



## **IBC – Intentional Bankruptcy of Courage against corporate defaulters ?**

- **We demand Parliamentary Probe into Videocon Scam.**
- **Loan Dues Rs. 46,000 crores, Recovery Settlement at Rs. 2,900 crores – glaringly outrageous.**
- **RBI should advice Banks to review the deal of 94% haircut.**
- **Accountability to be fixed up and criminal action to be taken on those responsible.**

# **AIBEA**

Loan given to	Loan given by Banks	Resolved and settled at	Loss to the Bank	Concession & haircut
Essar	54,000 cr	42,000 cr	12,000 cr	23 %
Bhushan Steel	57,505 cr	35,571 cr	21,934 cr	38 %
Jyothi Structures	8,179 cr	3,691 cr	4,488 cr	55 %
Electrosteel Steels	13,958 cr	5,320 cr	8,638 cr	62 %
Monnet Ispat	11,478 cr	2,892 cr	8,586 cr	75 %
Alok Industry	30,200 cr	5,052 cr	25,148 cr	83 %
<b>VIDEOCON</b>	<b>46,000 cr</b>	<b>2,900 cr</b>	<b>43,400 cr</b>	<b>94 %</b>

## **Banks face Rs.42,000-cr haircut as NCLT clears Vedanta firm's Rs.2,900-crore bid for Videocon**

[Our Bureau](#) Mumbai | June 09, 2021

**BusinessLine**  
THE HINDU

***Anil Agarwal-backed company offers to pay Rs.2,900 crore to lenders***

Banks will take a Rs.42,000-crore haircut after the Mumbai Bench of the National Company Law Tribunal approved a bid by Anil Agarwal-backed Twin Star Technologies' to acquire Videocon Industries Ltd for Rs.2,900 crore. Claims worth Rs.46,000 crore had been admitted under the insolvency process that began in December 2017.

While the NCLT order ensures that the company's former promoter, Venugopal Dhoot's offer to take back control has been rejected finally, it

also means that banks, led by SBI and IDBI Bank, will have to settle for a low recovery. Videocon, which is in multiple businesses ranging from oils to consumer durables, was controlled by the Dhoot family before lenders dragged it to the NCLT in 2017. Dhoot had promised to repay about Rs.30,000 crore for taking back control of the conglomerate under Section 12A of the Insolvency and Bankruptcy Code, which allows the withdrawal of the debt resolution proceedings under NCLT if the majority of the lenders agree to it.

According to banking sources, the offer by the Dhoot family entailed repayments until 2035, which was not acceptable to many banks on Videocon's Committee of Creditors (CoC). Then, in January, the lenders decided to pick the bid Twin Star Holdings Ltd, a Vedanta Group company. Even though the bid, at less than Rs.3,000 crore, was not even 10 per cent of the group's overall outstanding debt, the CoC went with it because it was slightly higher than the liquidation amount of Rs.2,600 crore.

Credited to be the first Indian company to have got a licence to manufacture colour TVs in 1986, the Videocon Group was making air-conditioners, refrigerators and home entertainment systems, foraying later also into oil/gas, telecom, retail and DTH services.

The aggressive expansion led to increased borrowings, and businesses collapsed after Dhoot to into the hyper-competitive telecom market. The debt pile, which was around Rs.7,000 crore in 2007, kept soaring.

## **Bank accounts can't be attached at the cost of Right to Business: Madras HC**

[Shishir Sinha](#) New Delhi | June 09, 2021

THE HINDU  
**BusinessLine**

***DGGI files case against Chennai-based firm following allegation that it had fraudulently availed input tax credit***

The Madras High Court has held that bank accounts cannot be attached in matters related to GST violation if it is at the cost of doing business. "It is made clear that the attachment proceedings cannot be at the cost of right of provision under Article 19(1)(g) of the Constitution of India," a single bench of Justice C Saravanan said, while disposing the matter of Chennai-based Marg Human Resources Private Limited.

As a part of the Right to Freedom, Article 19(1)(g) says, "All citizens shall have the right to practice any profession, or to carry on any occupation, trade or business."

### **Fraudulent ITC**

The petitioner approached the Court after Director General of GST Intelligence (DGGI) issued an order attaching three bank accounts pursuant to a search and investigation ordered against the said company. The allegation against the company was that it had fraudulently availed of input tax credit on fictitious invoices to discharge the GST liability.

