



भारतीय दिवाला और शोधन अखण्डता बोर्ड  
Insolvency and Bankruptcy Board of India

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# Insolvency and Bankruptcy News

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Cross-border  
Insolvency Resolution

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*"One big change that the IBC has brought is that it has ended feudalism of the promoters in a capitalistic society. There is absolutely no space for feudalism in an economic society which is actually based on freedom."*

**Dr. Krishnamurthy Subramanian, Chief Economic Adviser, Ministry of Finance on Fifth Annual Day of IBBI, October 1, 2021.**

*"As a work in progress, IBC and IBBI have made it easy for entrepreneurs to exit, however, endeavor has to be to make the processes still easier."*

**Dr. Bibek Debroy during the delivery of the Fifth Annual Day Lecture on "From No Exit to Easy Exit - A Case Study of IBC" on October 1, 2021.**

*"We have achieved a change in the attitude of people both lenders and borrowers because of IBC and your efforts. It has given the confidence that the money can be recovered."*

**Mr. Piyush Goyal, Commerce and Industry Minister at 5<sup>th</sup> Foundation Day of the Indian Institute of Insolvency Professionals of ICAI (IIPI) on November 25, 2021.**



## Cross-border Insolvency Resolution

*“The lack of such regimes has often resulted in inadequate and uncoordinated approaches to cross-border insolvency that are not only unpredictable and time-consuming in their application, but lack both transparency and the tools necessary to address the disparities and, in some cases, conflicts that may occur between national laws and insolvency regimes. These factors have impeded the protection of the value of the assets of financially troubled businesses and hampered their rescue.”*

United Nations Commission on International Trade Law

A sound and efficient insolvency regime is heralded as a key step towards fostering ‘Ease of Doing Business’, which in turn is important for attracting higher investments, development of competitive environment and innovations, and economic growth. It has a direct bearing on the efficient allocation of scarce resources in the economy. Recognising the need for development of a robust insolvency regime, India enacted the Insolvency and Bankruptcy Code (IBC / Code) in 2016. It reoriented its insolvency laws and marked a paradigm shift towards a time-bound legal mechanism financial distress resolution for individual and corporates. The Code, its subsequent amendments and evolving jurisprudence has contextualised and adopted global norms and best practices for insolvency resolution in India. Recognising the limitations of the ecosystem, which is evolving with time, gradualism underlines the ethos of ever evolving Code.

The requirement of a cross-border law has been felt during various insolvency proceedings initiated under the Code in India. The theme paper on the cross-border insolvency framework has been put out in the public domain for comments of stakeholders and the general public.

### Existing provisions for cross border matters

The provisions of the IBC provides for cross-border insolvency cases through bilateral agreements and issuance of letters of request to foreign courts by Adjudicating Authorities (AAs) under section 234 and section 235. As suggested by the Insolvency Law Committee (ILC), this process is an ad-hoc framework that is susceptible to delays and uncertainty for creditors, debtors, and courts.<sup>1</sup> In this backdrop the ILC suggested the adoption of UNCITRAL Model Law (Model Law) with necessary modifications to suit the Indian context. The Model Law adopted by 50 countries covering 54 jurisdictions is a widely accepted legal framework for cross-border insolvency issues.<sup>2</sup> It is based on principles of (a) access to foreign and domestic courts by resolution professionals (RPs); (b) recognition of foreign proceedings; (c) co-operation between courts; and (d) co-ordination of two or more concurrent insolvency proceedings. The Model Law provides a broad framework, and it is left to individual jurisdictions to decide the operational details to suit their interests. The Draft Part Z incorporates elements from the Model Law to provide an effective mechanism for dealing with cross-border cases. The main objectives that the proposed cross-border framework aims to achieve are - firstly, co-operation between the AAs, RPs, Liquidators, corporate debtors (CDs), and other stakeholders. Second, it facilitates greater legal certainty for trade and investment. Third, the framework aims to create a fair and efficient administration of cross-border insolvencies that protects the interest of all stakeholders, and fourth, it aims to facilitate rescue of financially troubled businesses, thereby, protecting investment and employment.<sup>3</sup>

### Imperatives for cross-border framework

The economic and financial imperatives for formulation of a cross-border

insolvency regime are many. The economic principle of allocative efficiency suggests releasing of idle resources for more productive uses. A cross-border framework that aims to minimise costs and value erosion of assets and improve gains from trade contributes significantly to overall growth prospects of the country. Several studies such as Williamson's Transaction Cost Economics (TCE) and Jason Jacks (2018)<sup>4</sup> explore the benefits of cross-border insolvency regimes. The TCE theory suggests that an efficient cross-border insolvency regime results in lower co-ordination costs between creditors and courts, lower negotiation costs and reduces the overall uncertainty surrounding different laws in multiple jurisdictions. Jason Jack (2018) examines the relationship between foreign direct investment (FDI) and World Bank's Legal Rights Index. The Index measures the degree to which collateral and bankruptcy laws protect rights of creditors. The study concludes with a positive correlation between the Index and FDI levels. It suggests that strong legal mechanisms and institutions remove uncertainties and provide fertile grounds for greater investments. Such evidence strengthens the case for adoption of a cross-border regime in India.

### India's increasing cross-border exposure

Several countries have adopted the Model Law to reap the benefits that flow from a cross-border insolvency regime. Increased interdependence of economies has increased international trade and investment levels. India's economic interaction with the rest of the world has been increasing over the last three decades since the start of liberalisation and more so with deepening of the financial markets. According to the World Investment Report 2021, overall FDI inflows to developing nations stood at \$663 billion and for the developed nations the levels were \$312 billion.<sup>5</sup> Amidst the FDI inflows to developing nations, India received \$64 billion in FDI inflows in 2020 higher than the 2019 levels.<sup>6</sup> India was the 5th largest host country for investments in 2020.<sup>7</sup> About 27,801 Indian companies had FDI/ODI in their balance sheet & total flow of FDI (inwards and outwards) was ₹39,565 billion at the end of March, 2020.<sup>8</sup> The inflow of FDI in India was largely driven by increase in mergers and acquisitions. Cross-border mergers surged 83 percent to \$27 billion with major deals involving ICT, health, infrastructure, and energy. Large transactions included the acquisition of Jio Platforms by Jaadhu (a subsidiary of Facebook, United States) for \$5.7 billion, the acquisition of Tower Infrastructure Trust by Brookfield (Canada) and GIC (Singapore) for \$3.7 billion and the sale of the electrical and automation division of Larsen & Toubro India for \$2.1 billion. Another megadeal – Unilever India's merger with GlaxoSmithKline Consumer Healthcare India (a subsidiary of GSK, United Kingdom) for \$4.6 billion – also contributed.<sup>9</sup> India's financial sector is also increasingly interconnected globally with banks of Indian origin holding cross border positions of USD 168.4 billion in claims and USD 288.1 billion in liabilities by end of March 2021.<sup>10</sup>



With Indian businesses expanding operations across countries and with increasing financial market linkages, financing needs will also need to be met from resources across the world. Growing international trade is integrating domestic businesses into global value chains. This exposes the businesses to external influences and cross-border volatilities. Going forward, increasing cross-border interactions, in the form of shareholder-management, creditor-debtor, supplier-buyer, value chain partners, distributors etc., are expected to drive growth of corporates.<sup>11</sup> Inherent in growth prospects is also a possibility of failures and insolvencies with cross-border elements. This possibility will be inevitable, and India's insolvency regime requires cross border elements which is able to deal with the complexities these situations may present. Given this evidenced rise in cross-border cases and inherent risks, the time for a formal cross-border insolvency regime is imminent now.

Adoption of cross-border insolvency regime by India will further augment India's image as most improved jurisdiction in terms of insolvency resolution. It will be viewed as a progressive and forward-looking market reform by global investors and advanced jurisdictions. Through a formal framework, access and recognition of Indian proceedings will be easier in the jurisdictions that have already adopted the Model Law. The widespread and faster pace of adoption of Model Law by several important jurisdictions, including, United States of America, United Kingdom, Japan, Singapore, Brazil, South Africa and Mauritius, provides a strong basis for its adoption by India, tailoring and tweaking it to suit the requirement of the Indian jurisdiction.

### Progress so far

The extant Indian insolvency law has at many instances dealt with insolvencies that involve cross-border elements. Lessons from such matters validate the need for a comprehensive cross-border insolvency

framework. Significant delays in procurement of data due to lack of co-ordination can be avoided if there are formal guidelines that set timelines, code of conduct, and facilitate greater communication. In the matter of SEL manufacturing, a CD undergoing insolvency proceedings in India, was able to access the assets in US due to co-operation extended to the RP by the US Bankruptcy Court. The professional has been granted rights, powers, protections, privileges, and immunities of a trustee in a bankruptcy in the US.<sup>12</sup> Another landmark precedent has been set in the matter of Jet Airways. The co-operation between the Dutch and Indian jurisdictions led to co-ordinated proceedings. This facilitated realisations in Netherlands and has been transferred to India. These matters are just a few examples of the possible benefits that can flow from a comprehensive framework for resolution of cross-border insolvencies.<sup>13</sup>

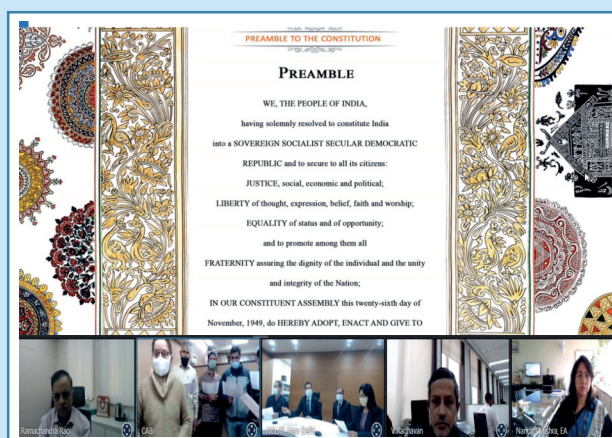
The proposed framework will govern all applications seeking recognition of foreign insolvency proceedings as well as applications from foreign jurisdictions seeking co-operation in Indian proceedings. An important addition to the recommendations made by ILC on the subject, it is being contemplated to make it applicable to personal guarantors (PGs) of the corporate persons as well.

The proposed cross-border framework has the potential to further strengthen India's insolvency laws. It will build capacity, empower the Insolvency Professionals (IPs) and creditors to access assets outside India, trace avoidance transactions having cross border implications, and achieve the core objective of value maximisation as envisioned by the IBC. With a rapidly transforming economy, comes the need for rapidly transforming institutions that support its growth. Once enacted, the cross-border framework will provide a robust, principle-based framework that Indian and foreign stakeholders can invoke to resolve cross border insolvency situations swiftly in a more efficient manner.

