees, suppliers have been recognised to be important stakeholders in the resolution process. It is, therefore, understood that the interests of each class of creditor has been addressed in the collective decision making for drawing up the resolution plan. On the other hand, a Corporate Debtor can also initiate Insolvency Resolution Process by making an application to the NCLT. A debtor may be a small-scale enterprise or even a well-established company. However, the code takes away the control from such Corporate Debtor during insolvency process.

The CIRP is shown in the figure 1.

Figure 1
Corporate Insolvency Resolution Process



ii) If IRP not succeeded, the adjudicating authority under the law will pass a liquidation order on the insolvent company.

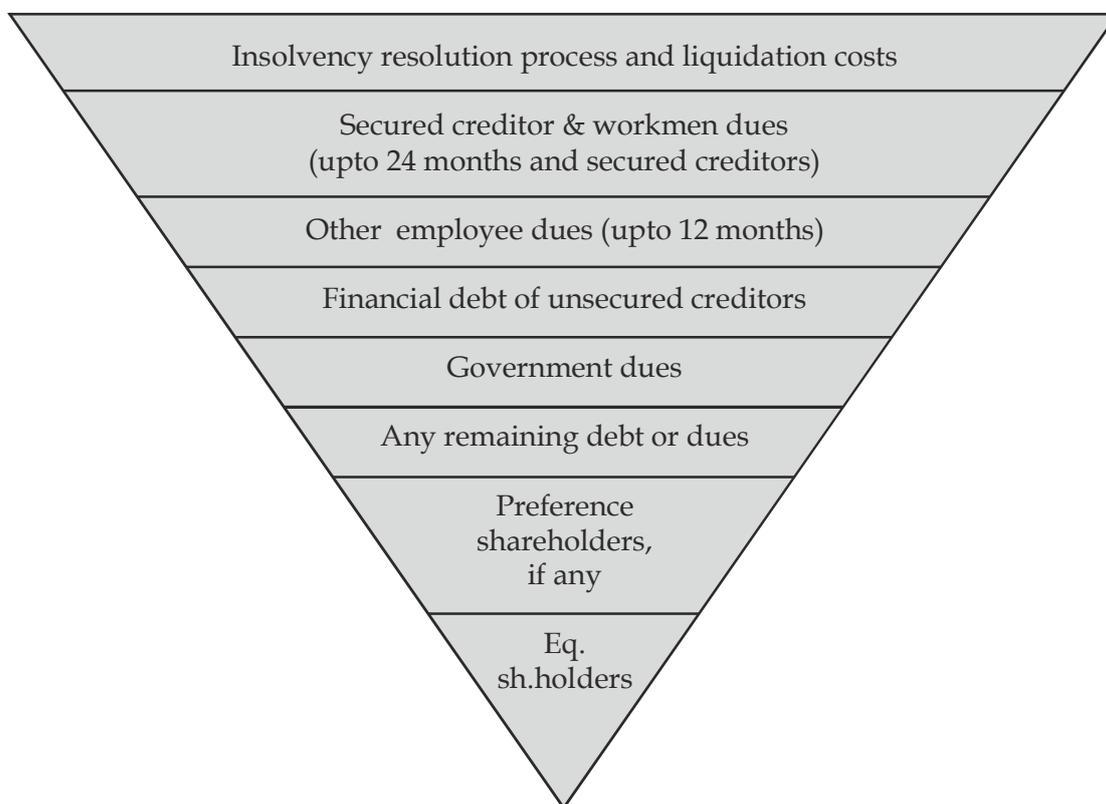
Liquidation is imposed if:

1. IRP ends
2. Resolution plan is not submitted to NCLT
3. Resolution plan is not approved

4. Creditor's committee approves liquidation (with 75 percent majority);

5. Resolution plan has not properly implemented [<http://www.mca.gov.in/Ministry/pdf/TheInsolvencyandBankruptcyofIndia.pdf>, accessed as on 8th June 2018]

The priority for distribution of liquidation proceeds under IBC is depicted in figure 2.

