



INDIAN INSTITUTE OF INSOLVENCY PROFESSIONALS OF ICAI

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IIPI Newsletter

Jindal SAW receives approval to acquire Sathavahana Ispat

Jindal SAW, has received approval from the NCLT to acquire Sathavahana Ispat Ltd., a distressed steel manufacturer. The NCLT order came after Jindal SAW proposed to pay 694 crore against the defaulting borrower's acknowledged debt of 1,852 crore.

Six other bidders also submitted expressions of interest, including Vedanta, Welspun Corp, Sarda Mines, Ares SSG Capital (Singapore), Khandwala Finstock, and Trimex Industries.

Acquisition will help Jindal SAW expand its steel production capacity and gain a foothold in the eastern region of India. The deal is expected to be completed soon, pending some regulatory approvals.

For More Details, Please Visit:

<https://rb.gy/dkrwo>



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**For Internal Circulation Only*

**Knowledge SBU Initiative*

Gujarat High Court rules moratorium under IBC cannot extend to proceedings against wilful defaulters

The Gujarat High Court held that the moratorium granted under Section 96 of the IBC cannot be extended to the proceedings with respect to a borrower who has been declared as a wilful defaulter. The court also stated that Writ Courts cannot act as experts in financial matters and cannot substitute their view for that of financial experts.

The case involved a petitioner company that was declared a wilful defaulter after failing to repay non-performing loans. The petitioner had been granted an interim moratorium under Section 96 of the IBC, but the court ruled that this only referred to the debt and not the proceedings against the wilful defaulter.

The court also noted that the petitioner had been given ample opportunity to present their case but had failed to satisfy the court. The court could not interfere with the expert opinions of the committees responsible for investigating the petitioner's finances and could not set aside their findings based solely on the petitioner's complaints. The court ultimately found that the petitioner had failed to refute the allegations of diversion, routing, and siphoning of funds and was blaming the committees for not supplying the forensic audit report instead and therefore the impugned orders could not be set aside.

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

News Roundup

RPs under IBC considered as public servant under purview of Prevention of Corruption Act: High Court

The Jharkhand High Court has ruled that an interim resolution professional falls under the definition of a public servant given u/s 2(C)(v) and 2(c)(viii) of the Prevention of Corruption Act, 1988. The decision was made in response to a case in which an interim resolution professional demanded ₹ 2,00,000 per month as bribe to influence the corporate insolvency resolution process. The professional argued that he did not fall under the definition of a public servant, but the court disagreed, stating that anyone serving public functions can be considered a public servant.

For More Details, Please Visit: <https://rb.gy/3fwol>

KGK Realty's resolution plan for Anudan Properties gets nod from NCLT

The NCLT has approved the takeover of Anudan Properties by KGK Realty (a Mumbai based subsidiary of KGK Group). KGK Realty had emerged as the highest bidder for Anudan Properties with a bid of Rs 300 crore. Their resolution plan involves the payment of Rs 26 crore (approximately USD 3.5 million) to the financial creditors of Anudan Properties, and the infusion of additional funds to complete the company's ongoing projects. KGK Realty will take over the management of Anudan Properties and will work towards completing its projects. The takeover will also help KGK Realty expand its presence in the Kolkata real estate market.

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

Virgin Orbit Files for Bankruptcy Protection amid Rocket Launch Delays and Pandemic Impact

Virgin Orbit, the satellite launch company owned by Richard Branson, has filed for Chapter 11 bankruptcy protection due to delays in launching its rockets and the impact of the COVID-19 pandemic on its business. The bankruptcy filing will allow the company to restructure its debts and continue operations. Virgin Investments, one of Virgin Orbit's sister companies, will inject \$31.6 million into the satellite launcher to help it stay afloat while the business searches for a new owner. Virgin Orbit's other companies, including Virgin Galactic and Virgin Atlantic, are not expected to be impacted by the bankruptcy filing.

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



Real Estate giant admitted into Insolvency proceedings: NCLT

The NCLT has admitted a CIRP against Renaissance Indus Infra Private Limited, Gurugram based real estate developer. The plea was filed by one of the company's operational creditors, who claimed that company had failed to pay a debt of ₹1.86 crore (approximately USD 250,000) owed to them.

The NCLT has appointed an IRP to manage the affairs of the company during the insolvency proceedings. Renaissance Indus Infra is engaged in the development of commercial and residential properties, and has completed several projects in Gurugram. The company has faced financial difficulties in recent years, with reports of delayed construction and payment issues.

CIRP against Renaissance Indus Infra is the latest in a series of cases filed against real estate developers in India, as the sector continues to grapple with challenges such as regulatory changes, liquidity issues and a slowdown in sales.

For More Details, Please Visit: <https://rb.gy/kt5bu>



IIPI to conduct 7th Batch of EDP on “Mastering Avoidance ‘PUFE Forensics’ Under IBC” from April 25

The 7th batch of Executive Development program (For IP's) on Mastering- “Avoidance/PUFE Forensics” under IBC is scheduled to start from April 25, 2023. These three days program will be for 18 hours and conclude on April 27, 2023.

The seats for the program are limited and registration is based on ‘first come first serve’ basis. The IPs attending the program will be eligible to claim for 12 CPE hours.

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

IIPI’s Webinar on 13th April, 2023

The Webinar titled “Case Studies on Successful CIRPs” will be conducted from 3.00 PM to 6.00 PM. This program has 2 CPE hours.

For More Details, Please Visit: - <https://rb.gy/0u79kj>