



## INDIAN INSTITUTE OF INSOLVENCY PROFESSIONALS OF ICAI

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

# IIPI Newsletter

### Real Estate Firm withdraws Insolvency petition against SpiceJet

Acres Buildwell Pvt. Ltd., a real estate company, has withdrawn its insolvency plea against SpiceJet at the NCLT, Delhi. The realtor had filed the CIRP petition against the SpiceJet in September 2022, claiming outstanding dues of ₹3.25 crore. The withdrawal follows a settlement between the parties.

However, SpiceJet still faces insolvency pleas from aircraft lessors Willis, Wilmington, and Aircastle, along with a payment order of ₹380 crore to Kalanithi Mara. Additionally, there are ongoing contempt proceedings in the Supreme Court for non-payment of dues to Credit Suisse from a previous settlement.

**For More Details, Please Visit:**

<https://www.moneycontrol.com/news/trends/legal/acres-buildwell-withdraws-insolvency-plea-against-spicejet-10995121.html>



July 24, 2023

Volume 08, Number 30

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## News Update

*\*For Internal Circulation Only*

*\*Knowledge SBU Initiative*

### IBBI Notifies Amendments in CIRP and IP Regulations

Insolvency and Bankruptcy Board of India (IBBI) through a Gazette Notification (No. IBBI/2023-24/GN/REG103) dated July 20, 2023, has inserted the word “post” before “Graduate Insolvency Programme” in sub-clause (ii), of clause (c) under Regulation 5 of the IBBI (Insolvency Professionals) Regulations, 2016. IBBI further declares that in the principal regulations, in the Second Schedule, in Form A, in caption “B. Qualifications: Educational, Professional, Insolvency Examination and PREC”, in table (iii) Insolvency Examination, in Sl. No. 2 row, before the words “Graduate Insolvency Programme”, the word “Post” shall be inserted.

Besides, the IBBI through another notification (No. IBBI/2023-24/GN/REG102) on the same day has inserted the following explanation in Regulation 31A, in Sub-Regulation (1) of IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016:

*“Explanation: For removal of doubts, it is hereby clarified that the regulatory fee under this sub-regulation, shall not be payable in cases where the approved resolution plan in respect of insolvency resolution of a real estate project is from an association or group of allottees in such real estate project.”*

Both the notifications have been issued on the name of Shri Ravi Mital, Chairperson, IBBI and shall come into force on the date of publication in the Official Gazette i.e., July 20, 2023.

**For More Details, Please Visit:**

<https://ibbi.gov.in/uploads/legalframework/3fe89e0784a7d9e59e43518d40733f85.pdf> **AND**

<https://ibbi.gov.in/uploads/legalframework/0144d4c26a6d468269dc610d8c0791df.pdf>

## News Roundup

### SC confirmed IBC's Superseding Power over Electricity Act in Debt Recovery Cases

The Apex Court has ruled that the IBC, 2016 supersedes over the provisions of the Electricity Act, 2003. The case involved Paschimanchal Vidyut Vitran Nigam Ltd. (PVVNL) seeking to recover unpaid electricity dues from Raman Ispat Pvt. Ltd., which subsequently went into liquidation. PVVNL had secured an order of attachment on Raman Ispat's property in its favour which was vacated by NCLAT. PVVNL appealed to the Supreme Court, arguing that there can be an independent recovery of dues by the electricity department outside the IBC. However, the apex court rejected this argument, affirming IBC's superseding power. The court upheld PVVNL's status as a secured creditor under the Waterfall Mechanism of the IBC, 2016.

**For More Details, Please Visit:**

<https://www.bqprime.com/business/insolvency-law-will-prevail-over-electricity-act-says-supreme-court>

### Mumbai based DPIL to takeover India's first private hill city Lavasa through Resolution Plan

NCLT Mumbai has approved a revised and improved Resolution Plan amounting ₹1,814 crore submitted by Darwin Platform Infrastructure Ltd. (DPIL) for the revival of Lavasa hill city in Pune district, Maharashtra. Lavasa hill city, about 60 kilometres from Pune, was first proposed in 1990s and was once touted as a hilltop paradise, modelled on the cotton-candy harbour of Italy's Portofino. It would be India's first privately built and managed city. As per the approved Resolution Plan, ₹1,466.50 crore to be paid or discharged from funds infused over multiple tranches into the Corporate Debtor by way of cash funding and instruments, being equity, project inflows, loans, advances, or a combination thereof.

**For More Details, Please Visit:** <https://www.hindustantimes.com/cities/pune-news/nclt-approves-revised-resolution-plan-for-revival-of-lavasa-hill-city-provides-relief-to-investors-and-lenders-101689965983092.html>

### Insolvency filings in the UK may cross 2009 record

As per the Government data, England and Wales are on track for the highest quarterly number of company insolvencies since early 2009, as businesses struggle to repay Covid-19 loans against a tough economic backdrop. The Insolvency Service, a government agency, said 2,163 companies were declared insolvent in June, up 27% on a year earlier although down from May's 2,553, which was the highest since monthly records began in January 2019. Over the three months to the end of June, there were 6,403 companies declared insolvency, which, if confirmed, would be the highest since the first quarter of 2009.

**For More Details, Please Visit:** <https://www.reuters.com/world/uk/uk-track-most-company-insolvencies-since-2009-2023-07-18/>



### Coffee Day Global admitted to CIRP on petition of Indusland Bank

Bangaluru Bench of NCLT has admitted the Coffee Day Global, which runs the Café Coffee Day chain in India, into CIRP on a petition by Indusland Bank. As per the CIRP petition, the company has outstanding debt of ₹67.3 crore from Indusland Bank as of March 31, 2022. However, the total debt against the company is reportedly ₹960 crore, which includes banks loans and inter-corporate deposits of ₹119 crore to Tanglin Development, a group entity.

Coffee Day Global, a subsidiary of the listed Coffee Day Enterprises, was promoted by the late V G Siddhartha, who committed suicide in 2019. The Adjudicating Authority admitted the CIRP petition against the company after negotiations on a one-time settlement between Indusland Bank and the company collapsed. As per media report, the unlisted Coffee Day Global owns 495 Café Coffee Day outlets in 158 cities and 285 CCD Value Express Kiosks, according to the company's annual report for FY22. Besides, it has installed 38, 810 coffee vending machines in corporate workplaces and hotels.

**For More Details, Please Visit:**

<https://economictimes.indiatimes.com/news/company/corporate-trends/coffee-day-global-now-in-bankruptcy-process/articleshow/102061655.cms?from=mdr>

## Event Photograph



*Webinar on 'Liquidation & Voluntary Liquidation-Best Practices' conducted by IIIPI on 21<sup>st</sup> July 2023.*

## IIIPI to conduct “Limited Insolvency Examination Preparatory Classroom (Virtual) Program in Weekend and Weekday Batches

The Weekday Batch of “Limited Insolvency Examination Preparatory Classroom (Virtual) Program” is scheduled to start from September 11 and concluding on September 15 and the Weekend batch is scheduled to start from August 11 and ending on September 09, 2023. Both, weekend and weekday’s programs will be for 40 hours. Online Study material will also be made available.

Since seats are limited, registration will be based on a "first come first serve" basis. The last date for registration will be one day prior to the start of the respective batches.

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

<https://www.iiipicai.in/wp-content/uploads/2023/07/Flyer-for-LIE-Aug-2023.pdf>