Figure 2 : Priority of Claims under IBC

Source: <https://www.icsi.edu/portals/2/PPT/Gurav-IBC-230317.pdf>

The threat of liquidation, which could potentially result in larger losses for the creditors as a whole, is sufficient incentive for them to ensure efficient coordination during the insolvency resolution period so as to quickly arrive at a decision. For the promoter, the biggest cost of being pushed under IBC may be the possibility of losing the firm to potential bidders. This should incentivise the firms to avoid defaults and not over-borrow in the first place. This would improve *ex-ante* the credit culture in the country. (Patel, U. 2017)

The secured creditors with more than 75 per cent share in total debt will be allowed to file an application for the rescue of the company at a sufficiently early stage, rather than wait for the same to have defaulted on 50 per cent of its outstanding debt, as currently provided in Companies Act, 2013. Even unsecured creditors representing 25 per cent of total debt shall be allowed to initiate rescue proceedings against debtor company.

All existing laws that deal with the insolvency of registered entities will be

removed and replaced by single code. Notwithstanding, the provision of replacing existing laws (SARFAESI, RDDBFI etc.) by IBC encourages the defaulting firms to take resort of NCLT with mala fide intentions of defeating the claim of the secured creditor and delaying the enforcement of the security and recovery proceedings as pronounced in case of SBI vs. Gemini Innovations. The company's lender, State Bank of India, opposed the application under the IBC, saying that insolvency proceedings would hamper the process to recover loans. The NCLT has dismissed the insolvency application filed by Gemini Innovations, raising doubts over the "unnatural" facts listed by the company in its filing (Economic Times, 11/04/2018).

In order to further strengthen the insolvency resolution process, the Government has notified The Insolvency and Bankruptcy Code (Amendment) Ordinance, 2017 on November 23, 2017. The Ordinance provides for prohibition of certain persons from submitting a resolution plan and specifies certain additional requirements for submission and consideration of the resolution plan before its approval by the Committee of creditors (COC).

Evaluate the progress of CIRP

In this section it is attempted to assess the performance of NCLT in resolving CIRP, nature of cases undergoing CIRP and also analyze the status of big defaulter cases declared by RBI those have been referred to NCLT.

Table 1 : Resolution Process

Quarter	No. of CIRP at the beginning of the quarter	Admitted	Closure by			No. of corporate undergoing resolution at the end of quarter
			Appeal/ Review	Approval of resolution plan	Commencement of Liquidation	
Jan-Mar. 2017	0	38	1	0	0	37
Apr-June 2017	37	128	8	0	0	157
July-Sept. 2017	157	234	6	2	7	376
Oct.-Dec. 2017	376	140	24	8	23	461
Total		540	39	10	30	461

Source: *Insolvency & Bankruptcy News, October-December, 2017/Vol. 5*

Out of 540 cases admitted for resolution in 2017, only ten companies resolution plan is approved and liquidation process has been started for thirty companies

which signify 461 cases remained unsettled during the year. The detail of resolution of those ten companies is depicted in table 2.

Table 2 : CIRPs Yielding Resolutions

Corporate debtor	Whether under BIFR	Date of CIRP commencement	Date of approval of resolution	CIRP initiated by	Liquidation value (Rs. Crore)	Realisation by FC (Rs. Crore)	Claims of FCs (Rs. Crore)	Realisation by FC (%)	Realisation to liquidation value (%)
Synergies Doorway Automotive Ltd	Yes	23-01-2017	02-08-2017	CD	8.17	54.69	972.15	5.63%	669.40%
Chhaparia Ind. Pvt. Ltd.	Yes	24-02-2017	29-09-2017	CD	17.15	20.6	49.75	41.41%	120.12%
Prowess Int. Pvt. Ltd	No	20-04-2017	17-10-2017	OC	NC	3.42	3.42	100.00%	
SreeMetalik Ltd.	No	30-01-2017	07-11-2017	FC	283	607.31	1287.23	47.18%	214.60%
West Bengal Essential Commodities Supply Corp. Ltd.	No	29-05-2017	20-11-2017	FC	NC	185.84	359.15	51.74%	
Kamineni Steel & Power India Pvt. Ltd.	Yes	10-02-2017	27-11-2017	CD	760	600	1508.88	39.76%	78.95%
Shridi Industries Ltd	Yes	18-05-2017	12-12-2017	CD	103.05	176.36	673.33	26.19%	171.14%
Hotel Gaudavan Pvt Ltd	No	31-03-2017	13-12-2017	FC	36.12	44.21	70.84	62.41%	122.40%
Nandan Hotel Ltd	No	17-08-2017	14-12-2017	OC	NC	1.38	NA		
JEKPL Pvt. Ltd.	No	17-03-2017	15-12-2017	CD	222.06	162	599	27.05%	72.95%

