



INDIAN INSTITUTE OF INSOLVENCY PROFESSIONALS OF ICAI

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

IIPI Newsletter

June 25, 2021

Volume 06, Number 25

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IBC rescued 70% of distressed assets via Resolution: Dr. M.S. Sahoo

IBBI Chairman Dr. M. S. Sahoo has said that the IBC has rescued 70% of distressed assets through resolution plans and has released remaining 30 per cent of such assets through liquidations.

“As compared to previous regime which took nearly five years for conclusion, the process under the Code yielding a resolution plan takes on average 400 days. It, however, falls short of intended 180/270 days,” said Dr. Sahoo. He further emphasized that the insolvency law is changing the way society perceives business failures as it becomes a reform by, for, and of the stakeholders.

For More Details, Please Visit:

<https://www.moneycontrol.com/news/business/bankruptcy-resolution-plan-takes-average-400-days-against-intended-180270-days-ibbi-chief-m-s-sahoo-7061841.html>

**For Internal Circulation Only*

**Knowledge SBU Initiative*

News Update

IIPI launched four COVID Helplines for IPs in the form of Chat Groups

As the country battles the second wave of the Covid-19 pandemic with each one of us facing challenges on personal and professional fronts, these are also the times that have brought all of us together in unprecedented ways. Keeping in mind the health and safety of Insolvency Professionals (IPs), IIPI-ICAI (IIPI) has created Covid Helpline (s) for its professional members as follows:

1. IIPI-Delhi Covid Helpline: <https://t.me/joinchat/Y5JkeEQefCxiZGY1>
2. IIPI-Mumbai Covid Helpline: <https://t.me/joinchat/oZIM7T7OF5oxZmI1>
3. IIPI-Chennai Covid Helpline: <https://t.me/joinchat/Lwn8LT9eQvI4YTY1>
4. IIPI-Kolkata Covid Helpline: <https://t.me/joinchat/dme9kyQXEaM4Yzc1>

The above location-wise helpline (s) in the form of ‘Chat Groups’ have been created on 'Telegram' Mobile App (with features like Whatsapp without restriction on number etc.). The professional members of IIPI can first download the App on their mobiles and then click on the above links to join any of the groups voluntarily, for seeking and providing Covid (health) related help for self/family, inter-se. While using these helplines the members are requested to follow the rules framed to ensure the sanctity and integrity of the insolvency profession. Besides, the group should not be used for the purpose of any personal or professional promotion.

For More Details, Please Visit:

<https://www.iipticai.in/wp-content/uploads/2021/06/Covid-Helpline.pdf>

News Roundup

NCLT Approved Resolution Plan of Jet Airways

NCLT Mumbai Bench on June 22 approved the Resolution Plan of UK-based asset management company Kalrock Capital and UAE-based entrepreneur Murari Lal Jalan to acquire the Jet Airways through CIRP.

In the Plan, the Kalrock-Jalan consortium has reportedly offered ₹1,183 crore as repayment over a period of five years to Financial Creditors (FCs), employees, and other staff of the company. It has also offered about a 9.5 % stake in Jet Airways and a 7.5 % stake in Jet Privilege to the FCs. The CIRP of Jet Airways was initiated by SBI led consortium of lenders in 2019. It had payable claims of ₹ 15,000 crore including ₹ 7,776 crore of FCs.

For More Details, Please Visit:

<https://www.indiatoday.in/business/story/jet-airways-shares-locked-at-5-upper-circuit-here-s-why-1818470-2021-06-23>

Central Government amends Securities Contracts (Regulation) Rules, 1957

Though a Notification on June 18, the Central government has amended the “sub-clause (iii) of Rule 19, (2), (b) of the Securities Contracts (Regulation) Rules, 1957 wherein after the words- four thousand crore rupees, the words —but less than or equal to one lakh crore rupees shall be inserted. Besides, sub-clause (iv) has been inserted and changes are also made in Rule 19 A, sub-rule (5).

For More Details, Please Visit:

<https://drive.google.com/file/d/1gdl2sliYkBAr4QLMUvdLOxnCZ-MOCi6N/view>

MCA modifies MSMEs rules

As per the notification on June 23, the Small and Medium Company (SMC) are unlisted firms with a turnover not above ₹ 250 crore and with no borrowings more than ₹ 50 crore. A company shall qualify as an SMC, if the conditions mentioned therein are satisfied as at the end of the relevant accounting period.

For More Details, Please Visit:

https://www.business-standard.com/article/news-cm/ministry-of-corporate-affairs-raises-threshold-turnover-and-borrowing-limits-in-definition-of-small-and-medium-companies-121062400331_1.html

NCLT gets new President

Union Ministry of Corporate Affairs (MCA) through a Gazette Notification dated June 21, 2021, has appointed Shri Bhaskara Pantula Mohan, Member (Judicial) as President, NCLT for a period of three months w.e.f. June 10, 2021, or until a regular President is appointed or until further orders.

For More Details, Please Visit:

<https://egazette.nic.in/WriteReadData/2021/227746.pdf>



IBBI invites Comments on all Regulations of IBC, 2016 issued till June 17, 2021

In a landmark decision which is considered as overhaul of IBC, 2016; the Insolvency and Bankruptcy Board of India (IBBI) has invited comments from the public, including the stakeholders on the regulations already notified under the Code till date of notification i.e., June 17, 2021.