The petitioner submitted that the attachment orders have completely strangled the business of the petitioner. It is submitted that the petitioner was employing about 15,000 employees with security guards who were deployed in various industrial units in and around Chennai and Karnataka. It was also said that apart from the Rs.5.68 crore which have been appropriated so far against the projected demand of Rs.21 crore, the petitioner has agreed to pay another sum of Rs.1 crore, within a week.

Defending the action by the Tax Department, its counsel submitted that the petitioner has indulged in large scale fraud and therefore, the department was compelled to initiate proceedings under Section 67 (deals with inspection, search and seizure in case of violation) of the CGST Act, 2017. He emphasised that the law entitles the Department to order provisional attachment of any assets to protect the interest of the revenue. He also informed that the attachment orders merely freeze the power to debit the account and there is no restriction for receiving the amount.

## **'No prejudice to petitioner'**

The counsel said that for the last few months, the customers/clients of the petitioner company have directly paid the salaries/wages to the employees including the amount due under the Provident Funds Act and therefore the "continuance of the impugned attachment orders will be of no prejudice to the petitioner." Tax Department also said that the Directors of the company breached the bail order. After going through all the arguments, the bench noted that nearly 27 per cent of proposed/estimated tax due has already been discharged.

"After all, there is a mechanism provided under the Act for proper adjudication of the tax due and determination under Sections 73 and 74. Therefore, there is no meaning in attaching the bank accounts further," the Bench said, while asking the I-T Department to complete the investigation and issue appropriate show cause notice.

## **Political donations: BJP tops list for seventh year in a row, leads Congress by a margin of 500 per cent**

[FE Online](#) | June 10, 2021

 **THE FINANCIAL EXPRESS**

***The BJP's total contributions in 2019-20 may be much more than Rs 750 crore as the list only includes donations above Rs 20,000***

***The BJP had received Rs 20 crore from Gulmarg Realtors in October 2019***

The Bharatiya Janata Party has topped the list of individual and corporate donations, pocketing around Rs 750 crore in 2019-20, The Indian Express reported citing data submitted by political parties to The Election Commission. During 2019-20, the saffron party received donations worth around Rs 750 crore from companies and individuals, shows its contribution report submitted to the EC, the report said. The amount

stands in stark contrast to the Rs 139 crore received by the [Congress](#) during the same period. The donations to the Congress for the year 2019-20 financial year corresponds to five times less than what the [BJP](#) received. This is the seventh year in a row that the BJP has topped the list of political donations.

Other regional parties got way less than these two parties. Sharad Pawar's NCP received Rs 59 crore, TMC Rs 8 crore, CPM Rs 19.6 crore and the CPI Rs 1.9 crore.

Among the big donors who supported the BJP include party MP Rajeev Chandrasekhar's Jupiter Capital, the [ITC](#) Group, real estate companies Macrotech Developers and BG Shirke Construction Technology, the Prudent Electoral Trust, and Jankalyan Electoral Trust, the IE reported.

An electoral trust is set up under Section 25 to receive voluntary contributions from donors and then donates the amount to political parties, giving anonymity to the contributors. According to the Indian Express, the Prudent Electoral Trust has Bharti Enterprises, GMR Airport Developers and [DLF](#) Limited as its major donors. The Jankalyan Electoral Trust receives funds from companies of the JSW Group.

The BJP had received Rs 20 crore from Gulmarg Realtors in October 2019. The company is associated with builder Sudhakar Shetty. The Enforcement Directorate had raided Shetty's residence and office in January 2020.

At least 14 educational institutions also donated to the saffron party. These include Mewar University, Delhi (Rs 2 crore), Pathania Public School, Rohtak (Rs 2.5 lakh), Krishna Institute of Engineering (Rs 10 lakh), G D Goenka International School, Surat (Rs 2.5 lakh), Little Hearts Convent School, Bhiwani (Rs 21,000), and Allen Career, Kota (Rs 25 lakh).

There are many BJP members, MPs and MLAs including Haryana Chief Minister Manohar Lal Khattar, Rajya Sabha MP Rajeev Chandrasekhar, Arunachal Pradesh Chief Minister Pema Khandu, Kirron Kher who donated to the party.

The BJP's total contributions in 2019-20 may be much more than Rs 750 crore as the list only includes donations above Rs 20,000.

## **A Kerala model for bank lockdowns**

[S Adikesavan](#) | June 09, 2021  
THE HINDU  
**BusinessLine**

***Working only on alternate days, banks in the State have ensured safety and prevented the emergence of Covid clusters***

Kerala always marches to a different tune. In politics and economics, there is a Kerala model and the experience of this small State farthest from Delhi has often evoked national recognition.