Source: *Insolvency & Bankruptcy News, October-December, 2017/Vol. 5*

Table 2 indicates that in 50 per cent cases resolution interest is shown by the borrower itself which depicts their endeavour to protect the company going into liquidation. The lenders face a² since recovery from stressed accounts ranges from 5.63 per

cent to 62.41 per cent barring the case of Prowess Int. Pvt. Ltd where due amount is just Rs. 3.42 crore. The haircut of NPAs is evidenced by low realisation to liquidation value ratio also where in some cases realisation amount is even below liquidation value.

Table 3 : Initiation of CIRP

Quarter	No. of resolution process initiated by			Total
	Financial Creditor	Operational Creditor	Corporate Debtor	
Jan-Mar. 2017	9	7	22	38
Apr-June 2017	32	59	37	128
July-Sept. 2017	97	102	35	234
Oct.- Dec. 2017	60	66	14	140
Total	198	234	108	540

Source: *Insolvency & Bankruptcy News, October-December, 2017/Vol. 5*

A noteworthy point is that the operational creditors have been the most powerful in the initiation of insolvency proceedings, though the number of financial creditors taking the help of NCLT for resolution is also significant.

Current Status of NCLT Referred Cases

On June 13, 2017, the RBI asked banks to refer 12 stressed accounts to NCLT. The list of the 12 accounts is given in table 4.

Table 4 : First List of Big Defaulters Referred to NCLT

Defaulting Companies	Sectors	Lenders Default (Rs. Crore)	Claims Admitted including Lenders (Rs. Crore)	Lead Bankers
Bhushan Steel	Steel	44,478	55,989	State Bank of India
Lanco Infratech Ltd.	EPC*	44,365	51,505	IDBI Bank
Essar Steel	Steel	37,284	50,778	State Bank of India
Bhusan Steel & Power	Steel & Power generation	37,248	48,524	Punjab National Bank

²In the context of loan recoveries, hair cut is the difference between the actual dues from a borrower and the amount he settles with the bank.

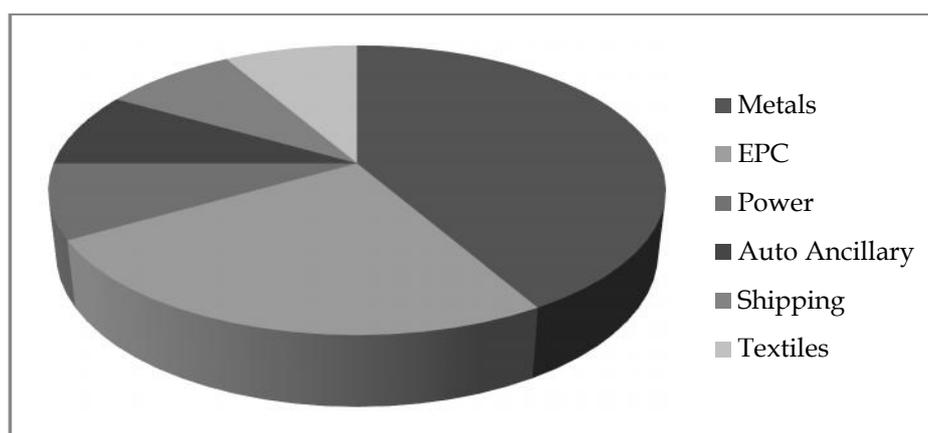
Defaulting Companies	Sectors	Lenders Default (Rs. Crore)	Claims Admitted including Lenders (Rs. Crore)	Lead Bankers
Alok Industries	Textiles	22,075	29,912	State Bank of India
Amtek Auto	Auto	14,075	12,586	Corporation Bank
Monnet Ispat	ancillary			
Electrosteel Steel	Steel	12,115	10,412	State Bank of India
Era Infra	Steel	10,274	13,302	State Bank of India
Jaypee Infratech	EPC	10,065	–	Union bank of India
ABG Shipyard	EPC	9,635	13,322	IDBI Bank
Jyoti Structures	Shipping	6,953	18,539	ICICI bank Ltd.
	Power	5,165	8,078	State Bank of India
Total		2,53,732		

Source: Narang, D and Kaveri VS(2018), *The Indian Banker*, Vol. V No.6

*EPC stands for Engineering, Procurement & Construction. It is relevant to mention here that the claim admitted is higher than the lenders default as it also includes other creditors including operational creditors.

