



INDIAN INSTITUTE OF INSOLVENCY PROFESSIONALS OF ICAI

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IIPI Newsletter

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Time extended for filing Forms to monitor liquidation and voluntary liquidation processes

Considering various representations received from liquidators and Insolvency Professional Agencies for extending the date citing the technicalities and issues involved in the submission of the Forms to monitor liquidation and voluntary liquidation, the IBBI has decided to extend the last date of submission of the liquidation and voluntary liquidation forms till March 31, 2025. In case of any clarification, the Frequently Asked Questions (FAQs) as available on IBBI website www.ibbi.gov.in may be referred.

For More Details, Please Visit:

<https://ibbi.gov.in/uploads/legalframework/0558d78c825f16e1a0d6d5acf419d711.pdf>



News Update

**For Internal Circulation Only*

**Knowledge SBU Initiative*

Tenancy protections under rent control laws remain valid unless altered by the due process: NCLAT

The National Company Law Appellate Tribunal (NCLAT) has said that the Resolution Professional (RP) cannot evict tenants without pursuing the appropriate legal process under tenancy laws. Upholding the tenancy rights of a tenant in the matter of *Sumati Suresh Hegde & Ors. vs. RP of Champalalji Finance Pvt. Ltd. & Ors.*, the Appellate Tribunal said that the tenancy rights under the Maharashtra Rent Control Act - 1999 cannot be overridden by Section 238 of the IBC.

The case involved the heirs of Late Shri Suresh Padmanabha Hegde, who claimed tenancy rights established through a 2009 decree by the Small Causes Court. The RP, seeking control of the property during the Corporate Insolvency Resolution Process (CIRP), relied on Section 60(5) of the IBC. The NCLAT upheld the RP's application, invoking the IBC's non-obstante clause. On appeal, the NCLAT cited various Supreme Court judgments, including *Embassy Property Developments Pvt. Ltd. v. State of Karnataka*, emphasizing that tenancy disputes fall outside NCLAT's jurisdiction. The Appellate Tribunal concluded that tenancy protections under rent control laws remain valid unless altered by due process. The Appellate Tribunal also highlighted the distinction between tenancy and lease, emphasizing that tenancy continues unless altered by contract or law. This decision underscores the importance of respecting legal protections for tenants while balancing the objectives of the IBC.

For More Details, Please Visit: <https://ibclaw.in/sumati-suresh-hegde-and-ors-vs-anand-sonbhadra-rp-of-champalalji-finance-pvt-ltd-and-ors-nclat-new-delhi/>

News Roundup

NCLAT Upholds Insolvency Proceedings against Indrajit Power

The NCLAT dismissed an appeal to stay insolvency proceedings against Indrajit Power, upholding the NCLT's February 1, 2024, order admitting the case filed by Yes Bank for a default of ₹331.41 crore. The appeal, filed by director Rajiv Munjal, proposed a settlement but failed to dispute the debt or default. The Tribunal noted, "the proposal to settle itself confirms the admission of debt and default." Despite multiple opportunities for settlement, no resolution was reached. Indrajit Power, operating an 85 MW coal-based thermal plant in Maharashtra, will continue under insolvency as the NCLAT found no grounds to entertain the appeal.

For More Details, Please Visit: https://www.business-standard.com/companies/news/nclat-rejects-plea-to-stay-insolvency-proceedings-against-indrajit-power-125011200193_1.html

NCLAT to Decide Supertech Insolvency after Lender Rejects Settlement Proposal

Punjab & Sind Bank (Financial Creditor) has rejected the settlement proposal of debt-ridden Supertech Township Projects, leaving NCLAT to decide its insolvency. Representing suspended director Ram Kishore Arora, counsel informed NCLAT of the rejection. A three-member bench, led by Justice Ashok Bhushan, granted a final one-week period to the appellant and listed the case for January 23. Supertech's insolvency proceedings were initiated by NCLT over a ₹216.92 crore default, which was stayed by NCLAT in July 2024 after a settlement was proposed by the Financial Creditor. However, registered homebuyers remain divided on the matter, with some opposing insolvency and others rejecting the settlement.

