



# Indian Institute of Insolvency Professionals of ICAI

(Company formed by ICAI under Section 8 of the Companies Act 2013)

## IIPI Newsletter

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### **Supreme Court clears doubts on at least 24 legal doubts**

In a judgement on January 19, 2021, the Supreme Court upheld the Constitutional validity of the IBC (Amendment) Act 2020 and cleared at least 24 legal doubts pertaining to the IBC. These questions were related to the IBC in general, section 7, section 11, and section 32 A of the Code.

The IBC (Amendment) Act 2020, among others, inserted three provisions to section 7(1), an additional explanation to section 11, and section 32 A in the IBC. The amendments were challenged under Article 32 through 41 writ petitions.

*For More Details, Please Visit:*

<https://ibbi.gov.in/uploads/legalframework/f6ec338d24e31bba2a43b173c1634414.pdf>

### **UPCOMING EVENTS**

#### **Webinar on 'Successful CIRP-Case Studies' on 9<sup>th</sup> February**

IIPI is organizing a Webinar on 'Successful CIRP-Case Studies' at 3 PM to 5 PM on February 9, 2021. The institute has identified some successfully cases of CIRP which could be a role model in the form of best practices for potential IRPs/RPs. In the seminar the IRPs/ RPs who have successfully completed prestigious assignments will share their experiences.

### **NEWS UPDATE**

#### **IIPI conducted Webinar on 'Insolvency Resolution: Public Interest and Ethics'**

The Webinar organized at 3 to 5 PM on Wednesday, January 27, 2021. It was addressed by Mr. K. R. Saji Kumar, Joint Secretary and Legislative Council, Ministry of Law, Ms. Rashmi Verma, Independent Director-IIPI, CA. Hans Raj Chugh, Director-IIPI, CA. Durgesh Kabra, Director-IIPI, Mr. Sharath P. Kumar, Insolvency Professional (IP). CA. Rahul Madan, Managing Director-IIPI moderated the Webinar. The Webinar was attended by insolvency professionals and other stakeholders.

*For More Details, Please Visit:*

<https://www.iiipicai.in/images/PDF/Webinar-Invitation-27-01-2021.pdf>

#### **Webinar on 'Information Utility Services for IPs'**

The Webinar was organized from 3 PM to 5 PM on January 28, 2021 jointly by IIPI, ICSI-IIP, IPA-ICAI, and NeSL. Mr. S. Ramann, MD& CEO, NeSL presented the opening remarks. Besides other dignitaries, the Webinar was also addressed by CA. Rahul Madan, MD-IIPI, Debajyoti Ray Chaudhuri, CGM, State Bank of India and Mr. U. V. Rao, Head, Operations, NeSL.

## POINT TO PONDER

**Thinking should become your capital asset; no matter whatever ups and downs you come across in your life: Late Shri APJ Abdul Kalam**

## NEWS ROUNDUP

### **NCLAT Chennai Bench starts functioning through virtual mode**

The NCLAT Chennai Bench has started functioning through virtual mode from January 25, 2021. "Therefore, the filing of Fresh Appeals against the orders of the Benches of the National Company Law Tribunal having jurisdiction in respect of States of Karnataka, Tamil Nadu, Kerala, Andhra Pradesh and Telangana and Union Territories of Lakshadweep and Puducherry shall have to be made before the Chennai Bench of NCLAT w.e.f. 25.01.2021," said the order issued by the Registrar NCLAT.

*For More Details, Please Visit:*

<https://ibbi.gov.in/uploads/legalframework/179db15deac33d4e223a82f4d943d325.pdf>

### **Including admission stage, it takes 12-36 months to close a CIRP**

Though the IBC has transformed the relationship between creditors and promoters of businesses in India, the delays are still a challenge. According to a study, if the time taken at the admission stage is included, it takes about 12-36 months to close a CIRP. However, of the 277 cases resolved in NCLT, as of September 2020, the average time for resolution, including litigation time, has been 440 days.

*For More Details, Please Visit:*

<https://www.thehindubusinessline.com/economy/insolvency-prior-to-admission-delays-dragging-down-efficiency-of-ibc/article33677072.ece>

### **NCLAT stays CIRP against RP Infosystems, Kolkata**

In its judgment, the NCLAT said that since the insolvency petition moved by SBI in 2019, seven years after RP Infosystems' accounts were declared non-performing assets in 2013. In 2020, the Kolkata bench of the National Company Law Tribunal (NCLT) had admitted the insolvency petition against the company based on the application moved by SBI. NCLAT set aside the NCLT Kolkata Bench's order and held that the firm was "allowed to function independently through its Board of Directors with immediate effect".

*For More Details, Please Visit:*

<https://indianexpress.com/article/business/nclat-stays-insolvency-process-of-rp-infosystems-7161533/>

## **The Pioneer media Group faces CIRP**

The matter pertains to an insolvency petition filed by Amit Goel, who is a director of CMYK Printech, The Pioneer group firm, in November. Goel, who owns around 20 per cent in CMYK Printech, had given an unsecured loan of Rs 1.56 crore to the company's promoters in August 2018. The loan was converted into equity in September 2018, which was subsequently revoked in May 2019 following a board resolution. The Pioneer group owns The Pioneer (English and Hindu Daily Newspapers) and some other businesses.

*For More Details, Please Visit:*

[https://www.business-standard.com/article/companies/nclt-begins-insolvency-proceedings-against-the-pioneer-group-firm-121012600909\\_1.html](https://www.business-standard.com/article/companies/nclt-begins-insolvency-proceedings-against-the-pioneer-group-firm-121012600909_1.html)

***Hope you find this Update helpful***

***Suggestions if any, may be mailed to [iiipi.pub@icai.in](mailto:iiipi.pub@icai.in)***