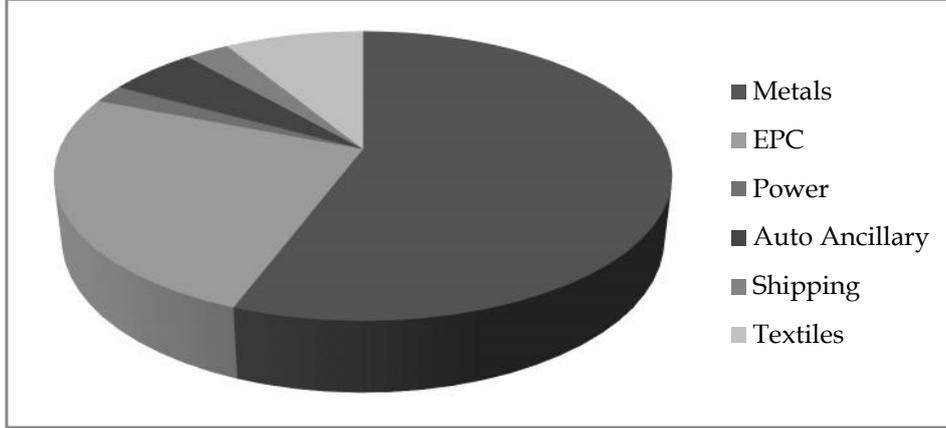
The following Chart 1 & 2 indicates the contribution of various sectors by number of accounts and value towards NCLT 1 list.

Chart 1 : Sector-wise distribution of NCLT 1 list - by number of Accounts



Source: Own Contribution

Chart 2 : Sector-wise distribution of NCLT 1 list - by total exposure



Source: Own Contribution

Although the IBC was approved in May 2016, the activity under this code has picked up significantly only from July 2017 after RBI identified 12 large accounts

forming 25% of the banking system’s GNPA’s for resolution under the IBC. The latest position of those 12 accounts are discussed in table 5.

Table 5 : Latest Position of First Phase of Big Defaulters Cases

Defaulting Companies	End of 270 day deadline	Status
Bhushan Steel	22-04-2018	The COC approved resolution plan submitted by Tata Steel Ltd. (highest bidder) Some employees of the co. filed a plea challenging selection of Tata Steel. NCLT adjourned the hearing to April 05, 2018 over sale of Bhusan Steel. The Supreme Court passed an order that prevents the NCLT against taking any final decision on bids for the debt-stricken Bhushan Power & Steel (BPSL).
Lanco Infratech Ltd.	04-05-2018	Four bidders (OPG Group, Prem Energy, Goyal Group, Diva Group have shown interest in acquiring the company. But since low bids are not acceptable to lenders, the company may face liquidation.

Defaulting Companies	End of 270 day deadline	Status
Essar Steel	29-04-2018 (extended by nearly a month)	Arcelor Mittal and Numetal had submitted the bids in the first round. However, their bids were declared ineligible under Section 29 A of the IBC. Later, Arcelor Mittal and Numetal moved the Ahmedabad bench of the NCLT against revocation of their bids. Vedanta, along with two bidders from the initial round, was in the race to grab Essar Steel assets in the second round of auction. The bankruptcy court has held as invalid the second round of bidding for the sale of assets of the Essar Steel and asked the resolution profession and CoC to relook at bids submitted in the first round.
Bhusan Power&Steel	22-04-2018	NCLT has received bids from Tata Steel and UK-based Liberty House for Rs 17,000 crore and Rs 18,500 crore, respectively. The promoter had filed a petition against "a lacuna in valuation of the company. The Supreme Court passed an order that prevents the NCLT against taking any final decision on bids.
Alok Industries	14-04-2018	A resolution plan submitted jointly by Reliance Industries Ltd. and JM financial Asset Reconstruction Company has not approved by COC and may lead to liquidation as bids are close to liquidation value. Bankers are not ready to take massive haircut and risk of undue scrutiny.
Amtek Auto	20-04-2018	COC approved resolution plan submitted by UK based Liberty House.
Monnet Ispat	14-04-2018	Lenders have approved a resolution plan submitted by a consortium of JSW Steel & AION Investment Pvt. Ltd. The plan involves an upfront payment of Rs. 2,750 crore to lenders
Electrosteel Steel	17-04-2018	Electrosteel Steels is set to become the first in an initial list of big defaulters to emerge from bankruptcy proceedings, with NCLT's Kolkata bench approving a Rs. 5,320 crore resolution plan of for the company proposed by Vedanta.