For More Details, Please Visit: <https://economictimes.indiatimes.com/industry/services/property/-cstruction/supertech-township-projects-lender-rejects-settlement-proposal-nclat-to-decide-on-insolvency/articleshow/117141176.cms?from=mdr>

Autonomous lifts LA fire insured loss estimate to \$25bn, warns of potential FAIR Plan insolvency

Analysts at Autonomous have increased their insured loss estimate for the ongoing Los Angeles wildfires by 92% to \$25 billion, forecasting a significant loss of up to \$8 billion for California's FAIR Plan. As the fires continue to burn and affect over 40,000 acres, with more than 12,000 structures reported to have been either damaged or destroyed, Autonomous has update its insurance industry loss estimate from the \$13 billion published late January 08, 2025. Now, the firm is estimating insured losses of \$18 billion from the affluent Pacific Palisades neighbourhood fires, which according to officials, has damaged or destroyed over 5,300 structures.

For More Details, Please Visit: <https://www.reinsurancene.ws/autonomous-lifts-la-fire-insured-loss-estimate-to-25bn-warns-of-potential-fair-plan-insolvency/>



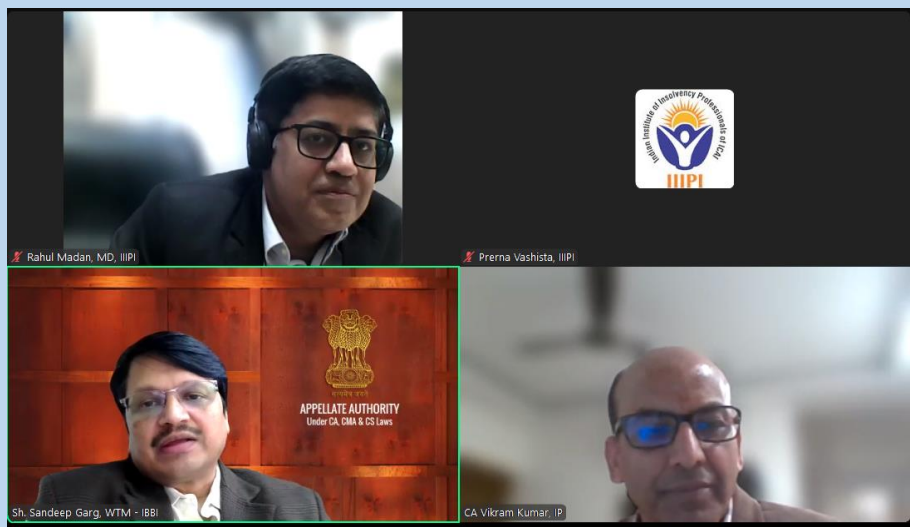
IBBI makes Mandatory the use of eBKray Auction Platform for Liquidation Processes

IBBI through a Circular dated January 10, 2025, has directed all IPs handling liquidation processes to exclusively use the eBKray auction platform for conducting auctions for sale of assets during the liquidation process with effect from April 01, 2025. It is further directed that listing of unsold assets in all ongoing liquidation cases shall be completed by March 31, 2025, said the Circular.

In continuation of efforts to streamline the liquidation process and improve transparency, the Insolvency and Bankruptcy Board of India (IBBI), through a circular dated October 29, 2024, had issued directions regarding the use of the eBKray auction platform. The platform has reportedly received an encouraging response since its introduction. It is presently running on a pilot mode and will be improved based on the experience of usage.

For More Details, Please Visit: <https://ibbi.gov.in/uploads/legalframework/43ec517d68b6edd3015b3edc9a11367b.pdf>

EVENT PHOTOGRAPH



Webinar on “Interface with Enforcement Agencies and Statutory Authorities” organized by IIPI on January 10, 2025.

IIPI to organize One-Day Virtual Workshop on 25th January 2025

The one-day virtual workshop “Managing Corporate Debtors as Going Concern Under CIRP” for Insolvency Professionals and Registered Valuers will be conducted from 10.30 AM to 4.30 PM on 25th January 2025 (Saturday). The participants will be eligible for CPE: 4 hours. Please click to register.

<https://app.iiipicai.in/regpayments/>

For More Details, Please Visit:

<https://www.iiipicai.in/wp-content/uploads/2024/12/FLYER-PUFE-EDP-13th-batch-15-17-Jan-2025.pdf>