(Ravi Mital)



Integrity Pledge of the IBBI



Constitution Day, November 26, 2021

<sup>11</sup>[https://www.mca.gov.in/Ministry/pdf/CrossBorderInsolvencyReport\\_22102018.pdf](https://www.mca.gov.in/Ministry/pdf/CrossBorderInsolvencyReport_22102018.pdf) p. 13

<sup>12</sup>[https://uncitral.un.org/en/texts/insolvency/modellaw/cross-border\\_insolvency/status](https://uncitral.un.org/en/texts/insolvency/modellaw/cross-border_insolvency/status)

<sup>13</sup>[https://www.mca.gov.in/Ministry/pdf/CrossBorderInsolvencyReport\\_22102018.pdf](https://www.mca.gov.in/Ministry/pdf/CrossBorderInsolvencyReport_22102018.pdf) P.50

<sup>14</sup><https://scholarship.law.umn.edu/cgi/viewcontent.cgi?article=1286&context=mjil>

<sup>15</sup>[https://unctad.org/system/files/official-document/wir2021\\_en.pdf](https://unctad.org/system/files/official-document/wir2021_en.pdf) p.22

<sup>16</sup>Ibid p.23

<sup>17</sup>UNCTAD – World Investment Report, 2021

<sup>18</sup>Annual Census of Foreign Liabilities and Assets of Indian Direct Investment Companies, 2017-18, Reserve Bank of India.

<sup>19</sup>Ibid p. 68

<sup>20</sup>Bank of International Settlement as of end of March, 2021

<sup>21</sup><https://ibbi.gov.in/uploads/resources/c3593c9f41984c6f31f278974de3cf37.pdf> p.5

<sup>22</sup><https://www.thehindubusinessline.com/opinion/a-cross-border-leap-for-insolvency-reforms/article37946459.ece>

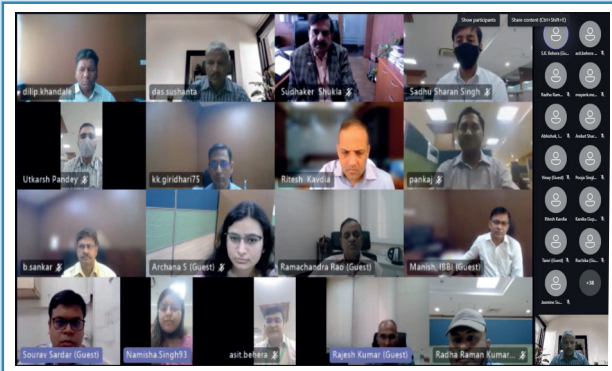
<sup>23</sup><https://www.thehindubusinessline.com/opinion/a-cross-border-leap-for-insolvency-reforms/article37946459.ece>



## IBBI Updates

### Vigilance Awareness Week, 2021

The Insolvency and Bankruptcy Board of India (IBBI) observed Vigilance Awareness Week from October 26, 2021 to November 1, 2021 on the theme “स्वतंत्र भारत @ 75: सत्यनिष्ठा से आत्मनिर्भरता” (Independent India @ 75 Self Reliance with integrity). Dr. Navrang Saini, Chairperson, IBBI administered oath to officers through e-mode. The IBBI received an integrity pledge certificate from the Central Vigilance Commission.



*Integrity pledge, October 26, 2021*

### Samvidhan Diwas

The IBBI observed Samvidhan Diwas (Constitution Day) on November 26, 2021, to commemorate the adoption of the Constitution of India. The officers joined Dr. Navrang Saini, Chairperson, IBBI in reading the Preamble to the Constitution and reaffirmed their commitment to uphold its ideology. They followed the Hon'ble President's reading of the Preamble of the Constitution telecast live.

### Fifth Annual Day

The IBBI celebrated its Fifth Annual Day on October 1, 2021. Dr. Bibek Debroy, Chairman, Economic Advisory Council to Hon'ble Prime Minister graced the occasion as the Chief Guest. Mr. Rajesh Verma, Secretary, Ministry of Corporate Affairs and Dr. Krishnamurthy Subramanian, Chief Economic Adviser, Ministry of Finance were Guests of Honour. Dr. M. S. Sahoo, Former Chairperson, IBBI graced the occasion as a special invitee. In his welcome remarks, Dr. Navrang Saini,

WTM thanked all stakeholders who have been part of the successful journey of IBBI and IBC's ecosystem. Mr. Verma, appreciated the development of IBC ecosystem and outcomes of Code in a short span of time. Dr. Subramanian in his address, cited the ethical perspective to insolvency resolution and urged the industry to adopt ethical approach to resolving insolvency. Further, Dr. Sahoo, spoke about the initial journey of IBBI and appreciated the role played by all stakeholders in development of IBC ecosystem. Dr. Mukulita Vijayawargiya, WTM extended a hearty vote of thanks at the conclusion of the event. The Annual Day witnessed the presence of a limited number of dignitaries in person, in the wake of the COVID-19 pandemic protocol. However, a large number of stakeholders witnessed the event live, through e-mode.



*Mr. Rajesh Verma, Secretary, Ministry of Corporate Affairs, October 1, 2021*



*Dr. Krishnamurthy Subramanian, Chief Economic Adviser, October 1, 2021*



*Dr. Navrang Saini, WTM, IBBI, October 1, 2021*

### Annual Day Lecture

To commemorate its establishment, the IBBI has instituted an Annual Day Lecture Series since its inception. Dr. Bibek Debroy delivered the Fifth Annual Day Lecture on 'From No Exit to Easy Exit - A Case Study of IBC' on October 1, 2021. In his lecture, Dr. Debroy referring to the ancient Indian wisdom from *Chanakya Neeti* noted the successful nurturing of the IBBI in the first five years and suggested that stage is now set right for it to further take plunge towards maturity. He noted the potential role of IBC in promoting entrepreneurship. He highlighted the evolution of insolvency laws over the centuries and appreciated the modern framework of IBC. Calling IBC, a work in progress, he lauded that IBC and IBBI have made it easy for entrepreneurs to exit, however, endeavour has to be to make the processes still simpler and easy.

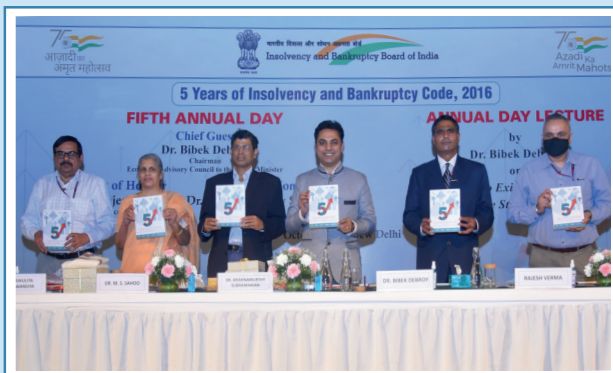




Dr. Bibek Debroy, Chairman, Economic Advisory Council to Hon'ble Prime Minister, October 1, 2021

### Annual Publication

Dr. Krishnamurthy Subramanian, Chief Economic Adviser, Ministry of Finance released IBBI's annual publication, 'Quinquennial of The Insolvency and Bankruptcy Code, 2016'. This publication presents the thoughts and perspectives of practitioners, policymakers, subject matter experts and academicians, that elucidate and stimulate thoughts around the journey of the Code thus far and the road ahead. It is an attempt to contribute to the scholarly and policy discourse around insolvency law.



Release of Annual Publication of IBBI, October 1, 2021

### National Quiz

The IBBI, in collaboration with MyGov.in and BSE IPF, had conducted '2<sup>nd</sup> National Online Quiz on Insolvency and Bankruptcy Code, 2016' from August 1, to 31, 2021, to promote further awareness and understanding of the Code, among various stakeholders. The Quiz received an overwhelming response with over 63,000 participants spread across all States and Union Territories. On the occasion, Dr. Subramanian gave away the medal, certificate of merit and cash award to the best performer of the quiz.

### My Stamp on IBC

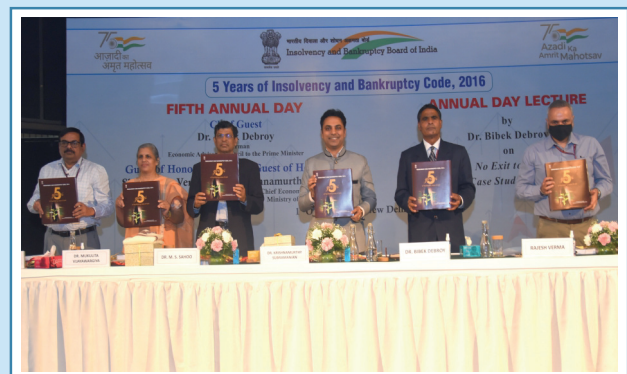
To commemorate five years of successful implementation of the Code, release of customised 'My Stamp' on the 'Insolvency and Bankruptcy Code, 2016' was facilitated by Mr. Harpreet Singh, Postmaster General, Delhi Circle, Department of Posts.

### e-Book on Five Years of IBC

The IBBI, in collaboration with the Indian Institute of Insolvency Professionals of IIPPI, released an e-book titled '5 years of facilitating ease of exit', to commemorate five years of enactment of the Code. The e-book captures the eventful journey of the IBC ecosystem, implementation, success stories, outcomes, awards and recognitions in the form of vivid visuals, photographs and articulative text.



Release of My Stamp on IBC, October 1, 2021



Release of e-Book on Five Years of IBC, October 1, 2021

## Report of the Working Group – Tracking Outcomes under the IBC, 2016

The Working Group on Tracking Outcomes on IBC constituted on May 24, 2019, presented its report to the IBBI. The Working Group has come out with a comprehensive framework for developing metrics for measuring the outcomes of IBC to objectively evaluate the achievements under the IBC. The proposed framework for the assessment of the performance of the insolvency regime in the country is based on three parameters – effectiveness, efficiency, and efficacy. This framework for measuring the outcomes of the IBC would help researchers and policy makers to appreciate the nuances involved in evaluating the outcomes of this new law and guide them to adopt a holistic approach instead of approaching the issue on a piecemeal basis.

## International Research Conference

The IBBI, in collaboration with Indian Institute of Management Ahmedabad (IIMA) has announced organising of an International Research Conference on Insolvency and Bankruptcy on April 30, 2022 & May 1, 2022 at the IIMA campus. Acknowledging that academic knowledge and expertise can help inform, design, improve and test policies and ultimately make government policy better; a two-day international research conference calls upon academics & researchers, lawyers, economists, regulators, to submit research proposals with a view to promote research and discourse in the field of insolvency and bankruptcy.

## Human Resources

### Additional Charge – Chairperson, IBBI

Dr. Navrang Saini, WTM, took additional charge as Chairperson of the IBBI in addition to his existing duties on October 13, 2021.



## Appointment of Mr. Sandip Garg, ED

Mr. Sandip Garg took charge as Executive Director of IBBI on November 22, 2021. Immediately prior to his joining IBBI, he was serving as Commissioner (Exemptions), Income Tax, Pune. He is an Indian Revenue Service Officer of 1992 batch, and he has served several important portfolios in the Income Tax Department (ITD).

## COVID-19 Protocol and Precautions

The IBBI has been taking several measures to contain the spread of COVID-19 to ensure the safety of its officers and staff without impacting the office work. Standard operating procedures, based on various guidelines issued by the Government from time to time, have been laid down as regards social distancing, wearing of masks and maintaining hand hygiene. Office premises are regularly sanitised. A roster has been laid down for employees to work with flexible timings.

