



INDIAN INSTITUTE OF INSOLVENCY PROFESSIONALS OF ICAI

(Company formed by ICAI under Section 8 of the Companies Act 2013)

IIPI Newsletter

IIPI to participate as 'Institutional Partner' in IBBI's Conference on April 13

The Conference (physical mode) is being organized by IBBI on "Insolvency and Bankruptcy Code - Evolving Paradigms and Reforms" from 10:30 am to 04:30 pm on April 13, 2023, India Habitat Centre, New Delhi.

Shri Ravi Mital Chairperson, IBBI will be the Chief Guest and Smt. Anita Shah Akella Joint Secretary, Ministry of Corporate Affairs, GOI, will be the Guest of Honour. The 'Inaugural Session' will be followed by two 'Plenary Sessions' and 'Valedictory Session' in which dignitaries and domain experts will share their views. The participant IPs will be eligible for 4 CPE hours.

For More Details, Please Visit: <https://www.iiipicai.in/wp-content/uploads/2023/04/Flyer-IBC-Conference-13-April-2023.pdf>



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**For Internal Circulation Only*

**Knowledge SBU Initiative*

Diversion of Assets could reduce Value Realization from Corporate Debtor: Shri. Sudhaker Shukla, WTM, IBBI

Indian Institute of Insolvency Professionals of ICAI organized an International Conference (Virtual) on "Avoidance Transactions under IBC-Improving Outcomes" on Wednesday, March 29, 2023. In the conference, domain experts from India, the UK, Singapore, and Hong Kong shared their experiences and best practices related to Avoidance Transactions and Avoidance Proceedings in their countries. On this occasion, a publication titled "Avoidance Transactions Under IBC 2016-Improving Outcomes" which is based on the Report of a Study Group constituted in this regard by IIPI was also released.

Speaking as the Chief Guest, Shri. Sudhaker Shukla, WTM-IBBI highlighted the role of IPs in tracing Avoidance Transactions of the Corporate Debtor (CD) and its importance in value realization of the CD during resolution or liquidation. "Creditors should be alert all the time as promoters have access to balance sheet so are well informed about the financial conditions of the company. If there is large gap in initiation of the process, the erring management may be incentivized to put the value away," said Shri. Sudhaker. He further added that the framework for Avoidance Transactions has been largely streamlined in India and steps are being taken to sort of grey areas, if any.

Mr. Paul Bannister, Head-Policy, Insolvency Services, Government of UK was present as Guest of Honour and Dr. Ashok Haldia, Chairman-IIPI delivered Welcome and Opening Address. The Inauguration Session was followed by Special Addresses by Shri. P. S. Prasad, Hon'ble Member-NCLT and CA. Rajesh Sharma, Former Hon'ble Member NCLT; and a 'Panel Discussion' which was moderated by CA. Gyan Chandra Misra, Insolvency Profession, Chairman, CIBC-ICAI & Director, IIPI.

News Roundup

Finance Minister assures more and more amendments to fine-tune the IBC, 2016

Finance Minister Smt. Nirmala Sitharaman has said that whether it is an amendment to the IBC, filling up positions, or to make sure there are enough Resolution Professionals (RPs), the Centre has always been in touch with the IBBI. While addressing the gathering at the inauguration of the refurbished court premises of NCLAT Bench in Chennai, she stated that the government is willing to make amendments to the IBC to enhance its effectiveness. She also addressed delays in appointments to tribunal benches and noted that the government is taking steps to address the issue. A new set of IBC amendments is expected to be tabled in Parliament soon, which includes extending the Pre-Packaged Insolvency scheme and a special insolvency regime.

For More Details, Please Visit: <https://rb.gy/1crl>

Adani ports acquired Karaikal Port through IBC

Adani Ports and Special Economic Zone Ltd. (APSEZ) has acquired Karaikal Port, a private port located in the southern state of Puducherry, for ₹1,485 crores through a Resolution Plan. The acquisition is expected to further strengthen APSEZ's presence in South India, where it already operates three ports. The port has a capacity of 28 million tonnes per annum and is expected to strengthen the company's presence in South India. This acquisition is in line with APSEZ's strategy to increase its port capacity to 500 million tonnes by 2025. APSEZ is the largest commercial port operator in India and operates ports in nine locations across the country.

For More Details, Please Visit: <https://rb.gy/uemi>

USA's Catalina Marketing files for bankruptcy

Catalina, a leading company in shopper intelligence, has agreed to sell its Japanese entity, Catalina Marketing Japan K.K., to Yosemite 2 K.K. Besides, the company has entered into a Restructuring Support Agreement (RSA) with its lenders to reduce its debt. In accordance with the RSA, the company has filed voluntary petitions for a Pre-Packaged Restructuring under Chapter 11 of the USA's Bankruptcy Code in the USA's Bankruptcy Court for the Southern District of New York. Together, these actions will strengthen Catalina's balance sheet and enable accelerated investments in strategic growth areas.

