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IIPI Newsletter

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CONTENTS

News Update
News Roundup
Upcoming Event
Event Photographs



NCLT approved Resolution Plan for Snehanjali and SB Developers

NCLT Mumbai Bench has approved the ₹343 crore Resolution Plan of La Mer Developers Pvt Ltd in consortium with Neel Builders and Developers, for Snehanjali and SB Developers Pvt. Ltd. (Corporate Debtor). The Plan was already approved by the CoC with an 83.46% voting share.

As per the Plan ₹298.21 crore worth of homebuyers' claims will be settled through delivery of flats and ₹ 22.67 crore in additional claims from homebuyers will be compensated through monetary settlements and added amenities.

For More Details, Please Visit:

<https://insolvencytracker.in/2025/02/23/nclt-approves-rs-343-crore-resolution-plan-for-snehanjali-and-sb-developers/>

News Update

**For Internal Circulation Only*

**Knowledge SBU Initiative*

Challenge to the Resolution Plan cannot be maintained on behalf of one lone homebuyer: NCLAT

The Appellate Tribunal has held that one lone homebuyer has to go with the majority decision of the homebuyers and cannot be allowed to challenge the approval of Resolution Plan which is law settled by the Supreme Court in *Jaypee Kensington Boulevard Apartments Welfare Association and Ors. v. NBCC (India) Limited & Ors.* The home buyer had challenged the Resolution Plan on the grounds that the Plan is conditional and contingent which lacks necessary ingredients required under Regulation 38. This ruling came in the case of *Jai Prakash Keswani v. MB Malls Pvt. Ltd & Ors*

Deciding on an IA filed by the promoter who had challenged the approval of the same Resolution Plan on the grounds of viability, feasibility and implementation, the Appellate Tribunal held that it is the commercial wisdom of the Committee of Creditors (CoC) to take a decision on viability and feasibility of the Plan. The CoC, having approved the Plan with 100% voting, deemed it to have adverted to the viability and feasibility of the Resolution Plan, said the Court. On the question of whether the Plan is implementable within the specified period, the Appellate Tribunal clarified that such a question can be raised after expiry of the period contemplated in the Plan. The question of whether the Plan is not implementable within specified period is not an issue which can be decided at the time of approval of the Plan, said the Court.

For More Details, Please Visit:

<https://www.livelaw.in/ibc-cases/nclat-lone-homebuyer-cant-challenge-approval-of-resolution-plan-284744>

News Roundup

Financial creditors of Anil Ambani-promoted Reliance Big Pvt. Ltd. to face a 99% haircut

NCLT has approved the Resolution Plan for Reliance Big Pvt. Ltd. submitted by Manoj Kumar Upadhyay through his affiliate firm, ACME Cleantech Solutions Private Limited. As per the plan the creditors will get ₹3.5 crores against the total admitted claim of ₹999 crores. The entire amount of the Resolution Plan will go to secured financial creditors while unsecured financial creditors, who submitted claims totaling ₹515 crore, will not receive any payments. The plan also includes an upfront cash infusion of ₹4 crore in the form of equity. The Corporate Debtor, which is engaged in radio and television activities, including the production of radio and TV programs, entered the CIRP in August 2023 after failing to maintain security cover for its debenture obligations.

For More Details, Please Visit:

<https://www.newindianexpress.com/business/2025/Feb/20/creditors-take-99-haircut-in-reliance-big-insolvency-resolution-case>

Aviom India Housing finance admitted to CIRP

NCLT has admitted Aviom India Housing Finance (Corporate Debtor) into CIRP, said media reports. Earlier this year, the Reserve Bank of India (RBI) superseded the board of directors of the Corporate Debtor due to governance concerns and defaults in meeting various payment obligations. Subsequently, the RBI appointed an administrator and an advisory committee to oversee the resolution of Corporate Debtor. It has bank debt of around ₹1,400 crore and non-convertible debenture (NCD) borrowings worth ₹400 crore. The company reportedly has a loan book of around ₹1,800 crore, which includes loans to fictitious accounts. For the quarter ended June 2024, the company's net profit stood at Rs 2.97 crore, less than half of what it was a quarter ago.

For More Details, Please Visit:

<https://www.ndtvprofit.com/law-and-policy/nclt-admits-aviom-india-housing-finance-into-insolvency-rbi-initiates-proceedings>

US Electric Vehicle (EV) maker Nikola files for Bankruptcy

Nikola, an EV Startup, has filed for Chapter 11 bankruptcy protection and would pursue a sale of its assets, said media reports. The latest electric-vehicle maker is reportedly to stumble after grappling with tepid demand, rapid cash burn and funding challenges. The company went public during the pandemic and started out making battery-powered semi-trucks and pivoted them to electric trucks that use hydrogen. The stock reportedly fell about 38% on Wednesday, valuing the company at less than \$50 million which was about \$27 billion in 2020.

For More Details, Please Visit:

<https://www.reuters.com/business/autos-transportation/struggling-e-truck-maker-nikola-files-chapter-11-bankruptcy-protection-2025-02-19/>



CIRP cases by operational creditors decline 41%

As per the media reports, the number of CIRP (Corporate Insolvency Resolution Process) applications admitted by the NCLT on applications filed by operational creditors plunged 41% to 187 till December 2024. Furthermore, 358 cases were filed by financial creditors during this period, which are down by 7% in comparison to the previous year, said the report citing the latest IBBI Newsletter

According to the media report, the operational creditors file cases in large numbers but withdraw the application when the dues are settled. It is also observed that the dues in most cases are below ₹10 crores which the corporate debtors clear to avoid formal insolvency proceedings. More than 28,000 CIRP applications having a combined default of over ₹10 lakh crore, were withdrawn before admission, said the report.

For More Details, Please Visit:

<https://economictimes.indiatimes.com/news/economy/indicators/insolvency-cases-by-operational-creditors-decline-41-in-9-months/articleshow/118510941.cms?from=mdr>

EVENT PHOTOGRAPHS



Webinar on “Resolution in Real Estate Sector under IBC” organized by IIIPI on February 21, 2025.

IIIPI announces 2nd Batch of EDP on Cross Border Insolvency

The 2nd Batch of Executive Development Programme (EDP) Cross Border Insolvency will be conducted online from 11th March to 12 March 2024.

The 14-hour programme will have CPE: 8 hours. The highlights of the programme include UNCITRAL Model Law, CBIRC Recommendation, Case Studies, Cross-Country Comparison and Landmark Judgements. As the seats are limited, the Insolvency Professionals are advised to apply as soon as possible.

For More Details, Please Visit:

<https://www.iiipicai.in/wp-content/uploads/2025/02/FLYER-2nd-batch-EDP-Cross-Border-insolvency.pdf>



23rd Batch of EDP on “Managing CDs as going concern under CIRP” organized by IIIPI from 18th to 22nd February 2025