## Employee Trainings and Workshop

The IBBI organised the following workshops and trainings for its officers through video conference:

Date	Nature of Programme/Subject	Faculty
27-10-21	Right to Information Act	Mr. Suresh Chandra, Information Commissioner, Central Information Commission.
23-11-21	Grievance Resolution System in Securities Market	NSDL & SEBI
09-12-21	The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.	Dr. (Ms.) Mukulita Vijayawargiya, WTM, IBBI and Mr. Subhash Chaudhary, GM, IBBI
24-12-21	Legislative drafting	Dr. (Ms.) Mukulita Vijayawargiya, WTM

The officers of IBBI attended the following workshops and training programmes:

Date	Organised by	Nature of the programme/Subject	No. of Officers
23-10-21 to 23-01-22	IICA	Regulatory Governance	2

# Legal and Regulatory Framework

## Central Government

### Report of CBIRC on cross-border insolvency resolution

Vide notification dated January 23, 2020 the Central Government had formed the Cross-Border Insolvency Rules/Regulation Committee (CBIRC). The CBIRC had submitted the first part of its Report on the Rules and Regulatory Framework for Cross-Border Insolvency on June 15, 2020. The report was released in the month of November, 2021.

### Invitation of comments from public on Cross-Border Insolvency

Vide notification dated November 24, 2021 the Central Government invited public comments from stakeholders on introductory note and draft Part Z of the ILC Report of October, 2018 on cross-border insolvency with an aim to introduce a globally accepted and well-recognised cross-border insolvency framework, fine-tuned to suit the needs of Indian economy. Suggestion / comments, if any, along with brief justification were invited online till December 15, 2021.

### Invitation of comments from public on proposed changes to the Corporate Insolvency Resolution and Liquidation Framework

With a view to enhance the efficacy of insolvency resolution process under the IBC, several amendments are being proposed. Vide notification dated December 23, 2021 the Central Government has invited public comments on proposed changes to corporate insolvency resolution and liquidation framework under the Code, which are required to be submitted online by January 3, 2022. The ILC has continued to evaluate stakeholder comments and assess the implementation of the provisions of the Code. Based on the issues raised in the ILC and from various stakeholder consultations following changes were proposed to the Code to further its objectives of time bound resolution of stressed assets while maximising its value and balancing the interests of all stakeholders:

- *Enabling a swift admission process:* Financial creditors (FCs) as prescribed by the Central Government may be required to submit

only information utility (IU) authenticated records to establish default for the purposes of admission of a section 7 corporate insolvency resolution process (CIRP) application.

- *Streamlining avoidable transactions and wrongful trading:* The ILC recommended amendments to provisions related to avoidable transactions and wrongful trading.
- *Time period for approval of resolution plans:* A fixed time period for approval or rejection of a resolution plan by the AA.
- *Closure of the Voluntary Liquidation Process:* The closure of the voluntary liquidation process may be carried out by the corporate person by way of a special resolution or members' resolution and approval of creditors representing two-thirds in value of the debt where the corporate person owes debt to any person. In such a scenario, the liquidator shall make a public announcement of the closure of the process and intimate concerned authorities such as the IBBI and the registrar.
- *Detailed framework for contribution to and utilisation of the IBC Fund:* Suitable amendments may be made to section 224 of the Code to allow the Central Government to prescribe a detailed framework for contribution to and utilisation of the IBC Fund.

## IBBI

### Syllabus for Limited Insolvency Examination

The IBBI, in accordance with regulation 3 (3) of the IBBI (Insolvency Professionals) Regulations, 2016, notified the revised syllabus and other details for the seventh phase of the Limited Insolvency Examination on November 30, 2021. The Seventh phase of the examination shall commence from March 1, 2022.

## Circulars

### Seeking No Objection Certificate from the Income Tax Department during Voluntary Liquidation Process

The IBBI (Voluntary Liquidation Process) Regulations, 2017 mandates the liquidator to make the public announcement for submission of claims by stakeholders. It has been noticed that even after providing opportunity for filing of claims, the liquidators seek 'No Objection Certificate' (NOC) or 'No Dues Certificate' (NDC) from the ITD even though the Code or the regulations do not envisage seeking such NOC/NDC. Therefore, it is clarified in the circular that as per the provisions of the Code and the regulations read with section 178 of the Income-tax Act, 1961, an IP handling voluntary liquidation process is not required to seek any NOC/NDC from the ITD as part of compliance in the said process.

### Filing of list of stakeholders under regulation 31 (5) (d) of Liquidation Process Regulations

The IBBI (Liquidation Process) Regulations, 2016 (Liquidation Regulations) requires the liquidator to file list of stakeholders on the electronic platform of the Board. The IBBI vide Circular dated March 4, 2021 directed the liquidators to file the list of stakeholders and modification thereof in the stipulated format on the electronic platform in the website of the Board, i.e., [www.ibbi.gov.in](http://www.ibbi.gov.in). To comply with the 'General Guidelines for securing Identity information and Sensitive personal data or information in compliance to Aadhaar Act, 2016 and Information Technology Act, 2000' issued by Ministry of Electronics and Information Technology, the IBBI partially modified the existing circular and issued revised guidelines vide circular dated November 24, 2021 to remove the column 'Identification No.' from the particulars of the format stipulated therein. The IPs are directed to file within three days of the preparation of the list or modification thereof, as the case may be in the revised format.

### Filing of list of creditors under regulation 13 (2) (ca) of CIRP Regulations

The IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (CIRP Regulations) requires the IPs to file list of stakeholders on the electronic platform of the Board. The IBBI vide Circular dated November 27, 2020 directed the IPs to file the list of stakeholders and modification thereof in the stipulated format on the electronic platform in the website of the Board, i.e., [www.ibbi.gov.in](http://www.ibbi.gov.in). To comply with the 'General Guidelines for securing Identity information and



*Sensitive personal data or information in compliance to Aadhaar Act, 2016 and Information Technology Act, 2000* issued by Ministry of Electronics and Information Technology, the IBBI partially modified the existing circular and issued revised guidelines vide circular dated November 24, 2021 to remove the column 'Identification No.' from the particulars of the format stipulated therein. The IPs are directed to file within three days of the preparation of the list or modification thereof, as the case may be in the revised format.

## Guidelines

### Guidelines for Panel of IPs

On December 1, 2021, the IBBI issued the guidelines namely the Insolvency Professionals to act as Interim Resolution Professionals (IRP), Liquidators, Resolution Professionals and Bankruptcy Trustee (Recommendation) (Second) Guidelines, 2021. These guidelines will enable the Board to prepare a common panel of IPs and share the same with the AA for appointment of IRPs, Liquidators, RPs, and Bankruptcy Trustee from January 1, 2022 to June 30, 2022. These Guidelines shall come into effect from January 1, 2022.

### Amendments to Online Delivery of Educational Course Guidelines

Vide notification dated December 21, 2021 the IBBI extended the IBBI (Online Delivery of Educational Course and Continuing Professional Education by Insolvency Professional Agencies and Registered Valuers Organisations) Guidelines, 2020 till March 31, 2022.

## Other Authorities

### Reserve Bank of India

#### Report of the Committee to Review the Working of Asset Reconstruction Companies

Reserve Bank of India (RBI) has constituted a committee under the chairmanship of Mr. Sudarshan Sen, former Executive Director, RBI to review the working of Asset Reconstruction Companies (ARCs), along with other terms of reference including the review of role of ARCs in resolution of stressed assets including under IBC. The committee has submitted its report on November 2, 2021. Some of the major highlights of the report are-

- All categories of special mention accounts can be considered for sale to ARCs.
- Lenders' Board approved policies for resolution of stressed assets must include a policy on sale of stressed assets to ARCs.
- For accounts in default with a lender for amount of ₹100 crore and above lender's resolution plan should explicitly evaluate sale / auction of non-performing assets to ARCs as one of the options.
- To enhance ARCs' ability to be a prime vehicle for resolution, they may be allowed to participate in IBC as a resolution applicant (RA) either through their security receipt trust or through the alternative investment fund sponsored by them.

The committee has also provided various recommendations on the governance and transparency, streamlining of legal provisions and processes and other general matters of importance.

### Financial Stability Report

The RBI has released the biannual Financial Stability Report (FSR) on December 29, 2021. It has highlighted that the financial institutions in India have remained resilient amidst the pandemic and stability prevails in the financial markets, cushioned by policy and regulatory support. Consumer confidence and business optimism are on the rise as the spread and scale of vaccination expands. It has observed that macro stress tests for credit risk indicate that the gross non-performing asset (GNPA) ratio of SCBs may increase from 6.9 per cent in September 2021 to 8.1 per cent by September 2022. While the asset quality of banks showed improvement, with the GNPA and net non-performing asset (NNPA) ratios declining to 6.9 per cent and 2.3 per cent, respectively, their slippage ratio inched up in September 2021.

## Orders

### Supreme Court

#### M/s. Jai Balaji Industries Vs. D.K. Mohanty & Anr. [Civil Appeal No. 5899 of 2021 with 5904 of 2021]

The Supreme Court (SC) observed that an operational creditor (OC) cannot use the Code for extraneous considerations or as a substitute for debt enforcement procedures;

and the object of the Code is to allow the insolvency process against the CD only in the case, where a dispute between the parties as to the debt does not exist. It held that moving an application for restoration of proceedings dismissed in default prior to receipt of demand notice and bringing it to the notice of the OC is sufficient to bring the matter within the four corners of pre-existing dispute. The SC observed that: "It is also significant to notice that as on the very day of filing of the applications under Section 9 by the appellant, i.e., 02.03.2020, the appeals were indeed restored by the High Court. The NCLAT took note of the fact that the applications, though sworn on 29.02.2020, were filed only on 02.03.2020. Thus, a wishful attempt of the appellant to use the default dismissal of appeals for initiation of CIRP had also lost its ground on the date of filing of the applications under Section 9 of the Code. The NCLT had proceeded from an altogether wrong angle and even while passing the order on 30.09.2020, did not pause to consider that the appeals stood restored on the date of filing of the applications under Section 9 and therefore, even the hyper-technical stance of the appellant was also knocked out."

#### V Nagarajan Vs. SKS Ispat and Power Ltd. & Ors. [Civil Appeal No. 3327 of 2020]

The SC observed that sections 61 (1) and (2) of the Code consciously omit the requirement of limitation being computed from when the "order is made available to the aggrieved party", in contradistinction to section 421 (3) of the Companies Act, 2013. The aggrieved party is expected to exercise due diligence and apply for a certified copy upon pronouncement of the order it seeks to assail, in consonance with the requirements of rule 22 (2) of the National Company Law Appellate Tribunal Rules, 2016 (NCLAT Rules, 2016) and it is not open to a person aggrieved by an order under the Code to await the receipt of a free certified copy and prevent limitation from running. The tribunals and the courts may choose to exempt parties from compliance with this procedural requirement in the interest of substantial justice, but the discretionary waiver does not act as an automatic exception where litigants make no efforts to pursue a timely resolution of their grievance.

#### TATA Consultancy Services Limited Vs. Vishal Ghisulal Jain, Resolution Professional, SK Wheels Private Limited [Civil Appeal No 3045 of 2020]

While quashing the order of NCLAT, the SC observed that the facts of the case make it clear that the alleged breaches noted in the termination notice were not a smokescreen to terminate the facility agreement because of the insolvency of the CD. SC held that the AA does not have any residuary jurisdiction under section 60 (5) © of the Code to entertain the contractual dispute which has arisen de hors the insolvency of the CD, and in the absence of jurisdiction, the AA could not have imposed stay on the termination notice. The SC cautioned the AA and NCLAT regarding interference with a party's contractual right to terminate a contract and observed that even if the contractual dispute arises in relation to the insolvency, a party can be restrained from terminating the contract only if it is central to the success of the CIRP.

