



**INDIAN INSTITUTE OF INSOLVENCY PROFESSIONALS OF ICAI**

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# IIPI Newsletter

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## **NCLAT approved ArcelorMittal's Resolution Plan for OSIL**

ArcelorMittal's resolution plan for Odisha Slurry Pipeline Infrastructure Ltd (OSIL) has been approved by NCLAT on January 19. Previously, a few appeals were dismissed by NCLAT which were filed against the L N Mittal-owned unit's resolution plan for the Corporate Debtor.

On March 2, 2020, the NCLT approved a Rs. 2,359-crore bid for ArcelorMittal India for debt-ridden OSIL where it also observed that ArcelorMittal India's plan provides repayment of the principal dues to all financial creditors of OSPIL while taking care of the interests of all stakeholders.

**For More Details, Please**

**Visit:** [NCLAT approves ArcelorMittal's resolution plan for Odisha Slurry Pipeline \(freepressjournal.in\)](https://www.freepressjournal.in)

## **News Update**

*\*For Internal Circulation Only*

*\*Knowledge SBU Initiative*

## **Central Govt to use SC order on liquidation of Devas to defend claims overseas and recover dues from Devas promoters**

After the Supreme Court verdict on January 19, which gave go ahead to the liquidation of Devas Multimedia, Union Finance Minister, Smt. Nirmala Sitharaman, said that the Central Government would use the order to defend claims overseas and target assets owned by the promoters of the company, both in India and abroad. Besides, the Ministry of Corporate Affairs (MCA) will reportedly invoke a rarely used provision of the Companies Act to recover dues from Devas promoters.

Citing the Supreme Court judgment, the finance minister said that selling of primary endowments like wavelengths, satellites, or spectrum bands and giving them away to private parties to make money is extremely disconcerting. He further informed that apart from payments of over \$200 million under bilateral investment treaties and damage of \$1 billion, Antrix did not even appoint an arbitrator despite a request from the ICC, and reminders from the government. The Devas-Antrix deal was signed during the UPA government led by former Prime Minister Man Mohan Singh.

Devas was handed over rights to use S-band, which is of strategic importance. "Government of India is fighting in every court to ensure that the fraud does get away," said Smt. Sitharaman. The Finance Ministry is planning to hold inter-ministerial discussions to decide the future course of action to defend the claims made by Devas. Thereafter, government officials will take on board the SC order in other countries where cases are pending.

**For More Details, Please Visit:**

*Nirmala Sitharaman: Govt will target assets owned by Devas promoters | India Business News - Times of India (indiatimes.com)*

## News Roundup

### Section 29A(h) IBC will stand attracted on mere invocation of personal guarantee by a creditor, notwithstanding the fact that the insolvency process was initiated by another creditor: SC

The SC has delivered a judgment on the scope of Section 29A(h) of the IBC specifying the categories of persons who are not eligible to be resolution applicants. Section 29A(h) refers to the persons whose guarantees stand invoked by the creditors of the corporate debtor.

“Section 29A(h) IBC will stand attracted on mere invocation of personal guarantee by a creditor, notwithstanding the fact that the insolvency process was initiated by another creditor,” said a bench comprising Justice Sanjay Kishan Kaul and Justice MM Sundresh. The Court noted that Section 29A protects and balances the interest of the CoCs and the CD.

#### **For More Details, Please Visit:**

*Guarantor Whose Guarantee Stands Invoked By Any Creditor Barred From Giving Resolution Plan, Though Insolvency Initiated By Another Creditor: SC On Sec 29A(h) IBC (livelaw.in)*

### NCLT Directs Cox and Kings RP to Seek Tax Refund from IT Dept

The NCLT has directed the Resolution Professional of Cox and Kings to seek a tax refund of Rs 11 crore from the Income Tax Department. The directive was issued after the counsel representing the liquidator, informed the NCLT that he had filed an application before the tribunal to seek the refund. The Corporate Debtor owes around Rs 7,422 crore to its financial and operational creditors. In 2021, NCLT had admitted Yes Bank’s insolvency petition against Cox & Kings and ordered commencement of the CIRP.

#### **For More Details, Please Visit:**

*NCLT asks Cox and Kings RP to seek tax refund from I-T dept (livemint.com)*

### Romelectro, Major Romanian Contractor for Energy Projects, files for Insolvency

Romelectro, designer of a major part of Romania’s energy system during the Communist regime, has filed for insolvency on January 14. This follows when the country needs the most engineering companies to develop major projects in the energy generation sector, said media reports. According to the latest available financial information, the company ended 2020 with a turnover of about RON 200 mln (EUR 41 mln) and a loss of RON 8 mln.

#### **For More Details, Please Visit:**

*Major Romanian contractor for energy projects Romelectro files for insolvency | Romania Insider (romania-insider.com)*



### Whether Creditors filing false claims will be punished? Delhi High Court issues notice to IBBI and MCA

Delhi High Court has issued a notice to the Ministry of Corporate Affairs (MCA) and IBBI on a petition for framing regulations under the IBC, 2016, for enforcing Section 15 read with Regulation 6 of CIRP Regulations 2016. As per the regulation, ‘Submission of false or misleading proofs of claim shall attract penalties’.

The petition, filed by advocate Dr. Arun Mohan, stated that the IBC, 2016 does not provide any corresponding provision for enforcing the penalties on the errant creditors. In this case, the petitioner invited claims from the creditors of a Corporate Debtor. Thereafter, it was found that one of the creditors had impersonated herself as an employee/ consultant of the debtor and filed a false and misleading claim for Rs 2.80 lacs.

In pursuance to this, the petitioner, under the authority of Committee of Creditors (CoC), claims to have issued demand notice to such creditor, however, no response was received thereof. Instead, it is further averred, that the allegedly errant creditor lodged a false complaint filed against the petitioner.

#### **For More Details, Please Visit:**

*No Provision To Punish Creditors Filing False Claims Under IBC: Delhi High Court Issues Notice*

## Event Photographs



*Shri Shivram Bairwa, Registrar, NCLT addressing the EDP Legal 2<sup>nd</sup> Batch “Mastering Legal Skills, Pleadings and Court Processes under IBC” organized by IIIPI from 19<sup>th</sup> to 22<sup>nd</sup> January 2022 through online mode.*



*A snapshot of the EDP Legal 2<sup>nd</sup> Batch “Mastering Legal Skills, Pleadings and Court Processes under IBC” organized by IIIPI from 19<sup>th</sup> to 22<sup>nd</sup> January 2022 through online mode.*



## IIIPI is Organizing Webinar on “Office Infrastructure and Usage of Technology by IPs” on January 28

A two-hours’ webinar is scheduled to be organized by IIIPI on “Office Infrastructure and Usage of Technology by IPs” on January 28, 2022.

The inaugural session will be addressed by Dr Ashok Haldia, Chairman, IIIPI, CA Durgesh Kabra, Chairman, CIBC-ICAI, and Shri Sudhaker Shukla, WTM, IBBI. The speakers at the webinar will be CA K.V. Jain, an Insolvency Professional and Shri Debajyoti Ray Chaudhuri, MD, NeSL. A technical presentation by NeSL will follow the speakers’ addresses. Registration link for the webinar is available at the IIIPI website.

### **For More Details, Please Visit:**

<https://www.iiipicai.in/wp-content/uploads/2022/01/Flyer-28th-january-2022.pdf>