Source: Companies, NCLT orders, Media reports, IBBI (Reports taken till 15th June 2018)

On August 30, 2017, the RBI prepared the second list of 40 defaulters to be referred to NCLT. The major names are given in table 6.

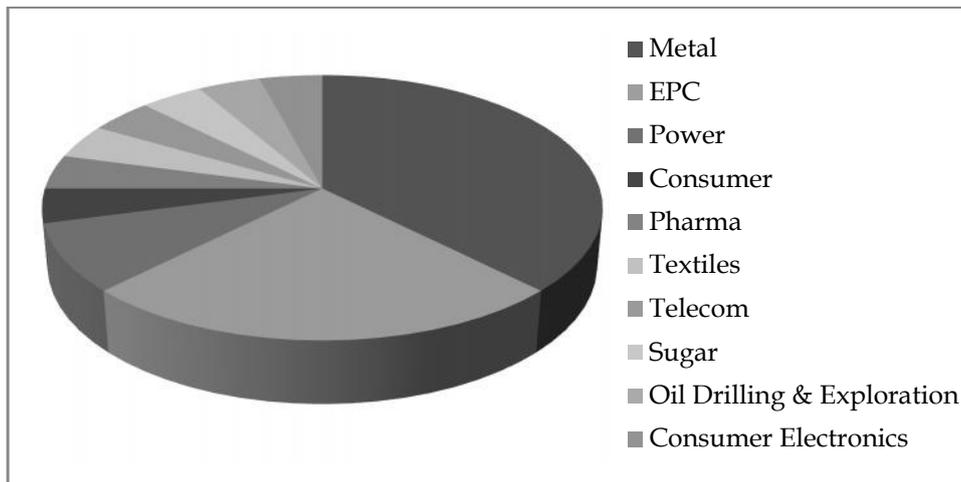
Table 6 : Second List of Major Defaulters Referred to NCLT

Defaulting Companies	Sectors	Due Amount (Crore)
Videocon Industries	Consumer Electronics	47,554
Jindal Stainless	Metals	3,367
Jaiprakash Power Ventures	Power	21,098
Aban Offshore	Oil Drilling & Exploration	12,030
IVRCL	EPC	3,579
Uttam Galva Steels	Metals	5,041
Uttam Galva Metalics	Metals	3,000
Punj Lloyd	EPC	6,126
Soma Enterprises	EPC	1,895
Shree Renuka Sugars	Sugar	6,012
AnarkAlmunium	Metals	3,890
Asian Color Coated Ispat	Metals	3,020
Castex Technologies	Metals	1,300
Coastal Projects	EPC	3,700
JayaswalNeco Industries	Metals	3,850
Orchid Pharma	Pharma	3,760
SEL Manufacturing	Textiles	3,140
Videocon Telecom	Telecom	3,210
Visa Steel	Metals	2,980
Essar Projects	EPC	5,030
Jai Balaji Industries	Metals	2,980
Jaiprakash Associates	EPC	30,000
Monnet Power	Power	5,000
Ruchi Soya Industries	Consumer	5,330
Total		186,892

