



INDIAN INSTITUTE OF INSOLVENCY PROFESSIONALS OF ICAI

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

IIPI Newsletter

IIPI to conduct 3 Webinars in May, 24

Indian Institute of Insolvency Professionals of ICAI (IIPI) has scheduled three webinars in the month of May 2024.

The first Webinar of this month will be conducted from 3.00 pm to 6.00 pm on Friday, May 10 on the topic “Managing Post CIRP issues” while the 2nd Webinar will be on the topic “Developing Legal Skills for Pleadings and Court Processes by IPs” has been scheduled at the same time on May 24, 2024. The 3rd Webinar of this month will be conducted from 3.00 pm to 6.00 pm on May 31, 2024, on the topic “Mediation as Opportunities for IP's”. Each of three webinars will have 2 hours CPE for IPs.

For More Details, Please Visit: <https://www.iipticai.in/wp-content/uploads/2024/05/May-2024-webinars-1.pdf>



May 06, 2024

Volume 09, Number 19

CONTENTS

News Update
News Roundup
Upcoming Event
Event Photograph

News Update

**For Internal Circulation Only*

**Knowledge SBU Initiative*

Resolutions increased by 43% in FY 24 and pendency declined: Shri Sudhaker Shukla, WTM-IBBI

The successful resolution of corporate debtors has increased to 270 in the FY 2023-24 from 180 in the previous years which is 43 per cent jump on a year-to-year basis. This information was provided by Shri Sudhaker Shukla, Whole Time Member (WTM) of Insolvency and Bankruptcy Board of India (IBBI) in an event in Kolkata.

“It was the first time in a year when the number of outputs increased from the number of inputs, and thus the pendency of cases in the National Company Law Tribunal (NCLT) benches across the country is going down,” said Shri Shukla. He also informed that over a period of time, the law has evolved and in the year 2023-24, around 12 amendments were made in IBBI with 86 interventions in a single year. “We are responding to the market needs to bridge the gaps according to the requirements, where sectoral aspects were also touched, trying to follow the sandbox approach,” he added. IBBI has recently approved amendments in the insolvency for real estate sector companies for project wise resolutions. In this context, keeping the allotted houses from the liquidation has been seen as a big step forward in a sectoral approach.

He further informed that the IBBI is expected to submit a report to the Central Government in the next two to three months on introducing voluntary mediation as a dispute resolution mechanism under the IBC. Besides, a pre-pack resolution framework for large accounts was also under consideration to speed up the resolution process.

For More Details, Please Visit: <https://www.thehindubusinessline.com/economy/india-witnesses-43-surge-in-successful-insolvency-resolutions-pendency-declines-in-fy24/article68140014.ece>

News Roundup

Non-Promoters should not be treated as a separate class: NCLAT

On the appeal filed by minority shareholders in Minosha India case, the NCLAT observed that no separate class is permitted under Section 66 or any other provision of the Companies Act, 2013. “The only argument is non-promoters should be treated as a separate class and they only be allowed to vote on special resolution for reduction. We disagree,” said the NCLAT while diminishing the appeal. The minority shareholders had moved NCLAT in August 2023 challenging their wrongful expulsion by Minosha India, formerly Ricoh India, via capital reduction scheme. The Bench also noted that the minority shareholders collectively hold only 0.025% of the total shares, which is “miniscule and negligible” compared to that of other public shareholders.

For More Details, Please Visit: <https://www.livemint.com/companies/news/nclat-minosha-india-ricoh-india-rekha-jhunjunwala-nclt-11714632134773.html>

NCLT approved resolution plan for Big 92.7 FM

NCLT, Mumbai Bench has approved the Resolution Plan for the radio network Big 92.7 FM, owned by Reliance Broadcast Network. As per the Resolution Plan, the Successful Resolution Applicant (SRA) i.e., Sapphire Media Ltd. will pay ₹261 crores to secured and operational creditors as against the total claims of ₹ 947.5 crore. The Resolution Plan submitted by Sapphire Media Ltd was approved by the Committee of Creditors (CoC) on November 11, 2023, with a voting share of 88.97%. The CIRP of the Big FM was commenced in Feb 2023. The NCLT order also directed the monitoring committee to supervise the implementation of the Resolution Plan and file the status of its implementation before it from time to time.

For More Details, Please Visit: <https://www.afaqs.com/news/media/nclt-approves-sapphire-medias-resolution-plan-for-big-927-fm>

USA’s largest private physician-owned for-profit healthcare network files for bankruptcy

Steward Health Care, the largest private physician-owned for-profit healthcare network in the USA has filed for Chapter 11 bankruptcy. The group reportedly operates 31 hospitals in eight states of the USA. The group, which is aiming to secure a new loan from its landlord Medical Properties Trust has said that it would continue serving patients as normal during its bankruptcy. According to media reports, Steward Health Care will seek up to \$300 million in financing from Medical Properties Trust, after failing to quickly close a sale of its physician group Stewardship Health.

For More Details, Please Visit: <https://www.reuters.com/world/us/us-hospital-network-steward-files-bankruptcy-aims-new-loan-2024-05-06/>



IIPI to include support services by IPEs under the Peer Review

Indian Institute of Insolvency Professionals of ICAI (IIPI) has decided that the peer review of Insolvency Professional Entities (IPEs) would henceforth be undertaken using a two-fold approach.

While the first one would be on the work done by IPE as an IP (conducting assignments under the IBC), the additional one, decided now, would be on the adequacy or otherwise of the infrastructure/capacity support provided by them to the IPs. This decision was taken in the recent Governing Board meeting of IIPI. It is expected to enable the IPEs to undertake CIRP efficiently.

“We have decided to promote peer review mechanism for IPEs as juristic IPs, including support services such as managing end-to-end processes comprising support in claim verification, managing operation of CD, evaluation of resolution plan, etc., provided by them to IPs,” said Dr. Ashok Haldia, Chairman, IIPI-Governing Board.

For More Details, Please Visit: <https://www.thehindubusinessline.com/economy/iiipi-to-include-support-services-by-ipes-under-peer-review/article68142009.ece>