#### Electrosteel Castings Limited Vs. UV Asset Reconstruction Company Limited & Ors. [Civil Appeal No. 6669 of 2021]

Post completion of resolution processes under the Code, the debt was assigned by FC to the respondent (assignee). The assignee took steps under the provisions of Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 (SARFAESI Act) against the mortgaged assets of the appellant. The appellant filed civil suit followed by an appeal before the Madras High Court (HC) which dismissed the suit as well as the appeal. In second appeal before the SC, it held that there shall be a legally enforceable debt against the CD so far as the appellant is concerned even after the approved resolution plan against the CD. It also held that Debt Recovery Tribunal (DRT) is the competent court for such SARFAESI Act cases and not the civil court.

#### Committee of Creditors of Amtek Auto Limited through Corporation Bank Vs. Dinkar T. Venkatsubramanian and others [Civil Appeal No. 6707 of 2019]

The SC observed that the approved resolution plan has to be implemented at the earliest and that is the mandate under the Code. The obligations under the approved resolution plan must be performed mutually and simultaneously by both the parties and the entire resolution process should be completed within the period stipulated under section 12 of the Code.

#### E S Krishnamurthy & Ors. Vs. M/s Bharath Hi Tech Builders Pvt. Ltd. [Civil Appeal No 3325 of 2020]

The SC held that the AA while dismissing section 7 application and allowing settlement, has acted outside the terms of its jurisdiction and it is empowered only to verify whether a default has occurred or not and must then either admit or reject an application. These are the only two courses of action which are open to the AA in accordance with section 7 (5). It also observed that while the AA and the Appellate Authority can encourage settlements, they cannot direct the parties by acting as courts of equity.

#### Ngaitlang Dhar Vs. Panna Pragati Infrastructure Private Limited & Ors. [Civil Appeal Nos. 3665 - 3666 with 3742-3743 of 2020]

The SC held that the procedure adopted by the Committee of Creditors (CoC) and RP, while rejecting the request of revision of bid and confirming the bid of another applicant so as to complete the CIRP within set timeline, was fair, transparent and equitable and they approved the said resolution plan only after giving sufficient opportunity to all the prospective applicants and there was no



material irregularity whatsoever. It accordingly set aside the order of the NCLAT which interfered with the commercial wisdom of CoC and reiterated that 'commercial wisdom' has been given paramount status without any judicial intervention and that it is not open to the AA or the NCLAT to interfere except on the limited grounds provided under sections 30 (2) and 61 (3) of the Code.

## High Courts

### Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) Vs. Union of India & Ors. [W.P.No. 19785 of 2021]

The Madras HC held that there is no exemption provided under the Companies Act, 2013 or the Code from applicability of the jurisdiction of the AA in insolvency proceedings with regard to a company which is substantially owned by the Government.

### Dewan Housing Finance Corporation Limited Vs. Union of India [Writ Petition No. 3157 of 2021]

The Bombay HC quashed the order passed by CBI Court whereby it had declined to discharge Dewan Housing Finance Corporation Ltd (DHFL) and had permitted its prosecution through its erstwhile directors in respect of FIR against DHFL under various sections of the Indian Penal Code, 1860 and the Prevention of Corruption Act, 1988. It observed that approval of resolution plan by the AA had caused and resulted in change in management of CD which is in favour of persons who were not related party of CD. In view of this, immunities under section 32A of the Code cannot be denied to CD and discharged DHFL from all alleged criminal liabilities committed prior to commencement of CIRP.

### Nitin Jain, Liquidator of PSL Limited Vs. Enforcement Directorate through: Raju Prasad Mahawar, Assistant Director PMLA [W.P.(C) 3261/2021, CM APPLs. 32220/2021, 41811/2021, 43360/2021, 43380/2021]

The Delhi HC considered the issue as to whether the authorities under Prevention of Money Laundering Act, 2002 would retain the jurisdiction to proceed against a CD once it has gone into liquidation under the Code. It noted that the judgement in *Directorate of Enforcement Vs. Axis Bank* was passed prior to the insertion of section 32A in the Code and it is now eclipsed by the introduction of section 32A. It held that from the date when the AA approved the sale of the CD as a going concern, the cessation as contemplated under section 32A did and would be deemed to have come into effect.

### Murli Industries Limited Vs. Assistant Commissioner of Income Tax & Ors. [Writ Petition No. 2948 of 2021 with 2965 of 2021]

After the CIRP with regard to the CD was admitted and a resolution plan was passed, the Income Tax Department issued notice to it on the ground that the income chargeable to tax for AY 2014-15 had escaped assessment. The Bombay HC observed that: *"once the public announcement is made... it would be expected from all the stakeholders to diligently raise their claim. The Income Tax authorities in that sense, ought to have been diligent to verify the previous years' assessment... and to raise the claim... In the present case, the Income Tax Authorities failed to do so and therefore, the claim stood extinguished."*

### Adarsh Jhunjhunwala Vs. State Bank of India & Anr. [WPO 1548 of 2021]

The Calcutta HC observed that there is no bar to proceed under Wilful Defaulter Guidelines of RBI and under section 95 of the Code for insolvency of the PG of CD as the purpose of two proceedings is completely different. The HC observed that the principles applied for moratorium in respect of corporate insolvency cannot be applied to personal insolvency. It is essentially for this purpose that the legislature has applied moratorium under section 14 to the CD as a whole and moratorium under section 96 is restrictively applied to the debt and its purpose is to facilitate repayment/resolution of the debt to all categories of debtors. It further observed that: *"A plain reading of the two Sections would clearly indicate that the Moratorium U/s. 14 aims at protecting the 'Corporate Debtor' and none else. The object and purpose is to protect the image of the juristic person to enable smooth passage of a Resolution Plan. The value of the Corporate Debtor must be protected and kept away from the acts and omissions of its promoters and shareholders. This would make the CD more attractive and would generate more interest in prospective suitors."* The HC also held that: *"to stay wilful defaulter proceedings, criminal proceeding or quasi criminal proceeding under any Moratorium under Section 96 would defeat the object and purpose of the part III of the IBC"*.

## National Company Law Appellate Tribunal

### Damodar Valley Corporation Vs. Cosmic Ferro Alloys Limited & Anr. [Company Appellate (AT) (Insolvency) No. 110 of 2020]

The successful resolution applicant (SRA) had requested Damodar Valley Corporation (DVC) for (i) increase in the contract demand and (ii) waiver of security deposit for electricity supply, post the approval of the resolution plan. The NCLAT observed that *"these requests only remain as proposals which have not been accepted or approved by specific order of the Adjudicating Authority while approving the Resolution Plan. Therefore, in our view in the absence of any specific orders, the Appellant is not obliged to grant any waiver of payment of security deposit over the next five years for increase in contract demand or supply of electricity by a 132 KV supply line."* It further opined that *"any statutory or legitimate dues which might be demanded from the Successful Resolution Applicant (SRA) for supply of any services should be paid by*

*the SRA and no waiver for any period of time for the future is not permissible."*

### Gail India Ltd. Vs. Ajay Joshi (Resolution Professional of Alok Industries Ltd. & Ors.) [Company Appeal (AT) (Insolvency) 492 of 2019]

The order of AA was challenged on the ground that the approved resolution plan that provided for 100 percent payment to the OCs having dues less than ₹ 3 lakhs but 'nil' payment to the OCs having dues over ₹ 3 lakhs, is discriminatory as it creates a class within a class without any intelligible criteria. The NCLAT while dismissing the appeal, observed that there is no embargo for the classification of OCs into separate/different classes for deciding the way in which the money is to be distributed to them by the CoC which has the subjective final discretion of collective commercial wisdom in relation to the amount to be paid to a certain category or the incidental category of creditors.

### Bijoy Prabhakaran Pulipra, Resolution Professional PVS Memorial Hospital Private Limited Vs. State Tax Officer (Works Contract) [Company Appeal (AT) (CH) (Ins) No. 42 of 2021]

The respondent filed a Goods and Services Tax (GST) claim on the basis of assessment orders issued prior to moratorium. The RP revised the admitted claim amount on the basis of books of account and electronic register of CD. The National Company Law Tribunal (NCLT) directed RP to file an appeal before Joint Commissioner for reassessment of the GST amount as claimed by him. In appeal, NCLAT observed that: *"GST amount is an amount of tax levied under the assessment order as per the Goods and Service Act, 2017. It cannot be edited or reduced by the Resolution Professional himself. Even if the IRP/Resolution Professional was aggrieved by the said Order, they should have filed the Appeal under Section 107 of the CGST/SGST Act, 2017, read with Rule 108 of the GST Rules 2017. Any revision of assessment orders also cannot be made under the pretext of Section 238 of IBC. Section 238 of Insolvency and Bankruptcy Code cannot be read as conferring any appellate or adjudicatory jurisdiction in respect of issues arising under other statutes."* It further observed that: *"revision of the GST assessment order was beyond the jurisdiction of the IRP/RP. It is pertinent to mention that the IRP/RP was not having the adjudicatory power given by the GST Act. Regulation 14 of the CIRP Regulations only authorises the IRP/RP to exercise power where the claim is not precise due to any contingency or other reasons."* It held that the RP committed an error in exercising its power and exercised the powers of GST Authorities under the pretext of Regulation 14 of the CIRP Regulations.

### Sach Marketing Pvt. Ltd. Vs. Resolution Professional of Mount Shivalik Industries Ltd., Ms. Pratibha Khandelwal [Company Appeal (AT) (Insolvency) No. 180 of 2021]

The NCLAT held that the payment of interest on the amounts borrowed by the CD is nothing but a consideration for the time value of money and hence the status of appellant is that of a FC in relation to the amount of security deposit and interest thereon as per section 5 (7) read with section 5 (8) of the Code.

### S. Ravindranathan Vs. Sundaram BNP Paribas Home Finance Ltd. & Anr. [T.A. No. 40 of 2021 in Company Appeal (AT)(Insolvency) No. 1087/2020]

The NCLAT observed that there is no impediment for an applicant to prefer an application under section 7 of the Code when the proceedings under the SARFAESI Act are already pending. It held that it is always open to a FC, in a given case, to take all possible steps that are available to the lender to recover the money lent by him to the borrower.

### Agarwal Coal Corporation Pvt Ltd. Vs. Sun Paper Mill Ltd. & Anr. [I.A. No. 265/2019 in Company Appeal (AT)(Ins) No.412/2019]

The NCLAT observed that the power of review is a creature of statute. It cannot be gainsaid that there is no express provision for "review" under the NCLAT Rules, 2016. The applicant cannot fall back upon rule 11 of the said Rules, which provides for inherent powers and is not a substantive rule which showers any power or jurisdiction upon the Tribunal.

### Jumbo Paper Products Vs. Hansraj Agrofresh Pvt. Ltd. [Company Appeal (AT) (Ins) No. 813 of 2021]

The NCLAT held that the threshold limit of ₹ 1 crore as stipulated in notification dated March 24, 2020 will be applicable for application filed under section 7 or 9 on or after March 24, 2020 even if debt is of a date earlier than March 24, 2020.