The late Dr K.N Raj was behind a study in the 70s which highlighted the social indicator achievements of the State, which was hailed as the "Kerala Model".

The way Kerala has dealt with Covid-19 too has been different — disciplined, planned and constantly communicated to the people.

The State's work has been largely appreciated except that it too fell a prey to the second surge, induced by the election fever.

Kerala has also succeeded in protecting bank employees' lives better than any other State.

In the wake of the second wave, Kerala went for a lockdown early last month and it is continuing up to June 16.

In this process, four out of the 14 districts, including the capital underwent a "triple lockdown".

### **Practising SMS**

Compliance levels are high here and people by and large practise SMS (Sanitisation, Masking, Social Distancing). Triple lockdown made

compliance 100 per cent. The results have been rewarding. Test positivity has dropped below 15 per cent. Recoveries have outpaced infections.

Now we come to the model. The lockdown was imposed by giving notice of three clear days so people could choose to move to their zones of comfort. Supported by Central allocations, the State organised foodgrains for all. More importantly, it runs highly decentralised community kitchens where the caretaker knows who exactly in the locality is needy.

But what was strikingly imaginative was the lockdown's "customisation" for banks under Section 25 of the Negotiable Instruments Act.

Banks were asked to work only on alternate days with all weekends being holidays. On the working days too, transactions were restricted so branches could shutter by 2 p.m.

The government ordered cooperative banks and commercial banks to alternate their working days which meant that in rural and semi-urban areas where there is an active cooperative bank network, banking services were available throughout the week. Local newspapers would highlight whether the day was a bank holiday or not so that old people and pensioners could plan accordingly.

Banks ensured that ATMs were up and availability was about 95 per cent.

Banking Correspondents were active in providing outlets for service.

The result: minimum inconvenience for both staff and the public, reduced traffic on the street and people-to-people contact as bank branches are hubs of commercial activity.

Elsewhere in the country banking is declared as an essential service and branches normally work all days during lockdown.

There is no way branch staff can stay away from duties unlike even staff in administrative offices like regional/head offices. So they are exposed to a high risk work.



Bank staff have coped bravely with this call of duty. It is the clerical staff at the counters, accountants, field officers, branch managers and the messenger staff who are the unknown warriors of banking during the Covid-19.

Bank managements have been highly supportive.

Finance Minister Nirmala Sitharaman went on to record repeatedly her appreciation for this unprecedented work of valour as millions of bank employees put service before self. The bank unions say by April 19 itself, nearly 1,300 bank staff had lost their lives to Covid all over the country.

The respective banks should erect something like "Covid-war Memorials" etching the names of all their staff who fell to Covid in front of their head offices. Posterity should remember these brave bank employees.

Contextually, it is worrisome that in none of the States (including Kerala) bank staff have been accorded "frontline" preference even for vaccinations. Bank staff were not officially treated as Front Line Workers (FLW). Some States like Maharashtra even did not allow bank staff to travel on the suburban trains (unlike Government staff) initially even though branches were asked to function without any let-up.

So, what has the Kerala model of bank lockdowns achieved? At least three positive outcomes which holds lessons for the entire country.

- \* The number of deaths of bank staff in Kerala is the lowest in the country among all major States.

- \* People-to-people contact can be considerably cut down by shuttering bank branches innovatively. Part of the reason for the Covid-control Kerala has regained by now is owing to banking-based contacts being cut. This contact is very high in rural areas as anyone who has worked in rural areas would know. And our current wave is riding high in rural India. The alternate working day can be immediately adopted wherever required.

\* Even without any additional spend or efforts on the part of the government, it helps a cadre of essential services to safeguard their health first so that they can serve the community better.

There is always something which little Kerala does, that makes it a candidate for pan-India attention — often, for the right reasons!

## **74 per cent of Indian workers keen on flexible remote work options: Microsoft India report**

[Our Bureau](#) Mumbai | June 10, 2021

THE HINDU  
**BusinessLine**

### ***The future of work is hybrid, indicate findings***

Indian workers are increasingly preferring flexible remote work options with the future of work being hybrid, according to Microsoft's Work Trend Index.

Microsoft India today announced the country-specific findings of its first annual Work Trend Index, which reveals insights, challenges, expectations, and motivations that will shape the future of work in India.

