



## INDIAN INSTITUTE OF INSOLVENCY PROFESSIONALS OF ICAI

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

# IIPI Newsletter

### Bombay HC ordered Zee promoters to deposit ₹61.6 Crore

The Bombay High Court has directed Cyquator Media, a promoter company of Zee Entertainment Enterprises Ltd (ZEEL), to deposit ₹61.64 cr., after it defaulted on loan repayments to Axis Finance. Axis Finance, a non-banking subsidiary of Axis Bank which had petitioned the High Court to recover loans given to Cyquator Media. Under the loan agreement signed in 2018, Axis Finance had agreed to grant a term loan of ₹100 cr. to Cyquator

The loan facility was for three years from the date of initial disbursement at an interest rate of 10.35% per annum and an additional default interest at 2% per annum due to any delay or default of the loan.

**For More Details, Please**

**Visit:** <https://rb.gy/6bqj35>



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## News Update

*\*For Internal Circulation Only*

*\*Knowledge SBU Initiative*

### Amid Financial Crisis of some airlines, Union Civil Aviation Minister foresees “bullishness” for the Civil Aviation Sector in the year 2024

In a media interview, Union Civil Aviation Minister, Shri Jyotiraditya Scindia, has expressed a positive outlook for civil aviation in 2024. He has reportedly emphasized that there is “bullishness with regard to civil aviation” and the outlook is positive.

“As far as airlines are concerned, we need to concentrate on a great travel experience, increased OTP (On Time Performance) and make sure we have as many aircraft as possible in the air,” said Shri Scindia. Air India and IndiGo placing orders for 970 planes, Go First filing for voluntary insolvency proceedings, an amended insolvency framework to address aircraft lessors’ concerns, and air passenger traffic touching a record high of more than 4.63 lakh in a single day in November, were among the key developments in 2023.

However, the Jet Airways, which stopped operations in April 2020, remains grounded as its Resolution Plan is still hanging fire. According to media reports, the Crisis-hit SpiceJet has managed to garner lifeline capital of more than ₹2,250 crore and has reportedly expressed interest to buy financially strained Go First.

“As far as goals for 2024 are concerned, it is to enable many more airports to be put in place, the fleet size to grow,” said the Minister. He further added, “We are going to rapidly expand our connectivity and it is also our intent to try and establish the first international air hub in India”.

**For More Details, Please Visit:** <https://infra.economictimes.indiatimes.com/news/aviation/with-more-travellers-planes-airports-bullishness-greets-slightly-clouded-aviation-skies/106423959>

## News Roundup

### NCLAT dismissed appeal of 'Authum Investment' against the approved Resolution Plan of two SREI companies

"We do not find any error in the order of the Adjudicating Authority," said by NCLAT, New Delhi while rejecting the appeal filed by non-bank financier Authum Investment & Infrastructure (AI&I), which had challenged the order of the NCLT that had rejected its objections to the Resolution Plan for two Srei group companies. The tribunal's approval of the Resolution Plan was in the commercial wisdom of the Committee of Creditors (CoC)," said NCLAT, adding that there were no grounds to interfere with the order. NCLT had in August 2023 approved a Resolution Plan submitted by National Asset Reconstruction Co. Ltd (NARCL) for Srei Infrastructure Finance Ltd. (SIFL) and Srei Equipment Finance Ltd (SEFL). At the time, the tribunal also rejected a plea by AI&I, one of the bidders for the two companies under the insolvency process.

**For More Details, Please Visit:**

<https://www.livemint.com/companies/nclat-rejects-authum-investment-plea-challenging-resolution-of-srei-companies-11704626373349.html>

### NCLT admits CIRP petition against Shah Builders

Canara Bank had moved the National Company Law Tribunal (NCLT) against Mumbai-based real estate developer Shah Group Builders in 2020 following its default on loans worth nearly ₹100 crore including interest thereon. The account was declared a non-performing (NPA) in December 2016. The tribunal has also appointed an Interim Resolution Professional (IRP) to undertake insolvency proceedings of the developer. According to the media reports, the developer had initially availed of loans worth ₹135 crore from the Central Bank of India and ₹90 crore from Reliance Capital. The company executed a mortgage deed of a 3.5-acre land parcel in Navi Mumbai's Kharghar with a building to be constructed under it.

**For More Details, Please Visit:** <https://realtynxt.com/news/shah-builders-face-insolvency-heat-as-nclt-approves-petition>

### Bankruptcy cases in the USA surged 18% in 2023 and also rising in 2024: Report

As per the recent data released by the bankruptcy data provider - Epiq AACER, the USA's bankruptcy filings have surged by 18% in 2023 on the back of higher interest rates, tougher lending standards and the continued runoff of pandemic-era backstops. Although, the insolvency case volumes remain well below the level seen before the outbreak of Covid-19. The total bankruptcy filings encompassing commercial and personal insolvencies has reportedly rose to 445,186 last year from 378,390 in 2022. Commercial Chapter 11 business reorganization filings shot up by 72% to 6,569 from 3,819 the year before.

**For More Details, Please Visit:**

<https://www.reuters.com/markets/us/us-bankruptcies-surged-18-2023-seen-rising-again-2024-report-2024-01-03/>



### Seven out of 14 lessors of financial strained Go First airlines agreed to carry out maintenance of parked aircrafts: RP to Delhi HC

The Resolution Professional (RP) of the Go First, which is going through CIRP, has reportedly informed to the Delhi High Court that the seven out of 14 lessors to the Corporate Debtor had agreed to carry out maintenance of parked aircrafts through a third-party agency.

According to the media reports, the RP had on December 20, 2023, informed the Court about discussions regarding engaging a third-party agency for aircraft maintenance. The collation of aircraft-related documents is in progress, and the agency is expected to cover maintenance for all 54 aircrafts leased with Go First. These discussions stem from a contempt petition filed by Go First lessor DAE (SY22) 13 Ireland Designated Activity wherein it has been alleged that the RP deliberately failed to comply with the court's order by not providing necessary maintenance and technical records.

**For More Details, Please Visit:**

<https://www.livemint.com/companies/news/seven-lessors-agree-to-carry-maintenance-of-go-first-aircraft-rp-to-court-11704463619884.html>

## EVENT PHOTOGRAPH



*Shri Manishkumar M. Chaudhari, Chief General Manager- IBBI addressing Webinar on 'Common Issues under Monitoring & Inspection & Peer Review' organized by IIPI on January 05, 2024.*

### **IIPI's 9th EDP (For IPs) 'Mastering Legal Skills, Pleadings and Court Processes under IBC' Scheduled from 10<sup>th</sup> January 2024**

The 09th Executive Development Program (For IPs) 'Mastering Legal Skills, Pleadings and Court Processes under IBC (Online)' will be conducted by IIPI from 10th to 13th January 2024. The duration of the program will be 24 hours and over four days. The IPs who attends the complete program will be eligible for 14 CPE hours. You can register to this program by 4 PM on January 09, 2024. As the seats are limited, the IPs are advised to register early to avoid last minute rush.

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

<https://www.iiipicai.in/wp-content/uploads/2023/11/9th-EDP-Legal-10-13-Jan-2024-.pdf>