



INDIAN INSTITUTE OF INSOLVENCY PROFESSIONALS OF ICAI

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IIPI Newsletter

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NCLT Admits SBI's Insolvency Plea to Initiate CIRP Against Coastal Energen

State Bank of India's plea against power producer Coastal Energen to initiate insolvency proceedings has been admitted after almost three years of follow up between the company, lenders, and the court. The Chennai bench of the NCLT admitted that the petition was filed at first in October, 2018.

Coastal Energen owed about Rs 2,923.62 crore to the creditors. During pendency of the case in the NCLT, the company's proposal for one time settlement was accepted by creditors on May 15, 2019, but it failed to fulfill the obligations. Thereafter, the SBI revived the insolvency plea.

For More Details, Please Visit:

<https://www.financialexpress.com/industry/nclt-admits-sbis-insolvency-plea-against-coastal-energen/2427878/>

News Update

**For Internal Circulation Only*

**Knowledge SBU Initiative*

Insolvency and Bankruptcy Board of India Amends the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016

The Insolvency and Bankruptcy Board of India (IBBI/Board) has notified the IBBI (Insolvency Resolution Process for Corporate Persons) (Amendment) Regulations, 2016 (CIRP Regulations) on February 09, 2022. Though this notification the Board has amended Regulation 18 and Regulation 39A.

After reviewing various circulars issued to deal with issues which may arise or have arisen during the Corporate Insolvency Resolution Process and for better implementation of the Code, the substance from two circulars issued in January 2021 circulars have been made a part of the CIRP Regulations. The Circular No. IBBI/CIRP/2021 dated April 16, 2021, which is now part of the Regulation, is related to the "Clarification - Consideration of matters / issues by the committee of creditors on request by members of the committee" while the Circular No. IBBI/CIRP/38/2021 dated January 06, 2021, deals with the subject matter "Retention of records relating to Corporate Insolvency Resolution Process". These Circulars have now become part of the Regulation 18 and Regulation 39 A, respectively.

The amended regulation will be effective from February 09, 2022 and are available at www.mca.gov.in and www.ibbi.gov.in.

For More Details, Please Visit:

<https://ibbi.gov.in/uploads/press/119b5940add641a9a5ee44dc3d0c3d4a.pdf>

News Roundup

NCLT Orders Karvy Stock Broking Not to Alienate Assets and its Subsidiaries

The Hyderabad bench of the NCLT ordered Karvy Stock Broking, which is scam-hit, not to indulge in selling assets of the company and its subsidiaries. The order was stated as a response to an application filed by a minority shareholder. This came amid investigations conducted by various agencies viz., the police, Securities and Exchange Board of India, Serious Fraud Investigation Office and Enforcement Directorate (ED) into a host of allegations against the company.

The NCLT bench also asked the company to seek permission of the bench and that only on a case-to-case basis the bench would allow the sale of the assets.

For More Details, Please Visit:

<https://www.moneycontrol.com/news/business/nclt-orders-karvy-stock-broking-not-to-alienate-assets-8060421.html>

IL&FS Approved Distribution of Rs 20, 000 Cr Proceeds to CoC by March 2022

Debt laden Infrastructure Leasing & Financial Services' (IL&FS) board approved the decision of interim distribution of proceeds to the extent of Rs 20, 000 crore by March, 2022, to the creditors of the group. The group went bust in 2018 owing to which the debt of majority of the creditors had not been settled. It will have a considerable amount of distributable assets, both in the form of cash and infrastructure investment trust (InvIT) units, by coming March. In an affidavit to the NCLAT, the board of IL&FS stated that by March end, 2022, around 249 group entities will be resolved.

For More Details, Please Visit:

https://www.business-standard.com/article/companies/il-fs-to-distribute-rs-20-000-cr-proceeds-to-creditors-by-march-end-122020800752_1.html

Azmeel Contracting Co. Receives Court Approval for its Proposed Financial Restructuring

Based in Saudi Arabia, Azmeel Contracting Co. has obtained court approval for its proposed financial restructuring following the approval of creditors via majority vote of 88%. The plan will enable the company to bid for new projects and aim to settle payment to the creditors. Azmeel had entered the debt accumulation phase in 2019 due to late payments by its clients and some public and private entities. The Company, part of the Azmeel Group, is involved in construction mainly across the eastern province.

For More Details, Please Visit:

<https://www.arabnews.com/node/2023876/business-economy>



Shri Ravi Mittal, IAS (Retd.) takes charge as second IBBI Chairperson

Shri Ravi Mittal took the charge as Chairperson of Insolvency and Bankruptcy Board of India in New Delhi on February 09, 2022. He is the second Chairperson of the IBBI and would head the Board for next five years.

