



INDIAN INSTITUTE OF INSOLVENCY PROFESSIONALS OF ICAI

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IIPI Newsletter

SFHIDPL gets NCLT nod to acquire YKM Entertainment and Hotels Pvt. Ltd.

The CIRP of M/s. YKM Entertainment and Hotels Pvt. Ltd. was initiated via an order of NCLT dated January 05, 2022, on an application filed by the State Bank India (SBI) under Section 7 of the IBC. The Resolution Plan has promised to pay ₹81 crore, which is 30.6% of the claimed amount.

In response to the Expression of Interest, 14 investors turned up out of which 11 were found eligible but only 6 of them submitted resolution plans. Finally, the Plan of Square Four Housing & Infrastructure Development Private Limited (SFHIDPL), was approved by the sole financial creditor SBI.

For More Details, Please Visit:

<https://ibbi.gov.in/uploads/order/1c4bea899b02f3e5272630a8528dc97d.pdf>



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**For Internal Circulation Only*

**Knowledge SBU Initiative*

Best practices of one country can't be exactly implemented in other countries: Sudhaker Shukla, Whole Time Member (WTM) of IBBI

Speaking at an event to mark the 7th Foundation Day of Indian Institute of Insolvency Professionals of ICAI (IIPI) in New Delhi, IBBI's Whole Time Member Shri Sudhaker Shukla has indicated that India may go in for simultaneous introduction of Cross Border Insolvency and Group Insolvency frameworks. This is however subject to necessary approvals coming for such an approach, he added.

"Both can be rolled out simultaneously if approvals come through. Increasingly, we realize that without Group Insolvency the aspect of Cross Insolvency will not work at all. So perhaps Group Insolvency needs priority to Cross Border. That wisdom is there," said Shukla. According to media reports, his remarks are significant as international bodies had earlier recommended that India can go ahead and introduce Cross Border Insolvency Framework without having a Group Insolvency Framework in place. "Best practices of one country can't be exactly implemented in another regime. There have been large deviations from UNCITRAL (United Nations Commission on International Trade Law) model in implementing Cross Border Insolvency Framework from one regime to another wherein each and every regime has carved out exceptions as per their requirements," Shukla said.

Ashok Haldia, Chairman, IIPI-Board, highlighted various capacity-building activities of IIPI stating that IBC is a very dynamic law and will change with the changing horizons of the national economy, global economy, technology. IPs need to change, adopt and adapt accordingly. He appreciated the progressive approach of IBBI and expressed the hope that frameworks on group insolvency, cross-border insolvency, individual insolvency, and other areas will come soon.

For More Details, Please Visit: <https://www.thehindubusinessline.com/economy/ibbi-hints-at-simultaneous-rollout-of-cross-border-and-group-insolvency-frameworks/article67613701.ece>

News Roundup

SpiceJet shares increased by 3% after NCLT dismisses CIRP plea filed by Willis Lease

Willis' plea was dismissed on December 4, 2023, by NCLT after the tribunal heard SpiceJet's application questioning the maintainability of the plea for over 6 months. This led to an increase of 3% in the shares of SpiceJet on December 5. In the past one month, the stock of this low-cost carrier airline soared 22% as against 7% rise in the benchmark Sensex. The court questioned - how a fresh plea could be filed against SpiceJet for the same cause of action without notifying them, and without the court's permission. Around 3 aircraft lessors have filed four insolvency pleas against SpiceJet in 2023 for the non-payment of dues. Other than the aircraft lessors, a tech services provider has also moved an insolvency plea against SpiceJet.

For More Details, Please Visit:

<https://www.moneycontrol.com/news/business/markets/spicejet-stock-surges-3-after-nclt-dismisses-insolvency-plea-by-willis-lease-11856381.html>

IBBI invites applications for empanelment of IPs for January to June 2024

The panel of IPs to be prepared as per "The Insolvency Professionals to act as Interim Resolution Professionals, Liquidators, Resolution Professionals and Bankruptcy Trustees (Recommendation) (Second) Guidelines, 2023 issued on December 08, 2023", will be effective from 01st January 2024 to 30th June 2024. Insolvency Professionals (IPs) holding an Authorization for Assignment (AFA), which is valid till the validity of Panel i.e., January 01 – June 30, 2024, will be eligible to apply. The IPs can submit their Expression of Interest (EoI) by December 25, 2023. The Board will send the Panel to the Adjudicating Authority by December 29, 2023. The Panel will have a Zone wise list of IPs based on the registered office (address as registered with the IBBI) of the IP.

For More Details, Please Visit:

<https://ibbi.gov.in/uploads/legalframework/4476761ae1159a9301dea662ee6ca8b9.pdf>

Austrian Solar Panel maker - Energetica Industries, files for insolvency

According to media reports the liabilities of the company amount to around €19 million and about 120 creditors will be affected. The recent significant decline in prices on the European PV market is reportedly the main reason behind financial crisis of the company. "This led to a ruinous competitive environment that could not have been predicted in this form: the photovoltaic wholesalers' warehouses are currently overflowing with Chinese-made modules that are being thrown onto the market at dumping prices," said Energetica Industries.

For More Details, Please Visit: <https://www.pv-magazine.com/2023/12/08/energetica-files-for-insolvency-again/>



NARCL acquires two SREI Group companies under the IBC, 2016

National Asset Reconstruction Company (NARCL) on Friday signed transaction documents to acquire two SREI companies -- SREI Equipment Finance and SREI Infrastructure Finance -- under the Insolvency and Bankruptcy Code, 2016 (IBC). The Resolution Plan of NARCL has already been approved by NCLT, Reserve Bank of India (RBI) and Competition Commission of India (CCI).

NARCL has reportedly paid ₹50 per cent of the committed resolution amount to the lending consortium. The implementation of the consolidated plan would result in the resolution of financial debt worth ₹32,700 crore and entails about 50 % recovery upfront for lenders. "We are aiming to revive SREI's equipment lending business and work with all stakeholders to derive optimum value for both the entities. The endeavor would also be to maximize recovery for the lenders in a transparent and time-bound manner, said N. Sundar, MD & CEO of NARCL.

For More Details, Please Visit:

https://www.business-standard.com/companies/news/narcl-acquires-two-srei-companies-under-the-insolvency-resolution-123120801273_1.html

Event Photographs



Chief Guest Shri Sudhaker Shukla, WTM-IBBI delivering address on the theme – “Insolvency Profession: The Way Forward” organized on the occasion of the 7th Foundation Day of IIP of ICAI in New Delhi on December 06, 2023.



Release of the book on “Case Series of Successful Resolutions and Liquidations under IBC – Series 2” on the occasion of the 7th Foundation Day of IIP of ICAI in New Delhi on December 06, 2023.

IIPI to organize two Webinars in Dec. 2023

The first Webinar of this month titled “PG to CD Insolvency – Recent Hon’ble SC Judgement” has been scheduled from 3 PM to 6 PM on Friday, 15th December 2023 while the second Webinar titled “Evolving Jurisprudence under IBC – Important Case Laws” will be conducted on 29th December 2023. The Insolvency Professionals (IPs) attending the program will be eligible for 2 CPE hours.

For More Details, Please Visit:

<https://www.iiipicai.in/wp-content/uploads/2023/12/December-webinars-15-and-29-new-1.pdf>