### Committee of Creditors of Meenakshi Energy Ltd. Vs. Consortium of Prudent ARC Limited & Vizag Minerals and Logistics P Ltd. & Anr. [Company Appeal (AT) (CH)(Insolvency) No. 166 of 2021]

AA had held that the CoC has no business to extend RFRP beyond 330 days without specific approval of the AA. While setting aside the observations made by AA against the CoC and the RP, NCLAT made following observations:-

- The timeline is prescribed for the reason that liquidation proceedings otherwise should not be for an interminable period, thereby jeopardising the interest of all stakeholders;
- Where CIRP is pending and not completed within 330 days within which the resolution of stressed asset is to take place, only in an exceptional / extraordinary case, the outer time limit of 330 days can be extended with a view to secure the ends of justice;



- Tribunal/Appellate Tribunal are scrupulously bound by the discipline of statutory provisions, and they cannot traverse beyond the parameters of law;
- RP is not to be made liable because his perception is incorrect unless it is unreasonable; and
- Resolution plan furnished by one or the other RA is a confidential one and it can neither be disclosed to any competing RA nor any view can be taken, or objection can be asked for from other resolution applicants in regard to one or the other resolution plan.

**Drip Capital Inc. Vs. Concord Creations (India) P. Ltd. [Company Appeal (AT) (CH) (Ins.) No. 167 of 2021]**

The NCLAT observed that the AA should not take into account the reasons for the CD's default, at the time of determination as to whether to admit or reject an application under section 7 of the Code. It held that the "Adjudicating Authority is not a 'Court of Law' and that 'CIRP' is not a litigation". The decision of AA allowing the CD some more time to repay the debt is in negation of the principles laid down by the judgement of the SC in *Innovative Industries Ltd. Vs. ICICI Bank*. NCLAT set aside the order of AA, directing it to admit the application filed by the appellant.

**Ananta Charan Nayak Vs. State Bank of India & Ors. [Company Appeal (AT) (Ins) No. 870 of 2021]**

The NCLAT observed that the acceptance of the settlement proposal by the FC is a matter entirely in the ambit of the FC and that the proceedings before the AA should not have been held up and delayed, waiting for a response by the FC. It further observed that: "IBC does not provide for keeping the proceedings in abeyance and the application for admission has to be decided in a stipulated timeframe".

**Jitender Arora, Resolution Professional of M/s. Premia Projects Ltd. Vs. Tek Chand & Anr. [Company Appeal (AT) (Ins) No. 1069 of 2020]**

The NCLAT observed that if a CD has intricated financial relationship with another company which is controlled in an overwhelming manner by the same set of directors, as the CD and their businesses are inter-related, such companies should be looked at jointly, for matters related to insolvency resolution, as the financial revival of one company will be closely linked to the financial health of the other company. Further, a joint CIRP would be possible only if there is an application for admission of CIRP under the Code against the landowning entity and a strong case for undertaking joint CIRP. With these observations, the matter was remanded to the AA for admission and thereafter for consolidation of CIRP of both holding and subsidiary company.

**Bhatpara Municipality Vs. Nicco Eastern Pvt. Ltd. & Ors. [Company Appeal (AT) (Ins) No. 714 of 2021]**

The NCLAT held that the outstanding dues of the property tax relating to period prior to sale confirmation in liquidation are dues that are akin to claim of an unsecured creditor and should be discharged in terms of the properties regarding distribution of assets given in section 53, and the auction purchaser cannot be held liable to pay any such dues relating to period prior to confirmation of sale.

**Shailendra Singh Vs. Nisha Malpani & Anr. [Company Appeal (AT) (Ins) No. 945 of 2020]**

AA dismissed the contempt application against the RP for non-compliance of its order holding that the Code is devoid of contempt jurisdiction. In appeal, NCLAT held that if one is to give such a restricted interpretation that the AA has no jurisdiction of contempt, then its orders cannot be implemented and in fact, the Code will remain in 'Black Letters' without a tooth to bite. A conjoined reading of sections 408 and 425 of the Companies Act, 2013 will unerringly point out that the power to punish for contempt is vested with the AA in relation to matters under the Code.

**L. Ramalakshamma Vs. State Bank of India [Company Appeal (AT)(CH)(Insolvency) No. 220 of 2021]**

The AA appointed interim resolution professional (IRP) in a petition under section 95 of the Code which was filed by the respondent against the Appellant (PG to CD), without seeking a confirmation of IBB under section 97 read with rule 8 of the Insolvency and Bankruptcy (Application to Adjudicating Authority for Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) Rules, 2019. On appeal, the NCLAT observed that AA can exercise its judicial discretion in appointing a RP in a given case, based on the facts and circumstances of the case. Also, if viewed from the object and purpose to be achieved by the Code, the word 'shall' in section 97(1) can only be construed as 'directory' and not mandatory.

**Innovative Construventures Private Ltd & Anr. Vs. Brainer Trade and Fin-Tech Private Ltd & Ors. [Company Appeal (AT) (Insolvency) No. 470 of 2019 with 486 of 2019]**

The NCLAT observed that the Code empowers the CoC to decide to liquidate the CD at any time after its constitution and before the confirmation of resolution plan. Referring to the SC judgment in the matter of *ArcelorMittal India Pvt. Ltd. vs. Satish Kumar Gupta & Ors.*, it observed that there is no vested right or fundamental right in the RA to have its plan approved.

**Invent Assets Securitisation & Reconstruction Pvt. Ltd. & Anr. Vs. Rajmal Labhchand Mogra & Ors. [Company Appeal (AT) (Insolvency) No. 709 of 2019]**

The NCLAT held that when no order is passed by the AA allowing the IRP to

continue under section 22(5) of the Code, his claim of continuance and entitlement to fees will be contrary to the statutory scheme. Regulation 17(3) of the CIRP Regulations cannot be read in a manner which may have effect of defeating the purpose and object of section 22(5) by allowing the IRP to continue without there being any order of the AA in that regard.

**Bimalesh Bhardwaj & Ors. Vs. Value Infratech India Pvt Ltd & Ors. [Company Appeal (AT) (Ins) No. 112 of 2021]**

The NCLAT dwelled on the factual position of the case wherein the appellants were homebuyers in the project developed by the CD and the CD along with two other sister companies of the same group, secured credit facilities from the FC. Subsequently, on default to pay the debt, the AA admitted the section 7 application of FC. Post constitution of CoC comprising of FC and homebuyers and appointment of AR, the RP submitted to the AA the decision of FC to liquidate the CD despite the objections raised by the AR. The objections of homebuyers are that RP has shown undue favour to the FC by adding up all the loans given to the sister companies of the group instead of the credit facility availed by the CD, thereby the voting share of FC was substantially increased and alleged that due procedure for Expression of Interest (EoI) was not followed. The NCLAT observed that: "It is surprising as to how the Resolution Professional could prepare an information memorandum without getting access to the records and documents of the Corporate Debtor". In allocating huge voting shares in the CoC and not providing sufficient opportunity to AR, the RP has acted in haste and mala fide. It held that: "the CoC was not constituted in accordance with the provisions of IBC. In the matter, the CIRP was not pursued with fairness and due diligence by the Resolution Professional and the resolution for liquidation of the Corporate Debtor was taken in a meeting with an improper voting share".

**Mr. C. Raja John Vs. Mr. R. Raghavendran & Ors. [Company Appeal (AT) (CH) (Ins) No. 207 of 2021]**

The RP rejected the resolution plan of promoter of CD being micro, small and medium enterprise (MSME) on two grounds i.e. (i) the eligibility norm of net worth of ₹2 crore was not met under section 25(2)(h), and (ii) the DIN was under default making him ineligible under section 29(A)(e). The AA observed that as the MSME certificate was obtained in 2020, the applicant was trying to play a fraud in order to gain backdoor entry to the assets of the CD in the guise of projecting it as an MSME. On appeal, the NCLAT noted that (i) an MSME certificate from State Government was issued to CD in 2013 and subsequently by Government of India in 2020, and (ii) the Madras HC in another matter had directed for reactivation of DIN of the promoter. Considering these facts, it observed that as "the Corporate Debtor is an MSME.... it is not necessary for the Promoters to compete with other Resolution Applicants to regain the control of the Corporate Debtor." Accordingly, it (i) allowed the promoter to file/submit net worth certificate to the RP and submit a resolution plan, and (ii) observed that the appellant will not fall under section 29A(e) in view of the directions of the Madras HC.

**Rajat Metaal Polychem Pvt. Ltd. Vs. Resolution Professional [Company Appeal (AT) (Ins) No. 979 of 2021]**

An application was filed by the appellant raising the grievance that the RP has not accepted his claim in full and has discredited the interest amount. AA dismissed appellant's application on the grounds that against the rejection of the claim by RP there is no provision to file an appeal and, after approval of the resolution plan the AA cannot direct the RP to accept or consider the claim of the applicant. On appeal, NCLAT noted that the resolution plan has not yet received approval by the AA and the same is under consideration before the AA against which an objection has already been filed by the appellant. NCLAT observed that when the resolution plan was submitted and pending consideration, the AA is not deprived of its jurisdiction to issue suitable direction. It was also observed that even if there is no right of appeal given to claimant, he is entitled to make grievances regarding any claim made against the CD by virtue of section 60(5)(b) of the Code.

**Mr. T. Prabhakar Vs. Mr. S Krishnan & Ors. [Company Appeal (AT) (CH) (Ins) No. 217 of 2021]**

The NCLAT held that debenture holders are undoubtedly the 'financial creditors' under the Code. There is no fetter in the law for the debenture holders, who are FCs, to file an insolvency resolution application seeking to initiate CIRP against the CD without adding the debenture trustee in the application, more so when the trust deed gives the right to them.

**State of West Bengal Vs. Keshav Park Private Limited & Anr. [Company Appeal (AT) (Insolvency) No. 330-331 of 2020]**

The NCLAT held that mere issuance of a letter by the CD calling the representative of the OC with all the papers to settle the dispute cannot be considered as an 'acknowledgement of debt' in terms of section 18 of the Limitation Act, 1963.

**Prakash Chandra Kapoor & Anr. Vs. Vijay Kumar Iyer, (Liquidator) & Anr. [I.A. 2484 of 2021 in Company Appeal (AT) (Insolvency) No. 140 of 2021 with other IAs]**

The NCLAT noted that regulation 47 of the Liquidation Regulations being directory and procedural law should not be construed as an obstruction but as an aid to justice. Extension of time under liquidation may be allowed only on the satisfaction that there exist exceptional circumstances. It ordered extension of time to enable sale as a going concern, as prayed for, and held that what is mandated in the Code, in section



35(1)(e), is to carry on business for 'beneficial liquidation', the regulation, therefore, cannot override the objective of 'beneficial liquidation' provided under the Code.

**Bishal Jaiswal Vs. Asset Reconstruction Company (India) Ltd. & Anr. [Company Appeal (AT) (Insolvency) No. 385 of 2020 and 903 of 2021]**

The NCLAT observed that an application under section 7 of the Code is not akin to a plaint in a civil suit; it is a procedural requirement. The requirement in procedural rule is not to be read in a manner which may preclude an affected party from bringing other materials on record to bring home his point. Without amending the relevant column in section 7 application, the FC can bring relevant materials on record before the AA by way of supplementary affidavit, rejoinder affidavit and the additional affidavit as there is no statutory prohibition on the same.

