INDIAN INSTITUTE OF INSOLVENCY PROFESSIONALS OF ICAI
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IIIPI Newsletter

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CONTENTS

Major Corporates submit plans to acquire JAL

Several big companies such as JSW, Dalmia Bharat, Jindal Power, Vedanta, GMR, Welspun, and Torrent have reportedly expressed interest in acquiring Jaiprakash Associates Ltd (JAL), which is undergoing insolvency.

The assets of JAL are valued at over ₹17,300 crore. The assets of JAL have been divided among 8 clusters - Real Estate, Investment in Jaiprakash Power Ventures, Cement, Hospitality, Investment in BJCL, Jaypee Fertilizers & Industries, Cricket Stadium & F1 Racetrack and EPC & Residual Entity.

For More Details, Please Visit:
https://www.etnownews.com/companies/adani-gmr-dalmia-bharat-vedanta-among-jaiprakash-associates-insolvency-bidders-says-report-article-119196538

News Update

**For Internal Circulation Only*
**Knowledge SBU Initiative*

Resolution Plan would be binding on a stakeholder even if it was not a party to the proceedings before the NCLT: Supreme Court

The Supreme Court has ruled that even if a stakeholder (s) does not raise claims before the Interim Resolution Professional (IRP) /Resolution Professional (RP), the Resolution Plan as approved by the NCLT would still be binding on them.

"No doubt that even if any stakeholder is not a party to the proceedings before the NCLT and if such stakeholder does not raise his claim before the interim resolution professional/resolution professional, the resolution plan as approved by the NCLT would still be binding on him," said the Supreme Court. This judgement was delivered on a plea by JSW Ispat Special Products Ltd (now JSW Steel Ltd and petitioner) alleging that officers of the Commercial Tax Department of the State of Chhattisgarh (respondents) had disobeyed the Supreme Court judgment in the matter of *Ghanshyam Mishra and Sons Pvt. Ltd. v. Edelweiss Asset Reconstruction Company Ltd.* and others. The bench observed that once a Resolution Plan is approved, the resolution applicant starts on a clean slate and thus cannot be flung with surprise claims. The Court also observed that in spite of public notice, neither the State of Chhattisgarh nor its authorities raised any claim before the CoC. Therefore, the demand notices of the respondents to the tune of ₹2.66 crore under the Chhattisgarh Value Added Tax Act, 2005, ₹1.08 crore under the Central Sales Tax Act, 1956, and ₹61 lakh under the Entry Tax Act, 1957, were termed illegal and quashed.

For More Details, Please Visit: *https://www.business-standard.com/finance/news/resolution-plan-binding-even-if-stakeholder-not-party-to-nclt-case-sc-125032701261_1.html*

News Roundup

Developers cannot use Insolvency Laws to avoid completing slum rehabilitation projects: Bombay High Court

The Bombay High Court has held that the developer cannot use the IBC as a tool to escape the consequences of failure to execute a slum rehabilitation scheme and can be removed by the Slum Rehabilitation Authority (SRA). It further clarified that builder's appointment can be terminated despite a Resolution Plan (RP) in place under the IBC proceedings, except it cannot be done to recover "prior debts". The SRA in August 2024, terminated the appointment of Anudan Properties Pvt. Ltd. due to "over prolonged failure to pay transit rent" as a developer of a slum rehab project in Thane (Mumbai) and appointed Siddhivinayak Construction to complete the project.

For More Details, Please Visit:
https://timesofindia.indiatimes.com/city/mumbai/bombay-high-court-rules-developer-cannot-use-insolvency-law-to-avoid-slum-rehabilitation-obligations/articleshow/119690329.cms

IBBI makes the use of Baanknet (formerly eBKray) Auction Platform for Liquidation, mandatory from April 01, 2025

Through a Circular dated March 28, 2025, the Insolvency and Bankruptcy Board of India (IBBI) has said that (i) all IPs shall exclusively use the Baanknet auction platform for conducting auctions for the sale of assets during the liquidation process where an auction notice is issued on or after 1st April 2025. (ii) All IPs shall clearly mention in the auction notice that: Prospective bidders shall submit the requisite documents, including a declaration of eligibility under Section 29A of the IBC through the electronic auction platform; Prospective bidders shall deposit the Earnest Money Deposit (EMD) through the Baanknet auction platform; It shall also be specified that if the bidder is found ineligible, EMD shall be forfeited.

For More Details, Please Visit:
https://ibbi.gov.in/uploads/legalframwork/2025-03-28-235256-5phy7-b74b8337a8b16af1af694dc969a6d1f3.pdf

USA Federal Court rejected Johnson & Johnson's plan for bankruptcy to end talc cancer claims: Media Report

The judge observed that the vote of cancer victims on the proposal was flawed and dismissed the bankruptcy of a small J&J unit called Red River Talc. This petition was reportedly the third attempt by Johnson & Johnson's (J&J) to settle the dispute. J&J had proposed a to set up a multibillion-dollar trust fund to pay women who claim they got cancer using baby powder and other products allegedly tainted with a toxic substance. The latest trust proposal would have set aside $9 billion for victims, said the report.

For More Details, Please Visit: *https://www.business-standard.com/companies/news/johnson-johnson-s-plan-for-bankruptcy-to-end-talc-cancer-claims-rejected-125040100100_1.html*

Singapore Court grants recognition to an Indian company's CIRP

In this case, NCLT Mumbai, under the provisions of the IBC, had ordered commencement of CIRP against Compuage Infocom Limited (CIL), an Indian-incorporated company specializing in IT distribution, with a branch office in Singapore and a Singapore-incorporated subsidiary.

The RP sought recognition of CIRP against CIL in Singapore as per the UNCITRAL Model Law, which is applicable to Singapore. However, the Singapore bank indicated that it would only provide the requested documents if the NCLT's orders were recognized. The Singapore Court, after rigorous analysis of related provisions of the IBC, concluded that the CIRP qualifies as a "foreign proceeding" under the UNCITRAL Model Law.

For More Details, Please Visit:
https://www.barandbench.com/law-firms/view-point/singapore-court-recognition-indian-company-cirp-first-time-key-takeaways

EVENT PHOTOGRAPH

24th Batch of EDP on "Managing Corporate Debtors as Going Concern under CIRP" conducted online by IIIPI from 25th to 29th March 2025.

IIIPI to organize three Webinars in April 2025

The first Webinar of this month will be conducted from 3 PM to 6 PM on 04th April 2025 on the topic "Emerging Jurisprudence- Recent Case Laws". This will be followed up with the Webinar on the topic "Interface with Banking Laws & conducting CoC meetings" from 3 PM to 6 PM on 11th April 2025.

The third Webinar of this month will be conducted from 3 PM to 6 PM on 17th April 2025 on the topic "Mediation under IBC- The Way Forward". All the three Webinars will have CPE: 2 Hours each for IPs and 3 Hours each for RVs.

Please click to register https://app.iiipicai.in/regpayments/

For More Details, Please Visit:
https://www.iiipicai.in/wp-content/uploads/2025/03/April-2025-webinars.pdf