For More Details, Please Visit: <https://rb.gy/8b2v>



Real Estate Giant Mantri Developers Faces Insolvency Over ₹ 456 Crore Default

The NCLT has initiated insolvency proceedings against Mantri Developers, a real estate firm based in Bengaluru, after Indiabulls Housing Finance Ltd (IHFL) claimed a default of ₹456.68 crore. IHFL had moved the NCLT claiming the default and the tribunal suspended the board of Mantri Developers and appointed an IRP for the company. The Court also declared a moratorium for protecting Mantri Developers from any suits, judgment, decree of court, or sale and transfer of its assets during the CIRP.

The real estate firm had failed to comply with the provisions of loan agreements, leading to the default. The NCLT rejected Mantri Developers' contentions that out of five, three loan facilities were sanctioned not only to Mantri Developers but also to three other co-borrowers who were not made parties in the petition and thus it is not maintainable. NCLT further observed in this regard even if the two instances of loan to the CD (without any co-borrower) are considered, the aggregate default is well above the threshold requirement of ₹1 crore.

For More Details, Please Visit: <https://rb.gy/qzfl>

Event Photographs

International Conference (Virtual) on “Avoidance Transactions under IBC- Improving Outcomes” organized by IIIPI on Wednesday, 29th March 2023.



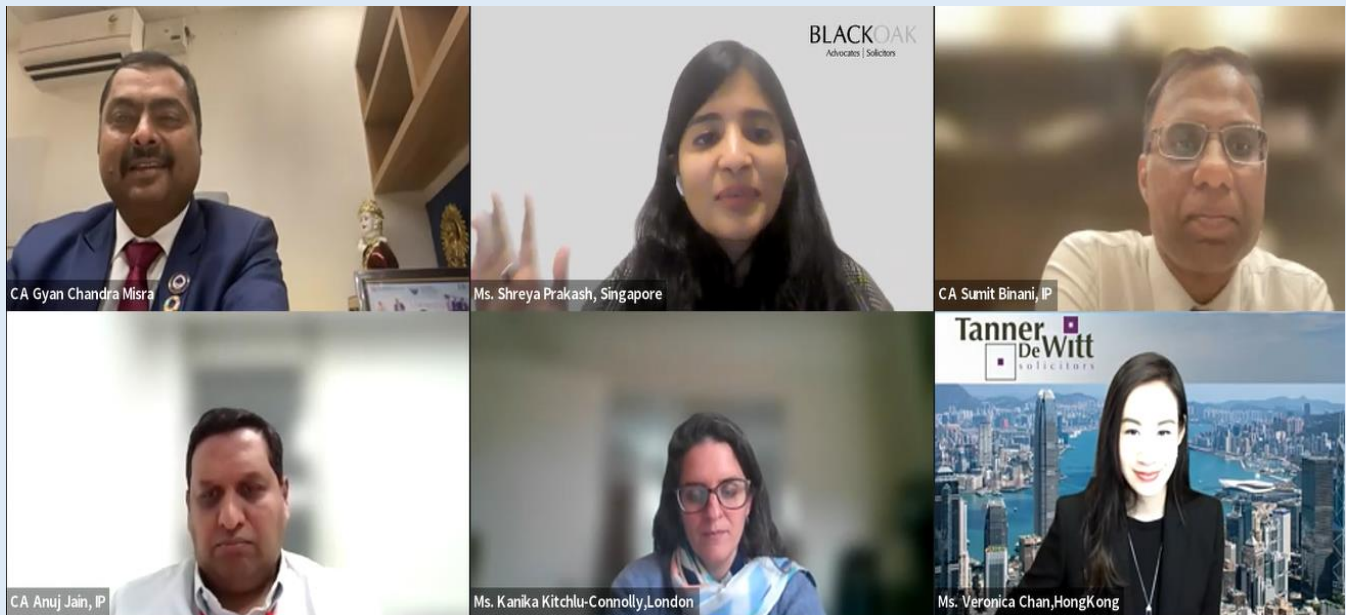
Chief Guest Shri. Sudhaker Shukla, WTM-IBBI, addressing the Conference.



CA. Rajesh Sharma, Former Hon'ble Member, NCLT delivering Special Address.



Shri. P. S. Prasad, Hon'ble Member (Judicial), NCLT delivering Special Address.



The 'Panel Discussion' was moderated by CA. Gyan Chandra Misra, Insolvency Profession, Chairman, CIBC-ICAI & Director, IIIPI.