**Mr. Kushan Mitra Vs. Mr. Amit Goel & Anr. [Company Appeal (AT) (Insolvency) No. 128 of 2021 & I.A. 2340 of 2021 and 2413 of 2021]**

The NCLAT noted that as can be seen from section 5 (8) of the Code and the principals laid down by the SC in *Anuj Jain Case*, consideration for time value of money is an essential element for the amount to fall within the ambit of 'financial debt'. The debt may be of any nature but a part of it is always required to be carrying, or corresponding to, or at least having some traces for disbursement against consideration for time value of money. It observed that: "...the legislature has included such financial transactions in the definition of 'Financial Debt' which are usually for sum of money received today to be paid over a period of time in a single or series of payments in the future. In Black's Law Dictionary the expression 'Time Value' has been defined 'as the price associated with the length of time that an investor must wait until an investment matures or the related income is earned'". It held that in the instant case, refund of share application money, in the event of non-allotment of shares attracts interest as provided for under section 42 (6) of the Companies Act, 2013 and, therefore, qualifies the essential ingredients of definition of financial debt' under section 5 (8) of the Code in terms of consideration paid for time value of money.

**BSE Limited Vs. KCCL Plastic Limited [Company Appeal (AT) (Insolvency) No. 134 of 2021]**

The Bombay Stock Exchange Limited (BSE) filed this appeal against the order of the AA whereby application to initiate CIRP under section 9 was dismissed on the grounds that certain pages in the agreement between the OC and the CD were blank, there was no seal/signature of the parties and therefore the agreement so filed is not valid in the eyes of law. The NCLAT upheld the order of the AA while also noting that the applicant is claiming 'listing fees' which comes under the ambit of 'regulatory dues' that are not to be covered under 'operational debt', as suggested by the Insolvency Law Committee.

**Cotton Casuals (India) Private Limited Vs. Kanchan Dutta & Anr. [Company Appeal (AT) (Ins) No. 206 of 2021 with Contempt Case (AT) No. 17 of 2021 in CA (AT) (Ins) No. 206 of 2021]**

The appellant contended that he is not entitled to pay transfer fee to the West Bengal Industrial Development Corporation Ltd. for the transfer made by the liquidator on the grounds that transfer of assets under the Code is an involuntary transfer and that there is no mention of transfer fee under the invitation for EoI. The NCLAT noted that the scheme under the Code, especially section 35, reinforces the principle that sale by a liquidator under the Code is a sale on behalf of the CD and such sale cannot be termed to be an involuntary sale. The submission that transfers fee cannot be levied when sale is made by a liquidator under the Code was rejected. Further, invitation for EoI cannot be read like a statute; its intent needs to be looked into. The document contains a clause where "all other duties payable in connection with purchase of Sale Assets" is to be paid by the transferee and the transferee cannot absolve himself from payment of liability to pay transfer fee.

**Purna Singh Vs. Committee of Creditors of M/s Xalta Food and Beverages Pvt. Ltd. & Ors. [Contempt Case (AT) No. 03 of 2020 in Company Appeal (AT) (Insolvency) No. 104 of 2019]**

The NCLAT observed that as per regulation 31 of the CIRP Regulations, insolvency resolution process costs (IRPC) include amounts due to a person whose rights are prejudicially affected on account of the moratorium imposed under section 14(1)(d). Due to moratorium period, the lessor could not recover the possession of the property from the CD. Thus, the right of lessor to recover rent is affected on account of moratorium. Therefore, the lessor is entitled to recover the rent, and which shall be included in IRPC.

**Axis Bank Limited Vs. Value Infracon India Private Limited & Anr. [I.A. No. 1502 of 2020 & I.A. No. 1503 of 2020 in Company Appeal (AT) (Insolvency) No. 582 of 2020]**

The issue before NCLAT was as to whether the appellant bank can be considered as an 'FC' on account of its having sanctioned and releasing housing loans to some of the allottees who have purchased flats/units in the project floated by the CD. The NCLAT held that it is definitely not the scope and objective of the Code to consider banks/financial institutions which have advanced loans to homebuyers to be considered as FCs and include them in the CoC, specifically in the light of the fact that the liability to repay the home loan is on the individual homebuyers. This would defeat the very spirit and objective of the Code aiming at resolution and maximisation of the assets of the CD.

**BSE Ltd. Vs. Asahi Infrastructure & Projects Ltd. [Company Appeal (AT) (Insolvency) No. 346 of 2019]**

BSE filed an application under section 9 for default by the CD in payment of listing fees as per Listing Agreement. The AA rejected the application holding that dues of 'regulatory fee' cannot be termed as an 'operational debt'. The NCLAT upheld the decision of AA in appeal and observed that: "When the Insolvency Law Committee has categorically in the Report, ... held that 'regulatory dues' need not be included in the definition of 'operational debt', the said opinion of experts, cannot be brushed aside. The recommendations given by Insolvency Law Committee Report is in line with the object of the Code. In event, it is held that (for) all kind of dues including 'regulatory dues', the insolvency resolution process can be triggered, then the entire purpose of the object of the IB Code will be lost and insolvency proceedings will turn into recovery proceedings for the dues of creditors, which is not the object of the IB Code, as has been laid down by the Hon'ble Supreme Court in *Swiss Ribbons Private Limited and Anr. (supra)* and other judgments."

**In the matter of Krishi Reattach Private Limited [Company Appeal (AT) (Insolvency) Nos. 1008, 1009 & 1010 of 2021]**

On the issue as to whether the AA while considering application of pre-packaged insolvency under section 54C of the Code can hear objectors/interveners before admission, the NCLAT observed that there is no prohibition on hearing/giving opportunity to an objector or interveners to file their objections. However, hearing of objectors or interveners is not a matter of course and has to be limited to exceptional cases as the proceedings under the Code are time bound.

## National Company Law Tribunal

**Mr. Amish Jaysukhlal Sanghrajka & Anr. Vs. Akshar Shanti Realtors Private Limited [C.P. (IB) No. 1726/MB/C-II/2017]**

The AA observed that since the petitioners were allotted flats in the unregistered project of the respondents, the Real Estate (Regulation and Development) Act, 2016 does not apply to the petitioners, and they cannot claim that they are allottees falling within the definition of FC under the Code. AA also observed that the petitioner has failed to qualify the threshold limit of one hundred or 10 percent as an allottee to initiate CIRP under the purview of section 7 of the Code.

**Bank of India Through its Authorised Representative Chandra Pal Vs. Naren Sheth RP for Jaybharat Textiles & Real Estate Ltd. [IA 296 of 2020 in CP (IB) 266 of 2019]**

The AA held that the interchange of the managerial personnel between various legal entities *inter-se* without any association with the CD is not a valid basis to hold that such parties fall under the category of related party of the CD, though they may be belonging to the same group. AA also observed that object of provisions relating to exclusion of related parties from CoC is to maintain the independence of CoC in the interest of all stakeholders but that does not mean that parties who were related at some point of time and now they are not related parties, should be excluded from CoC merely because of this reason unless it is shown, they extinguished their related parties status just to dominate CIRP and to gain undue advantage in CIRP.

**Magnate Industries LLP Vs. Safal Developers Private Limited [CP (IB) No. 1167/MB-IV/2020]**

The AA considered the question as to whether a refundable security deposit given by a joint developer constitutes a 'financial debt'. AA noted that memorandum of understanding entered between the joint developer and the respondent is undated, unstamped and unregistered and it cannot be relied upon by that Tribunal as a valid document to proceed against the respondent. Also, as no disbursement was made by the petitioner to the respondent, AA held that the petitioner is not entitled to file an application against respondent under section 7 of the Code as FC. Dismissing the application, AA concluded that the refundable security deposit given by a joint developer does not constitute a 'financial debt' as per section 5 (8) of the Code.

**Vikas Prakash Gupta, Resolution Professional, Man Tubinox Ltd Vs. Vinod Kuwadia & Anr. Dena Bank [IA 1235/2020 in C.P.(IB)-4348/(MB)/2018]**

RP filed an application for reversal of illegal transaction whereby the property of the CD was handed over to the respondents (related party of the CD) during the moratorium period. AA found that the suspended directors of the CD were aware that insolvency petition was reserved for orders and just before the insolvency commencement date (ICD), when they knew that there is no reasonable prospect of avoiding the CIRP in respect of the CD, they carried on fraudulent transactions with the intent of defrauding the creditors of the CD by sub-letting a large chunk of the only asset of the CD to a related party who happens to be the son-in-law of one of the suspended directors. AA also found that the suspended directors were fully aware of the impending CIRP and also knew that restrictions under section 14 of the Code would kick in. Therefore, just before the commencement of the CIRP, in total violation of section 66 of the Code, they entered into a Tripartite Agreement with a related party to sub-let the assets of the CD. They also concealed from the Madhya Pradesh Industrial Development Corporation (MPIDC) that the sub-lease is null and void as the CD which has sub-leased the property is no longer with the original promoters but with the IRP. AA held that director/promoter have violated provisions of sections 66 and section 14 of the Code and, therefore - (a) cancelled



the Tripartite Agreement executed during the moratorium period; (b) directed the MPIDC to cancel its registration of the Tripartite Agreement as suspended director/promoter had fraudulently and without any authority of the RP; and (c) imposed a fine of ₹5 lakhs on each of the ex-director/promoter to be credited to the bank account of the CD within five working days.

**TDB Spinners Pvt. Ltd. Vs. Jalesh Kumar Grover Resolution Professional of GPI Textiles Ltd.** [C.A. Nos. 259/2019, 261/2019 & 650/2019 in CP (IB) No. 35/Chd/HP/2018]

The applicants (OCs) filed applications under section 60 (5) against decision of RP in rejecting their claim pursuant to award given in their favour against the CD by the Madhya Pradesh Micro and Small Enterprises Facilitation Council (Facilitation Council). The petition filed by CD challenging the award under section 34 of the Arbitration and Conciliation Act, 1996 (Arbitration Act) was pending till date of the order and no stay on the award was granted.

- (a) **CA No.259 and 261 of 2019** - The RP had rejected the claim on the ground that since as per the books of the CD no due was shown against the applicant, the claims of the applicants were not entitled for admission. AA held that once it is shown that the claim of the applicant is backed by an award passed by Facilitation Council and that there was no stay against the same either in the appeal filed under Arbitration Act or from any other court, the action of the RP in rejecting the claim of the applicants on the ground that there was no due shown in the books of the CD against the applicant is unsustainable.
- (b) **CA No.650 of 2019** - The RP claimed that the applicant had not furnished a copy of the award and that the claim of the applicant was belated and hence, there is no illegality in its action in rejecting the claim. AA observed that in view of the settled principle of law that the time prescribed for submission of the claims is not mandatory whereas it is only directory, it directed the RP to consider the claim of the applicant.

**Beacon Trusteeship Limited Vs. Neptune Ventures and Developers Private Limited** [CP (IB)993/MB/C-IV/2020]

On CD's default on payment to debenture holders as per the debenture trust deed cum indenture of mortgage, the debenture trustee initiated CIRP against the CD. AA observed that as per the terms of the debenture trust deed cum indenture of mortgage, an English mortgage was created in favour of the debenture trustee for the benefit of debenture holders through which the title, ownership, possession, interest, benefits, claim and demand including and lease hold rights for the mortgaged units were transferred to the debenture trustee absolutely. AA observed that under the given factual matrix, upon non-payment of dues under the debenture trust deed, there is no default and it cannot initiate any action under section 7 of the Code as the petitioner had agreed to recourse as envisaged under registered debenture trust deed cum indenture of mortgage and sell the mortgaged assets and recover the money due.