As per the report, 74 per cent of Indian employees want more flexible remote work options. Meanwhile, 73 per cent of employees are also craving more in-person time with their teams.

To accommodate hybrid work requirements, 73 per cent of business decision-makers are considering redesigning physical spaces.

The post-pandemic workplace will be defined by flexible and hybrid work, as per the report. Employees were mandated to work remotely over the past year owing to the Covid-19 pandemic. The move has "boosted feelings of inclusion for workers because everyone was in the same virtual room."

“But the move to hybrid will need to ensure employees are given the flexibility to work when and where they want, as well as the tools they need to equally contribute from wherever they happen to be,” the report said.

Employees are also increasingly relying on their colleagues. 24 per cent of Indian employees said that they have cried with a colleague and 35 per cent of people are less likely to feel embarrassed now when their home lives show up at work. As living rooms made way for work meetings, 37 per cent of people got to meet their coworkers’ families.

Furthermore, genuine interactions with coworkers are helping to foster a workplace where 63 per cent of Indian workers said they are more likely to be their full, authentic selves at work.

However, the shift to remote work has also shrunk employees’ networks. Anonymised collaboration trends between billions of Outlook emails and Microsoft Teams meetings indicated that between April 2020 and February 2021, the number of people sending chats posted in a Teams channel which are meant for the whole team has decreased by 5 per cent. In contrast, the number of people sending small group or one-on-one chats has increased by 87 per cent.

Among the Indian workforce, 29 per cent have experienced decreased interaction with co-workers.

### **Increased workload an issue**

The shift to remote work has led to an increased workload for employees. Even as the “self-assessed” productivity has remained the same or higher for many employees over the past year, 57 per cent of Indian employees feel overworked while 32 per cent feel exhausted.

62 per cent of the Indian workforce admitted feeling that their companies are asking too much of them at a time like this while 13 per cent said that their employer doesn’t care about their work-life balance, as per the report.

“The digital intensity of workers’ days has increased substantially in the last year,” the report said.

There has been a 2.5X increase globally in the time spent in Microsoft Teams meetings. 62 per cent of Teams calls and meetings are unscheduled or conducted ad hoc and the average Teams meeting is 10 minutes longer, up from 35 to 45 minutes year-over-year. The average Teams user is sending 45 per cent more chats per week and 42 per cent more chats per person after-hours. Despite the overload, 50 per cent of people respond to Teams chats within five minutes or less.

In India, Gen Z, appeared to be suffering and need to be re-energised, the report further stated. Nearly 71 per cent of this generation — those between the ages of 18 and 25 admitted to struggling.

“Survey respondents reported that they were more likely to struggle to balance work with life and to feel exhausted after a typical day of work when compared to older generations. Gen Z also reported more difficulty feeling engaged or excited about work, getting a word in during meetings, and bringing new ideas to the table when compared to other generations,” the report added.

### **Talent on the move**

One of the positives of the shift to remote work is an increased talent pool. Remote job postings on LinkedIn increased more than five times in the last year. Nearly 62 per cent of India’s workforce (including 51 per cent of Gen Z) expressed their intention to switch jobs this year. Globally though, 41 per cent of employees are considering leaving their employers this year. With the ability to work remotely now, nearly 68 per cent of Indian workers are likely to move to a new location.

“This fundamental shift expands economic opportunity for individuals and enables organisations to build high-performing, diverse teams from a near-limitless talent pool,” the report said.

The 2021 Work Trend Index outlines findings from a study of more than 30,000 people in 31 countries and analyses trillions of aggregate productivity and labour signals across Microsoft 365 and LinkedIn. It also

includes perspectives from experts who have studied collaboration, social capital, and space design at work for decades.

### **Hybrid- the future of work**

The shift to hybrid work is a strategic business opportunity for organisations that now requires a new operating model. Microsoft shared learnings about reimagining the workplace in its Hybrid Work Playbook with a focus on people, places and processes.

Rajiv Sodhi, Chief Operating Officer, Microsoft India, said, "If we have learnt one thing in the last year, it's that we are no longer bound to traditional notions of space and time when it comes to how, when, and where we work. The Work Trend Index findings attest that remote work has created new opportunities but there are challenges ahead as well."

"We believe hybrid work is the future, and a successful hybrid strategy will require extreme flexibility. As every organisation fundamentally reimagines itself for the hybrid work era, we are collectively learning and innovating on how we will shape the future of work in India. It's time to embrace work as a frame of mind, not a place you go," added Sodhi.



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