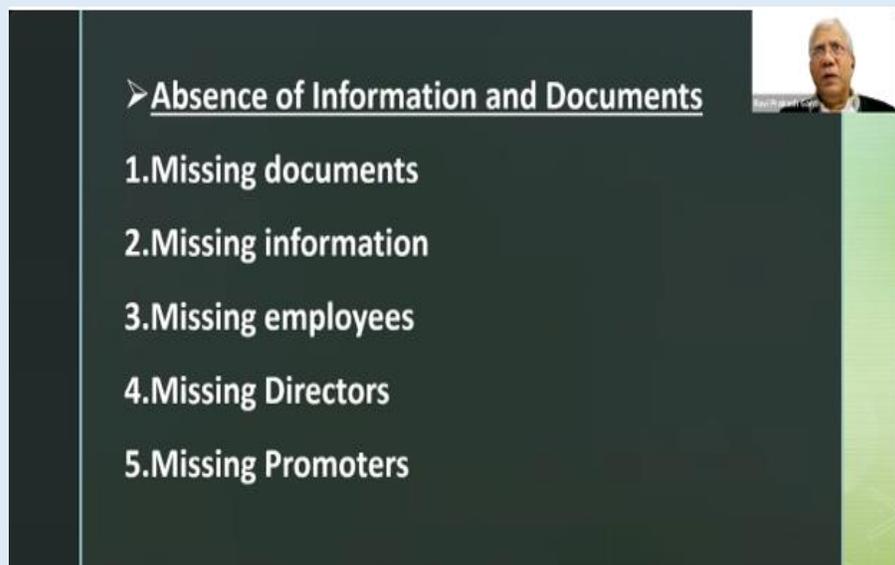
“The comments received between 17th June 2021 and 31st December 2021 shall be processed together and following the due process, regulations will be modified to the extent considered necessary. It will be the endeavor of the IBBI to notify modified regulations by 31st March 2022 and bring them into force on 1st April 2022,” reads the notification.

The suggestions have been invited from 11 categories of stakeholders of the IBC i.e., i. Corporate Debtor; ii. Creditor to a Corporate Debtor; iii. Insolvency Professional; iv. Insolvency Professional Agency; v. Insolvency Professional Entity; vi. Personal Guarantor to a Corporate Debtor; vii. Proprietorship firms; viii. Partnership firms; ix. Academics; x. Investors; xi. Others.

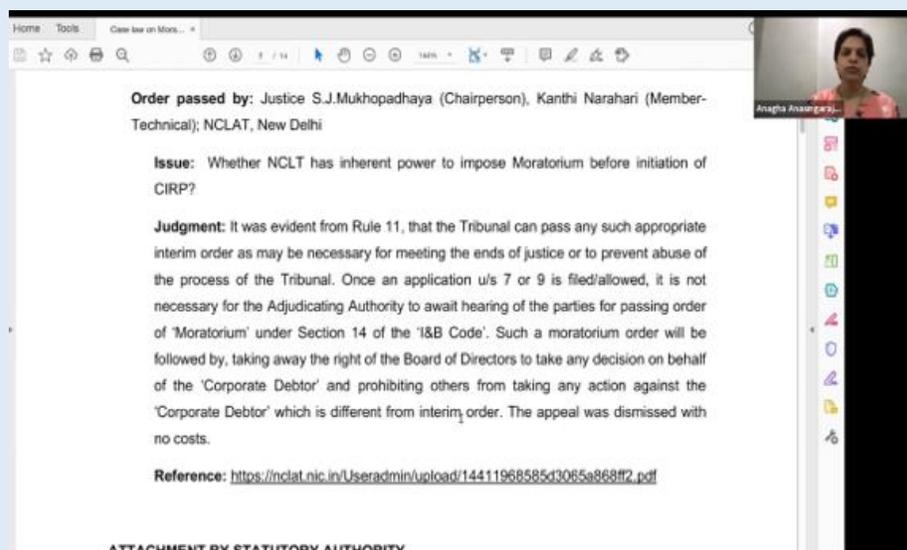
For More Details, Please Visit:

<https://ibbi.gov.in/uploads/press/985d3ef60a8caf32a5e3ad55382d9137.pdf>

Event Photos



Glimpses of the 44th Batch of Pre-Registration Educational Course (PREC) Online from 10 to 16 June 2021.



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CoC approves Resolution Plan of Adani Power for Essar Power's Mahan Project

The Committee of Creditors (CoC) of Essar Power's 1200 MW Mohan Project (Essar MP) has reportedly approved about ₹3,000 crore Resolution Plan of the Adani Power Ltd. (ADL) for its acquisition through insolvency. Subsequently, the Resolution Professional on June 17 issued the letter of intent to the ADL.

The CIRP of the Essar MP was initiated by ICICI bank in September 2020 on a default of ~₹1923 crore. Subsequently, claims of ₹ 20, 200 cores were made but NCLT finally approved ₹ 12,723. The project was promoted jointly by Essar Power (74%) and ArcelorMittal Nippon Steel India (26%).

For More Details, Please Visit:

<https://www.vccircle.com/adani-gets-lenders-nod-to-buy-bankrupt-essar-power-mp/>