



INDIAN INSTITUTE OF INSOLVENCY PROFESSIONALS OF ICAI

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IIPI Newsletter

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HDFC sells over 12.6 lakh invoked shares of Ansal Housing to Recover Dues

In a regulatory filing, the Housing Development Finance Corporation Ltd. (HDFC) has informed that it has aggregate sold 12,67,504 shares, representing 2.13% of the paid-up share capital of Ansal Housing Ltd (Ansal), including 1,57,939 shares representing 0.27 % of the paid-up share capital of Ansal which were sold on September 24, 2021.

In August, HDFC had invoked 46,20,000 shares of the Ansal aggregating 7.78 % of the paid-up share capital, for recovery of part outstanding dues against loans availed by pledgers/borrowers.

For More Details, Please Visit:

<https://realty.economictimes.indiatimes.com/news/industry/hdfc-sells-part-of-invoked-shares-of-ansal-housing-to-recover-dues/86525503>

News Update

**For Internal Circulation Only*

**Knowledge SBU Initiative*

The need is for at least four-five more SBI-sized banks : Finance Minister

Union Finance Minister Ms. Nirmala Sitharaman has said that there is an urgent need to scale up banking to not only meet the growing needs of the industry, but also to ensure that all economic centres of the country are covered with at least one physical or digital banking presence.

“We need to scale up banking. The need is for at least four-five more SBI-sized banks,” said Ms. Sitharaman in her address to the 74th Annual General Meeting of Indian Banks' Association (IBA) in Mumbai on September 26, 2021. Ms. Sitharaman also lauded the change brought by digitisation and emphasised on futuristic thinking to keep pace with evolving technology.

“The country's optic fibre network has covered two-third of about 7.5 lakh panchayats. This could be used to deliver banking services in unconnected areas as well,” said the FM. She also asked the IBA to conduct a digitised mapping of each district of the country with regard to the presence of bank branch operation and their location. The Finance Minister asked banks to develop models and better understanding of businesses focused on exports as the country has set a \$2 trillion export target by 2030.

For More Details, Please Visit:

<https://www.moneycontrol.com/news/business/banking-sector-needs-to-be-scaled-up-with-4-5-sbi-sized-banks-fm-sitharaman-7509791.html>

News Roundup

IBC does not include 'Success Fee' for Resolution Professionals: NCLAT

The NCLAT in the matter of *Jayesh N Sanghrajka, Erstwhile R.P. of Ariisto Developers Pvt Ltd v. The Monitoring Agency nominated by the CoC* has ruled that 'Success Fee' charged by RPs is not legally valid as per the IBC, 2016.

"We hold that 'success fees' which is more in the nature of contingency and speculative is not part of the provisions of the IBC and the Regulations and the same is not chargeable," said the NCLAT. RP had challenged the decision of NCLT Mumbai on the ground that 'Success Fee' was approved by the CoC which is a commercial decision in which the AA does not have jurisdiction to interfere with. NCLAT not only disallowed the payment of Success Fee but also expressed its concerns over the practice.

For More Details, Please Visit:

<https://www.livelaw.in/news-updates/nclat-says-success-fees-paid-to-irp-contingent-and-speculative-not-part-of-ibc-182247>

DHFL moves Bombay HC to get its name discharged from cases registered prior to the CIRP and investigated by CBI

DHFL has filed an appeal before the Bombay High Court challenging the CBI Special Court's rejection to discharge it from the corruption case involving its erstwhile promoters Kapil and Dheeraj Wadhawan, and Yes Bank founder Rana Kapoor. In the appeal, it has been argued that the new Resolution Applicant namely Piramal Capital has been appointed since it has undergone a CIRP and therefore criminal proceedings against DHFL should be discharged as per Section 32A of the IBC.

For More Details, Please Visit:

<https://www.hindustantimes.com/cities/mumbai-news/dewan-housing-finance-ltd-moves-hc-seeks-discharge-in-corruption-case-by-cbi-101632457986064.html>

Philippine Airlines (PAL) announces restructuring as per the US Bankruptcy Laws

Pursuant to the Covid-19 pandemic's impact on its operations, PAL has announced a financial restructuring as per US Bankruptcy Code Chapter 11. PAL has alternatively stated that it shall continue its flight operations subject to travel restrictions. A US Chapter 11 Bankruptcy will allow the airline to reorganize and pay the dues of its creditors without disrupting its passenger oriented operations.

For more details, please visit:

<https://news.abs-cbn.com/business/09/04/21/pal-announces-restructuring-amid-pandemic-impact>



Bad Bank's IDRCL starts with paid-up capital of ₹80.5 lakh on an authorized capital of ₹50 crore

India Debt Resolution Company Ltd (IDRCL) will act as Asset Management Company (AMC) for the National Asset Reconstruction Company Ltd (NARCL), the Bad Bank, and work in tandem with will work in tandem to clean up bad loans, according to documents available with the Registrar of Companies (RoC).

The primary objectives of the company are to undertake all kinds of debt management, operational management, resolution advisory, support and consultancy services in relation to debt resolution, and insolvency resolution.

Arvind Sadashiv Mokashi has been appointed on the board as State Bank of India's (SBI's) nominee director. The other directors are Narayan Keelveedhi Seshadri and Anilraj Chellan. Shareholders of IDRCL include Bank of Baroda (BoB), Punjab National Bank (PNB), Bank of India (BoI), Bank of Maharashtra, SBI, Union Bank of India, Canara Bank, Indian Bank and IDBI Bank.

For more details, please visit:

<https://www.livemint.com/industry/banking/govt-sets-up-asset-management-company-for-bad-bank-11632310419226.html>

Event Photographs



Dr. M. S. Sahoo, Chairperson, IBBI addressing the IP Conclave jointly organized by IBBI, IIIPI and two other IPAs on September 18, 2021 in Kolkata as part of '75 years of Independence - Azadi ka Amrit Mahotsav'.



Snapshot of the IP Conclave jointly organized by IBBI, IIIPI and two other IPAs on September 18, 2021 in Kolkata as part of '75 years of Independence – Azadi ka Amrit Mahotsav'.

48th Batch Pre-Registration Educational Course (PREC) Online

IIIPI along with other two IPAs will conduct the 48th PREC course from 06th October to 12th July, 2021 via online mode due to the ensuring COVID pandemic.

In Lieu of the current situation of COVID-19, and as per the IBBI Circular dated September 03, 2021, which states that the mandatory 50 Hour training of Pre-registration Educational Course will be to continue online delivery of education till December 31, 2021. These classes will be conducted online. The seats of the program are full.

With effect from 1st April 2018, individuals are eligible to register themselves as Insolvency Professionals (IP) only after undergoing through the mandatory 50 hours Pre Registration Educational Course (PREC) from an Insolvency Professional Agency (IPA) after his/her enrolment as a Professional Member.

For More Details, Please Visit:

<https://www.iiipcai.in/wp-content/uploads/2021/09/Mailer-for-48th-Batch-PREC.pdf>