**South Delhi Municipal Corporation Vs. MEP Infrastructure Developers Limited** [IA 1670 of 2021 in CP (IB) 246/MB/2020]

The question, whether a debt arising under a toll tax collection agreement falls in the realm of the 'operational debt', was examined by AA. It observed that amount recoverable as arrears of tax is different from tax arising under statute and emphasised that section 5 (21) of the Code covers the dues which are arising under the statute and not dues which are recoverable as arrears of tax. AA held that the claim is based on an agreement where the petitioner has appointed the respondent as a contractor to collect toll tax from commercial vehicles which shows that petitioner is not providing any goods or services to the respondent and therefore, is not covered under the definition of 'operational debt'.

**Bohra Industries Limited through its Resolution Professional Vs. National Stock Exchange of India Ltd., Through its Senior Manager (Listing Compliance)** [IA No.208/JPR/2020 in C.P. No.-(IB)-157/7/JPR/2019]

Application was filed by RP seeking to set aside the respondent's letter that levied fine on the CD for the delay in making certain compliances in terms of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. Keeping in view the moratorium declared in terms of section 14 of the Code and the fact that RP made certain compliances subsequently, AA held that the impugned order of respondent is unsustainable. AA observed that burdening the CD with imposition of fines is against the interest of the CD and against the object of the Code.

**Transit Geo System Integrators Private Limited Vs. Stahl Tecniks Private Limited** [(IB)-265/ND/2021]

The issue, whether the sales tax demand paid by the applicant can be claimed as reimbursement from a CD as an 'operational debt', was considered by AA. AA noted that the tax demand has been raised by the sales tax department against the applicant and not against the CD. It was further observed that the payment of tax demand made and discharged by the applicant to the State Government will not result in automatic assignment or transfer of such payment/debt to the CD and therefore, OC cannot claim the same as reimbursement from the CD as an 'operational debt'. AA held that the amount is neither arising out of provision of goods and services nor is a claim in respect of employment nor it represents the dues payable to the Government, and it is not an 'operational debt' and therefore, the applicant is not an OC under section 5 (20) of the Code.

**Bank of India Vs. Tirupati Infraprojects Pvt. Ltd.** [C.A. No. 719(PB)/2020, C.A. No. 1247 (PB)/2019 and C.A. No. 1090 (PB)2020 in IB-104 (PB)/2017]

- (a) **C.A. No. 719(PB)/2020, C.A. No. 1247 (PB)/2019** - SRA filed an application praying for certain clarification on order whereby resolution plan was approved and for extension of time for implementation of resolution plan. AA observed that the applicant cannot come before AA with an intention to get extension of time for the payment schedule or on any other pretext or even to put any condition post approval of the resolution plan. It further observed that the approved resolution provided that it is unconditional and thus, the applicant cannot raise an objection or try to modify at this stage post approval by filing this application. It referred to the NCLAT order in the matter of *R.G.G. Vyapaar Pvt. Ltd. Vs. Arun Kumar Gupta and Anr.* decided on 31.08.2018 wherein it was held that the AA has no jurisdiction to reopen resolution process under section 31 of the Code. AA rejected the application, holding that the applicant even after lapse of time from the date of approval of the resolution plan has failed to honor and adhere to the terms of the resolution plan and thereby defaulted in making the payment.
- (b) **C.A. No. 1090 (PB)/2020** - RP filed an application before AA to issue directions against the SRA for contravening the terms of resolution plan. While allowing the application, AA noted that the very same RA is the SRA in the case of *Oriental Bank of Commerce Vs. Allied Strips Ltd & Ors.*, and it can be understood from the conduct of the SRA that it is not interested in implementing the plan nor it is capable of implementing the resolution plan for the reason that the company has poor financial condition. AA cancelled the approval given to the SRA for the approval of the resolution plan, directing the CoC to be reconstituted and the matter be considered a fresh in its own wisdom. AA also referred the matter to IBBI for taking appropriate action under section 74 (3) of the Code.

**Bank of India Vs. B.B. Foods Pvt Ltd** [IA No.201/2020 in CP No. (IB)349/ALD/2018]

The AA, while disposing of interlocutory applications filed by the RP, observed that the IBBI has been made respondent in the application when there was absolutely no need for the RP to do so. Due to such inclusion of IBBI in the array of parties, the AA had to issue notice to the IBBI although IBBI is not concerned with the relief sought. The AA ordered a cost of ₹ 25000/- on the RP personally for unnecessarily making the IBBI, as a party.

**Sabu K.V. & Anr. Vs. Shri. Ravindra Chaturvedi Liquidator of Excel Glasses Limited** [MA/221/KOB/2020 & MA/222/KOB/2020 in IBA/258/2019]

The appeals were filed before the AA as a result of rejection of partial claims involving statutory dues like gratuity of the employees. AA held that benefit of claims accruing to the employees shall be subject to submission of relevant documents on record unless otherwise proven with sufficient evidence. It further observed that: "Section 36(2) of the I&B Code 2016 provides that the Liquidator shall hold the Liquidation Estate in fiduciary for the benefit of all the Creditors. The Liquidator has no domain to deal with any property of the Corporate Debtor, which is not the part of the Liquidation Estate. It is clear that in terms of sub-Section 4(a)(iii) of Section 36 all sums due to any workman or employees from the Provident Fund, Pension Fund and the Gratuity Fund, do not form part of the liquidation estate/liquidation assets of the 'Corporate Debtor'". It held that claim of wages cannot be sanctioned unless the statutorily constituted forums have rendered decisions under the provisions of the Industrial Dispute Act, 1947 the Payment of Wages Act, 1936 and the Payment of Bonus Act, 1965.

**Hubtown Limited Vs. GVFL Trustee Company Pvt. Ltd.** [MA 2411/2019 in C.P.4128/I&B/MB/2018 and other MAs]

The CD filed an application under section 60(5) of the Code challenging the maintainability of the section 7 petition filed by GVFL claiming to have invested in shares of CD with internal rate of return calculated at 26 percent of the principal; and CD having defaulted when 'put option' by way of exit was exercised. The issue before AA in the application was whether GVFL is a FC and whether the debt claimed in the petition is a 'financial debt' as per the Code. While dismissing the section 7 petition, AA observed that a shareholder is different from a lender. The shareholder undertakes the risk by investing in shares and derives its return by way of profits in the form of dividends and appreciation in the value of shareholding, i.e., capital gains. In contrast, the lender gives loans for which the payment is by way of interest. AA noted that the money paid by GVFL to acquire the shares with voting rights cannot be construed as a consideration for time value of money. Further, internal rate of return cannot be equated with interest payments.

**Mr. Ashutosh Agarwala Vs. Joint Commissioner of State Tax & Ors.** [IA 2422/2020 in C.P.(IB)- 2640/(MB)/2019]

The AA, on the application of RP filed against the orders of State Tax Authorities of West Bengal and Maharashtra attaching all the bank accounts of CD and seeking directions against the tax authorities from issuing any further notices/seizure/ attaching of assets of CD without leave of the Tribunal and giving access to the RP for bank accounts of CD, observed that section 14 of the Code, *inter alia*, bars any institution of suits, continuation of pending suits or proceedings against CD including execution of any judgment, decree or order in any court of law, tribunal or arbitration panel or any other authority. Further, section 238 of the Code has



overriding effect on all other laws which includes State GST Act and Central GST Act which are in contravention to the Code.

#### Seaview Merchants Private Limited Vs. Ashish Vincom Private Limited [C.P (IB) No. 2011/KB/2019]

The AA while rejecting section 7 application, observed that inter-corporate deposits are financial debts but in a transaction of a deposit of money or a loan, a relationship between the parties must come into existence. Mere transfer of money from one account to another would not constitute loan/deposits unless the intention of the parties are considered and substantiated with valid documents. Further, as envisaged under rule 3 (d) of the NCLT Rules, 2016, a “financial contract” would encompass setting of the terms of the financial debt, including the tenure of the debt, interest payable and date of repayment. FC has failed to satisfy about existence of financial contract between the parties. It observed that: “the trend of granting unsolicited Inter Corporate Deposit by the Creditors and earning large slab of interest thereon, as compared to the normally charged interest rate and then taking the passage under the Code for recovering the interest and principal dues on default of payment of interest would make the Adjudicating Authority wear the hat of a debt-recovery mechanism.”

#### Union Bank of India Vs. Ms. Vandana Garg (Erstwhile RP/Monitoring Committee Chairperson of Jyoti Structures Limited) & Ors. [IA 2025 of 2021 in CP No. 1137/MB/2017]

Applications were filed by the dissenting and abstaining FCs praying that the discrimination in payment under the resolution plan on the basis of the assenting and dissenting/abstaining FC be modified to the extent that all secured FCs *inter alia* be treated equally for payment of plan value subject to their individual exposure with the same terms as that of assenting FCs. The AA observed that section 30 (2) (b) of the Code provides for the payment of debts of the dissenting FCs in such manner as may be specified by the Board, which shall not be less than the amount to be paid to such creditors in accordance with section 53 (1) of the Code in the event of liquidation. Explanation 1 to section 30 (2) (b) of the Code further clarifies that distribution in accordance with the provisions of this clause shall be fair and equitable to such creditors. It further observed that any increase in the claim amount of the assenting FCs due to the invocation of Bank Guarantee (BG) cannot be a ground for challenge by the dissenting/abstaining FCs on the grounds of discrimination. BG invocation and the revision in the amounts of assenting FCs is as per the terms of the resolution plan and the decision to include the invoked amount of the BG to the fund-based debts is a commercial decision of the CoC.

### Special Court

Sl. No.	Complaint Details	Special Court	Contraventions
1.	Insolvency and Bankruptcy Board of India Vs. Om Prakash Rajgarhia & Ors., CC/796/2021	Dwarka	Ex-Directors and Key Managerial Personnel of Overnight Express Limited, for failure to furnish details of assets of the Corporate Debtor, deliver books of account and to extend necessary assistance and cooperation to the IRP which is in contravention of sections 70 (1)(a), (b), (c) and 74 (1) and 235 A of the Code.
2.	Insolvency and Bankruptcy Board of India Vs. Vishesh Goyal & Anr., CC/964/2021	Dwarka	Ex-Directors and Key Managerial Personnel of Kelvin Recruiters Private Limited, for failure to handover the records and books of accounts of Corporate Debtor and details of its assets to the IRP which is in contravention of sections 68 (1), 70 (1) (a), (b), (c), (e) and 235A of the Code.
3.	Insolvency and Bankruptcy Board of India Vs. Ambika Prasad & Anr., CC/1092/2021.	Dwarka	Ex-Directors and Key Managerial Personnel of Horizon Buildcon Pvt. Ltd. for failure to furnish details of assets of the Corporate Debtor, deliver books of account and to extend necessary assistance and cooperation to the IRP which is in contravention of sections 70 (1) (b) and (c) read with sections 19 (1) and 34 (3) and 235 A of the Code.
4.	Insolvency and Bankruptcy Board of India Vs. Priyanka Chahal & Anr., CC/1249/2021.	Dwarka	Ex-Directors and Key Managerial Personnel of Chahal Parivahan Private Limited, for failure to furnish details of assets of the Corporate Debtor, provide custody of assets/ information/ documents and to extend necessary assistance and cooperation to the IRP which is in contravention of sections 68, 70 and 235 A of the Code.
5.	Insolvency and Bankruptcy Board of India Vs. Krish Steel & Trading Pvt. Ltd. & Ors., CC/963/2021	Dwarka	Directors and Key Managerial Personnel of Krish Steel & Trading Pvt. Ltd., SRA for failure to comply with the terms of resolution plan, which is in contravention of sections 31 (1) and 74 (3) read with section 235 A of the Code.