Source: Narang, D and Kaveri VS(2018), *The Indian Banker*, Vol. V No.6

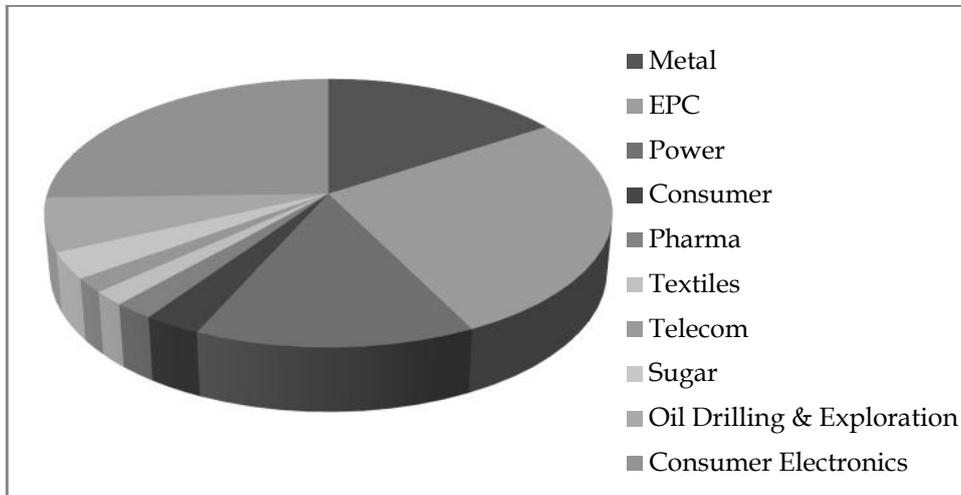
The following Chart 3 & 4 indicates the contribution of various sectors by number of accounts and value towards NCLT 2 list.

Chart 3 : Sector-wise distribution of NCLT 2 list - by number of accounts



Source: Own Contribution

Chart 4 : Sector-wise distribution of NCLT 2 list - by total exposure



Source: Own Contribution

It may be inferred from above analysis that Steel (Metal) and EPC sector form bulk of the NCLT referred cases (64% in the two NCLT lists together). Hence, healthy

recovery in these sectors is critical to the success of NCLT referred cases.

The chances of recoveries in stressed steel sector appears to be high as higher interest

is observed among investors for steel sector as witnessed in Bhusan Steel and Electro steel case. Demand revival in the steel sector has also led to an improvement in recovery for companies from the sector.

The power ministry identified 34 stressed thermal power plants out of which ten (total loans of Rs. 39,400 crore) have already been referred to NCLT, and another eight (loans of Rs. 36,500 crore) are set to be taken to NCLT while some other power sector assets which are expected to be resolved outside the NCLT, totalling loans of Rs. 67,000 crore. The extent of stress in power sector at the systemic level is well known. The concern lies in the lack of possible solutions to resolve these stressed assets. The earnestness of lenders to find bidders may result in low realisation value and high haircut for banks.

Moreover, the recent Supreme Court ruling to halt the insolvency proceedings against defaulters in power, sugar, textiles, shipping sectors hours before the bankruptcy process was about to start might result in high haircut for banks. (Economic Times, 11/09/18)

The Indian Parliament received the assent of the President on the 18th January, 2018 to amend IBC, 2016 which explicitly prohibit persons declared as wilful defaulter or those having a history of siphoning funds from a company, or convicted of fraud, from submitting a resolution plan for companies that are going through the corporate insolvency resolution process (The Gazette of India,

2018). However, the bankruptcy code is being assessed by large defaulted promoters as they are trying to recapture their assets through proxy bidder at a much lower price which they had already defaulted after heavy borrowing.

Conclusion

With the introduction of IBC, there is a paradigm shift in focus of Indian banking from recovery to resolution. The promoters are cautious about possible consequence of getting referred to NCLT since if resolution is not finalised within stipulated time the company might go into liquidation. The total number of resolved cases in comparison to total number of cases referred to NCLT in 2017 is also not inspiring. Therefore, banks should not resort to IBC in each and every defaulting case because big defaulter list of RBI referred to NCLT in two phases could not unlock encouraging value for lenders. The steel, power and EPC are most contributory sectors towards referred cases to NCLT. Although the steel sector witnessed some interested bidder, amid the global upswing in the steel cycle resulting low haircut for banks, the recovery and resolution in power sector is caught in litigation in Supreme Court. Only two out of twelve cases in NCLT- 1 list the resolution process has been successfully completed. The low success rate of settlement through NCLT is attributed mainly towards promoters' intention of delaying the resolution process by litigation dragging on as witnessed in Bhusan Power and Steel case.

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