



**INDIAN INSTITUTE OF INSOLVENCY PROFESSIONALS OF ICAI**

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# IIPI Newsletter

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### **IBBI Published final panel of IPs for January to June 2022**

IBBI on December 30, 2021 published Final Panel of IPs prepared in accordance with 'Insolvency Professionals to act as Interim Resolution Professionals, Liquidators, Resolution Professionals and Bankruptcy Trustees (Recommendation) (second) Guidelines, 2021' for the period from January 1, 2022 to June 30, 2022.

The names of IPs featuring in the list can be appointed as IRP, RP, Liquidators, Bankruptcy Trustees for the period mentioned above. Thereafter, IBBI will publish a new panel of IPs for the above mentioned purpose.

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

<https://www.ibbi.gov.in/uploads/whatsnew/6a77e5bcf009173614e660fdb48e33e5.pdf>

## **News Update**

*\*For Internal Circulation Only*

*\*Knowledge SBU Initiative*

### **SEBI approves Special Situation Funds (SSFs) for investment in Stressed Assets and ARCs**

The Securities and Exchange Board of India (SEBI) on December 28 has approved introduction of Special Situation Funds (SSFs) to be invested in stressed assets. SSFs will be introduced as a sub-category under Category I Alternative Investment Funds (AIFs).

In a release after the board meeting, SEBI said SSFs will “invest only in stressed assets” such as stressed loans available for acquisition in terms of the Reserve Bank of India (RBI) norms or as part of a resolution plan approved under the IBC. These funds will also be invested in security receipts issued by Asset Reconstruction Companies (ARCs), securities of companies in distress and any other “asset/security as may be prescribed by the board from time to time”.

The SEBI-Board has also given nod for amending Foreign Portfolio Investor (FPI) regulations and introducing a provision for appointment or re-appointment of any of any person, including as a Managing Director or a Whole Time Director or a Manager, who was earlier rejected by the shareholders at a general meeting. Besides, the share market regulator has decided to tighten norms for utilisation of IPO (initial public offering) proceeds by companies. The SEBI chairperson, Ajay Tyagi, has said that the market regulator has no intention to control the prices of IPOs in any manner. These amendments are mainly a reaction to several IPOs earlier this year and follow after consultation papers issued by SEBI, he noted.

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

*SEBI Tightens Norms for IPO Proceeds Utilisation, Amends Various Other Regulations (thewire.in)*

## News Roundup

### Insolvency Process Likely to Speed up in 2022: Reports

Lack of full-time heads in NCLT and NCLAT coupled with vacant positions of judicial and technical members in several benches were major reason behind of pendency of several cases in 2021, said media report. According to latest IBBI data about 73 % of the Corporate Insolvency Resolution Process (CIRP) as of September 30 took more than 270 days, a steep rise in the maximum permissible period. Besides, haircuts to the tune of 95 % has also been in the limelight of media throughout the 2021.

The stakeholders are reportedly hopeful that with the recent appointments, the CIRP cases will be disposed faster in 2022.

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

<https://www.newindianexpress.com/business/2021/dec/31/insolvency-cases-after-missed-timelines-in-2021-process-likely-to-speed-up-with-improved-infra-2401626.html>

### NCLT orders CIRP of Ind-Barath Power Infra Ltd. promoted by MP Ram Krishan Raju

NCLT Hyderabad has given go ahead for Corporate Insolvency Resolution Process (CIRP) Ind-Barath Power Infra Ltd on a CIRP petition filed by the Punjab National Bank. The Company is promoted by Mr. Ram Krishan Raju, a rebel Lok Sabha MP of YSR Congress.

According to media report, the company took about Rs. 1,384 crore loans from various banks. Aggrieved with the defaults the banks formed a consortium under in the leadership of Punjab National Bank which has about Rs. 327 crore dues to the Ind-Barath. In its order the NCLT also directed the registry to send a copy of the order to the Registrar of Companies to enable him to write appropriate remarks against the Company.

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

<https://timesofindia.indiatimes.com/city/hyderabad/insolvency-ordered-against-raju-firm-for-1-3k-cr-loan-default/articleshow/88640796.cms>

### UK witnessed record Low Number of Insolvency Cases in 2021

Despite the pandemic, a record low number of UK firms have fallen into administration, also indicating that furlough measures reduced the number of non-voluntary insolvencies throughout the year, however, an indication as well that the next year could see the rise. According to reports, this is expected to increase by the end of the year but will remain significantly short of the 1,121 from last year and the record low of 1,044 in 2015. Among sectors, Energy Sector was strongly affected.

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

<https://www.business-live.co.uk/economic-development/insolvencies-hit-record-low-2021-22604153>



### RBI Report on 'Trend and Progress of Banking in India, 2020-21' presents a positive picture

The Capital to Risk weighted Assets Ratio (CRAR) of Scheduled Commercial Banks (SCBs) has strengthened from 14.8 % in at end of March 2020 to 16.3 % at end of March 2021 and further to 16.6 % at end of September 2021, partly aided by higher retained earnings, recapitalisation of public sector banks (PSBs) and capital raising from the market by both PSBs and private sector banks (PVBs). These are among the findings of the Reserve Bank on India (RBI) in its report titled 'Trend and Progress of Banking in India 2020-21, released on December 28, 2021.

Furthermore, the report highlights that Return on Assets (RoA) of SCBs improved from 0.2% at end-March 2020 to 0.7% at end-March, aided by stable income and decline in expenditure. "SCBs' gross non-performing assets (GNPA) ratio declined from 8.2 % at end-March 2020 to 7.3 % at end-March 2021 and further to 6.9 per cent at end-September 2021," said the report. Besides, the Covid period, when IBC was suspended, constituted one of the major modes of recovery in terms of amount recovered, added the Report.

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

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=52956](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=52956)