



INDIAN INSTITUTE OF INSOLVENCY PROFESSIONALS OF ICAI

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IIPI Newsletter



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CONTENTS

News Update
News Roundup
Event Photos
Forthcoming Events

NCLT Mumbai ordered CIRP of Topworth Urja & Metals Ltd.

NCLT, Mumbai has ordered commencement of CIRP for Topworth Urja & Metals Limited on a default of over ₹ 218 crore. The insolvency petition was filed by Bank of Baroda, a Financial Creditor, under Section 7 of the IBC.

Corporate Debtor contended that the default was based on the Master Restructuring Agreement (MRA), which stood revoked on June 01, 2016. However, the court observed that there was nothing on record to show that the MRA was revoked.

For More Details, Please Visit:

<https://www.livelaw.in/news-updates/nclt-mumbai-section-7-of-the-insolvency-and-bankruptcy-code-corporate-insolvency-resolution-process>

News Update

**For Internal Circulation Only*

**Knowledge SBU Initiative*

Period of limitation under Section 61 of IBC is calculated from the date of Order not from the date of availing certified copy: NCLAT

NCLAT has held that the time period required in preparation of certified copy of the judgement can be excluded from limitation under Section 61 of the IBC, 2016. However, the limitation period of 30 days shall be calculated from the date of the Order.

This judgement came in the matter of *Chote Lal Gupta Vs. Jai Balaji Jyoti steels Ltd*, wherein the counsel for the Appellant contended that since the appeal was filed within 30 days of availing certified copy of the Order, the same was within time. Under Section 61 (2) of the IBC, the period provided for filing the Appeal is 30 days from the date of Order. However, Appellant is entitled to exclude the period consumed in preparing certified copy.

As the Order by Adjudicating Authority was issued on May 13, 2022, the appellant had had time to file the Appeal till June 12, 2022. The Court observed that he was entitled for extension of two days limitation, which was used in preparing certified copy of the Order. Furthermore, the Appellate Tribunal has power to condone the delay of only 15 days. Relying on the Supreme Court judgement in the matter of *National Spot Exchange Limited Vs. Anil Kohli, RP for Dunar Foods Limited* (2021), NCLAT observed, “the limitation is 30 days for filing the Appeal under Section 61 and the power to condone the delay cannot be exercised exceeding 15 days.”

For More Details, Please Visit:

https://efiling.nclat.gov.in/nclat/order_view.php?path=L05DTEFUX0RvY3VtZW50cy9DSVNfRG9jdW1lbnRzL2Nhc2Vkb2Mvb3JkZXJzL0RFTEhJLzJwMjltMDgtMTAvY291cnRzLzEvZGFpbHkvMTY2MDMwNzcxMjE4ODIyOTewNTE2MmY2NDljOGU4NzFkLnBkZg==

News Roundup

SBI files insolvency petition to initiate CIRP of Bajaj Hindustan Sugar

Bajaj Hindustan Sugar, which has a network of 14 Mills spread throughout Uttar Pradesh, owes around ₹4,800 crore to banks including State Bank of India, Punjab National Bank, Indian Bank and Central Bank of India. An application under Section 7 of the IBC has been filed by NCLT, Allahabad after the company defaulted on the debt dues. Last month, the Securities and Exchange Board of India (SEBI) had imposed a penalty of ₹10 lakh on the company for not disclosing "Closure Orders" with respect to its certain distilleries.

For More Details, Please Visit: <https://www.livemint.com/companies/news/sbi-starts-insolvency-proceedings-against-bajaj-hindustan-sugar-11660654526929.html>

Prakash Asphaltings & Toll Highways Resolution Plan approved for Rajahmundry Godavari Bridge

NCLT, Mumbai has approved the Resolution Plan of Prakash Asphaltings & Toll Highways (India) Limited's for accusation of Rajahmundry Godavari Bridge Limited through CIRP. The plan was approved NCLT after the lenders permitted the revival plan with 100% voting in its favour. Though Resolution Professional had received claims of over ₹985 crores in the case while Successful Resolution Plan proposes a total consideration of ₹452 crores. The bridge, which connects Rajahmundry and Kovvur in Andhra Pradesh, was sent to insolvency by an order of NCLT in February 2020.

For More Details, Please Visit: <https://economictimes.indiatimes.com/industry/indl-goods/svs/construction/nclt-approves-prakash-asphaltings-toll-highways-resolution-plan-for-rajahmundry-godavari-bridge/articleshow/93543933.cms?from=mdr>

China's Ride-Hailing Firm Didi Evi applies for Insolvency

Ending a four-year-old partnership to make electric vehicles, Chinese ride-hailing firm Didi's joint venture with Li Auto has applied for bankruptcy, according to a court filing. The Company, 51% owned by Didi and 49% by Li Auto, submitted the bankruptcy application to Beijing No. 1 Intermediate People's Court. Didi and Li Auto, previously known as Chehejia, established Beijing Judian Chuxing Technology in 2018 to develop and manufacture customized smart electric vehicles for ride-hailing services. While Didi and BYD launched a co-developed EV model D1 in 2020, most of the collaborations have made little progress.

For More Details, Please Visit: <https://www.reuters.com/business/autos-transportation/chinas-didi-ev-joint-venture-with-li-auto-applies-bankruptcy-court-2022-08-11/>



London listed Cineworld, world's second largest cinema operator to file for bankruptcy in USA and UK

Cineworld, the owner of Regal Cinemas in the United States, is preparing to file a petition for bankruptcy protection under Chapter 11 in the United States' Bankruptcy Law and also in the UK.

Shares of the company slumped significantly after the company said that it's looking at ways to restructure its balance sheet and one option was voluntary bankruptcy under Chapter 11. Cineworld has been facing a hard time owing to the COVID-19 pandemic, shortage of big-budget films and the popularity of online streaming. The company also has a legal dispute with its Canada based rival- Cineplex which has sought \$ 946 million in damages from the Company. "Cineworld would expect to maintain its operations in the ordinary course until and following any filing," said the company in a statement.

For More Details, Please Visit: <https://www.livewlaw.in/news-updates/nclat-certified-copy-preparation-period-excluded-limitation-section-61-of-the-insolvency-bankruptcy-code-2016-206794>

Event Photograph



A Snapshot of the Webinar on “Employees' Interests, PF Dues & Labor Laws under IBC - Best Practices” organized by IIIPI on August 18, 2022.

IIIPI announces 04th Batch of EDP on Mastering Avoidance / PUE Forensics under IBC

The 04th Executive Development Program (EDP) on Mastering “Avoidance/ PUE Forensics” under IBC, 2016 is being organized by IIIPI from September 05, 2022, to September 07, 2022. The program will be conducted via online mode for a total duration of 18 hours (over 3 days). Participating IPs will be provided total CPE 12 hours.

For More Details, Please Visit:

<https://www.iiipicai.in/wp-content/uploads/2022/08/FLYER-PUEF-EDP-4th-batch-.pdf>