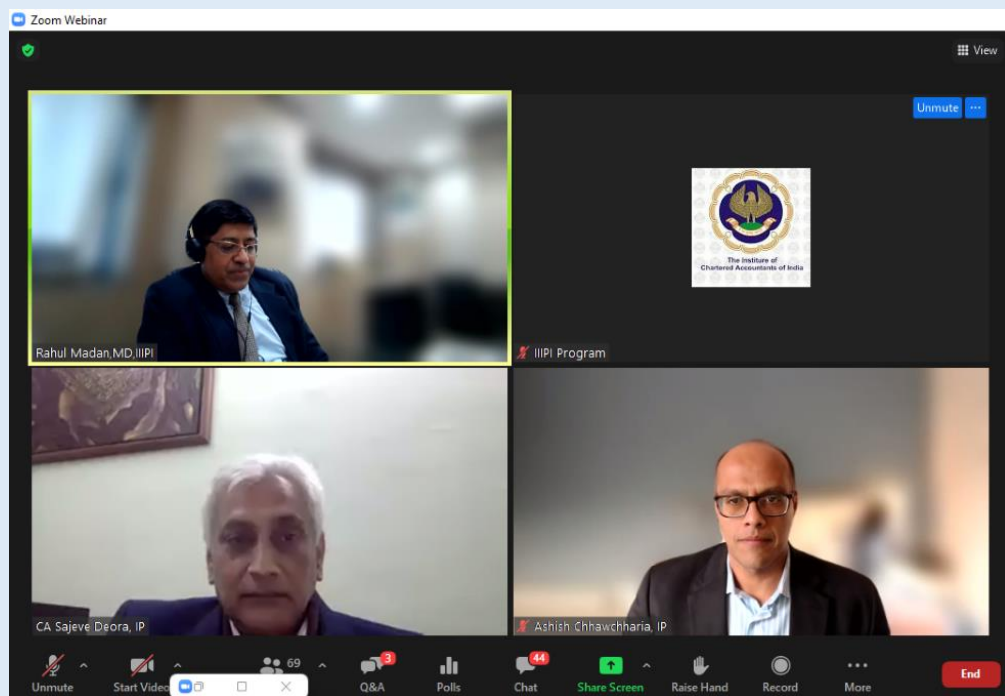
Shri Mittal is 1986-batch IAS officer from the Bihar cadre and recently superannuated from the post of Secretary, Department of Sports, Ministry of Youth Affairs and Sports. Earlier, he has also served as Secretary, Ministry of Information & Broadcasting and Special Secretary, Department of Financial Services, Ministry of Finance. He has also served on Boards of various organizations including State Bank of India, Punjab National Bank, GIC Re etc. During his service, he has served in varied capacities in various Ministries and Departments of the Government.

His appointment comes at a time when the government has decided to bring in further reforms to cut delay in the insolvency resolution process.

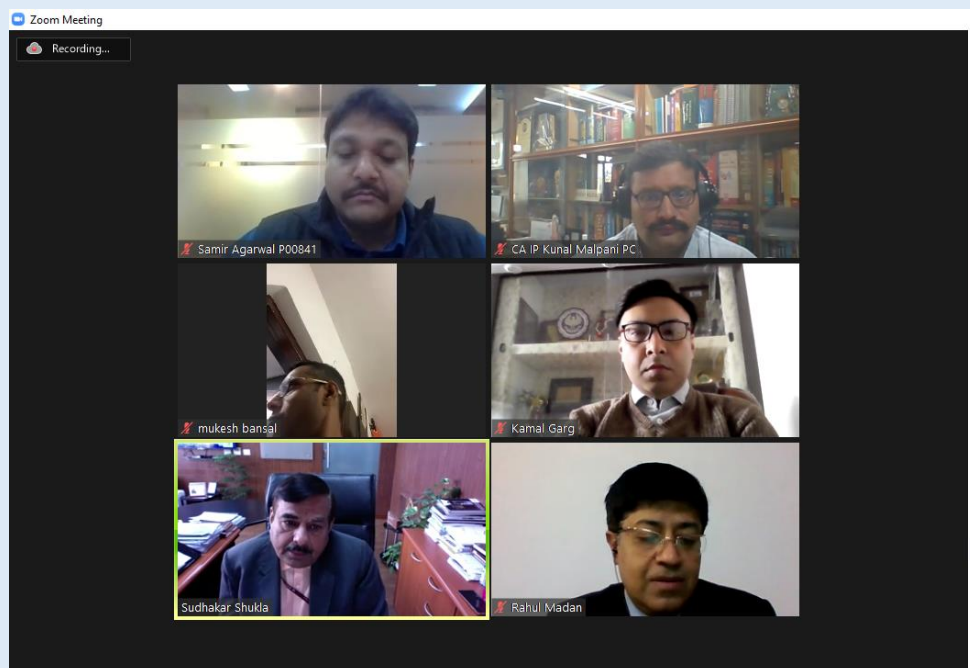
For More Details, Please Visit:

<https://economictimes.indiatimes.com/news/economy/policy/ravi-mittal-former-secretary-dept-of-sports-to-head-ibbi/articleshow/89316992.cms>

Event Photographs



Webinar Organised by IIIPI on “Union Budget – Tax Provisions on IBC” on 11th February, 2022



EDP: First Batch on “Mastering Avoidance/PUFE Forensics under IBC” Organised by IIIPI from 8th to 10th February, 2022



IIIPI is Organizing the Sixth Batch of Executive Development Programme (EDP) for IPs from 22nd to 26th February, 2022

The sixth batch of Executive Development Programme (EDP) for IPs is organized by IIIPI on “Managing Corporate Debtors as Going Concern under CIRP” from 22nd to 26th February, 2022.

The five days’ virtual programme is organized over a duration of 40 hours. The highlights of the programme will be managerial knowhow, regulatory framework, inter-disciplinary approach developing soft skills, and practical exposure via case studies. The participants will be provided with CPE 20 hours.

Further details related to registration and fees may be obtained from the IIIPI website.

For More Details, Please Visit:

<https://www.iiipicai.in/wp-content/uploads/2022/02/06th-EDP-corporate-debtors-1.pdf>