### IBBI

**Disciplinary Orders:** The Disciplinary Committee (DC) passed a few orders with a variety of directions for contraventions of the provisions of law.

Sl. No.	Order against (IP/RV)	Professional Member of	Contraventions Found	Directions
1	Mr. Pawan Kumar Garg, IP	IIIP ICAI	No contraventions found	No directions
2	Mr. Fanendra Harakchand Munot, IP	IIIP ICAI	No contraventions found	No directions
3	Mr. Jaswant Singh, IP	ICSI IIP	IP outsourcing his primary duty of verification of claims to an independent professional and including it as a separate CIRP cost.	Penalty equal to the fee paid to independent professional to be deposited within 45 days
4	Mr. Vimal Kumar Grover, IP	IIIP ICAI	Inaction and neglect of the IP in conducting the CIRP by not complying with moratorium, non-submission of documents and disclosures, delay in verifying claims and filing progress report, non-constitution of CoC and on not taking adequate steps for filing section 19(2) application before the AA.	Cancellation of the registration and debarred from seeking fresh registration or providing any service under the Code for one year.

## Corporate Processes

The data provided in this section regarding corporate processes is provisional, as it is getting revised on a continuous basis depending on the flow of updated information as being received from IPs or the information in respect of process changes. For example, a process may ultimately yield an order for liquidation even after approval of resolution plan or may ultimately yield resolution plan even after an order for liquidation.

### Insolvency Resolution

The provisions relating to CIRP came into force on December 1, 2016. Since then, a total of 4946 CIRPs have commenced by the end of December, 2021, as presented in Figure 1. Of these, 3247 have been closed. Of the CIRPs closed, 714 have been settled on appeal or review; 562 have been withdrawn; and 457 have ended in approval of resolution plans (Figure 2). Thus while 1733 cases were settled as a going concern, other 1514 have ended in orders for liquidation. Sectoral distribution of CDs under CIRP is presented in Figures 3-6.

Figure 1: Corporate Insolvency Resolution Process

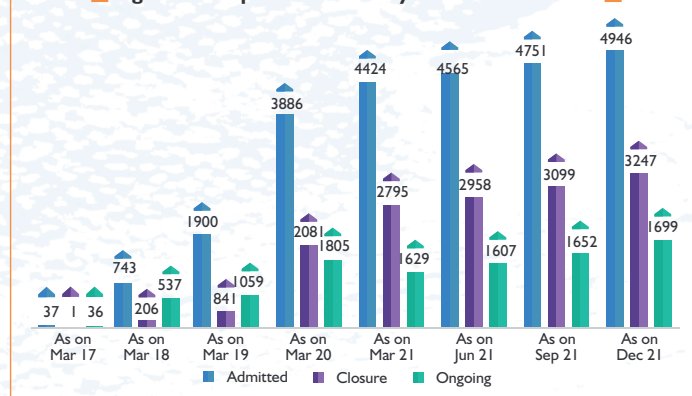


Figure 2: Mode of Closure of CIRPs

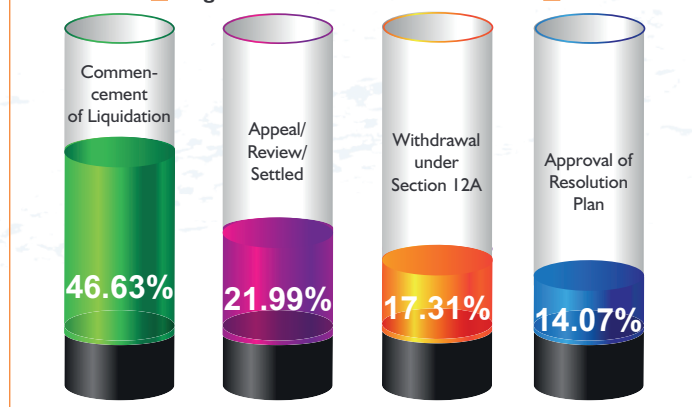




Figure 3: Sectoral Distribution of CIRPs: Admission

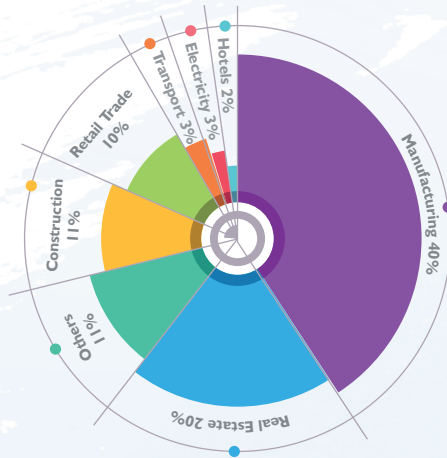


Figure 6: Sectoral Distribution of CIRPs: Commencement of Liquidation

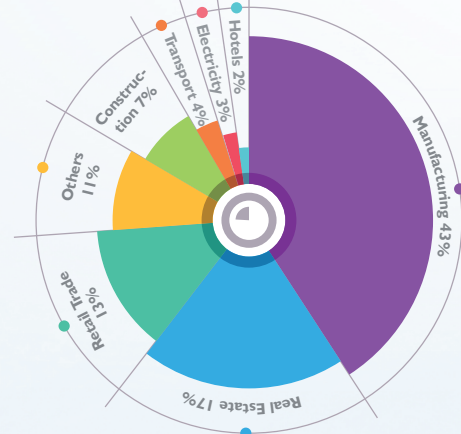


Figure 4: Sectoral Distribution of CIRPs: Appeal/Review/Settled/Withdrawn

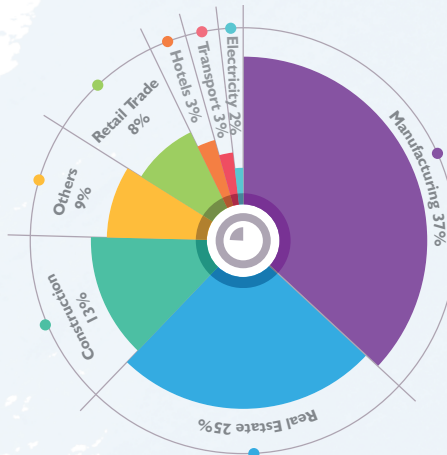


Figure 5: Sectoral Distribution of CIRPs: Resolution Plan

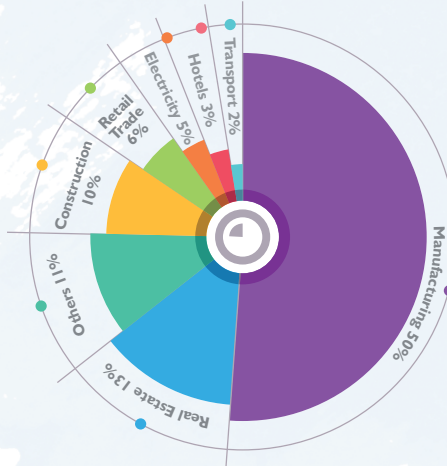
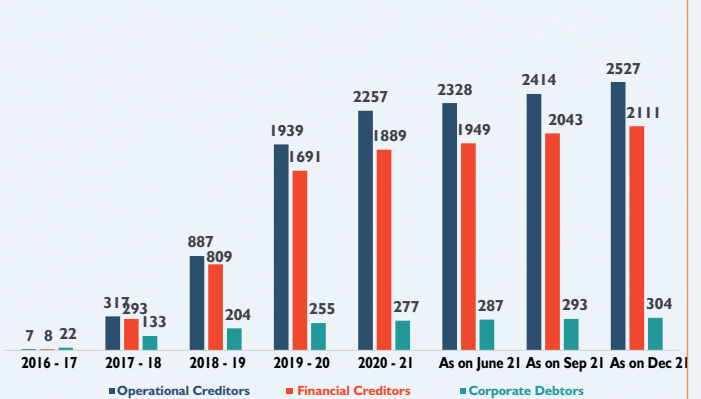


Figure 7: Stakeholder-wise Distribution and Trends of Initiation of CIRPs



Note: As on December 31, 2021 4942 CIRPs were initiated (excluding 4 Financial Service Providers (FSPs)).

The outcome of CIRPs, initiated stakeholder-wise, as on December 31, 2021 is presented in Figures 8-10. Of the closed, OC initiated CIRPs, about 50% of CIRPs were closed on appeal, review, or withdrawal. Such closures accounted for about 71% of all closures by appeal, review, or withdrawal.

Figure 8: Distribution of Closed CIRPs - Initiated by CDs

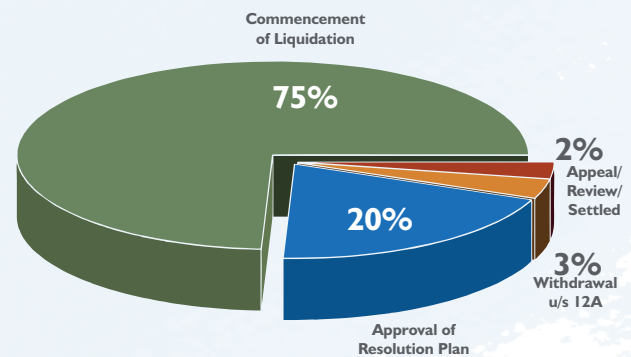




Figure 9: Distribution of Closed CIRPs - Initiated by FCs

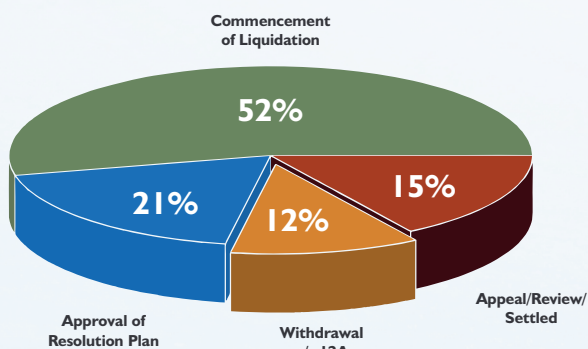
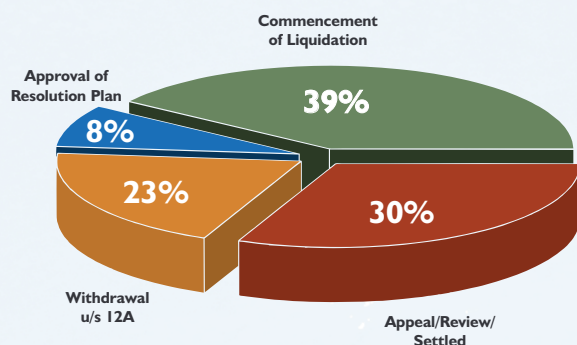
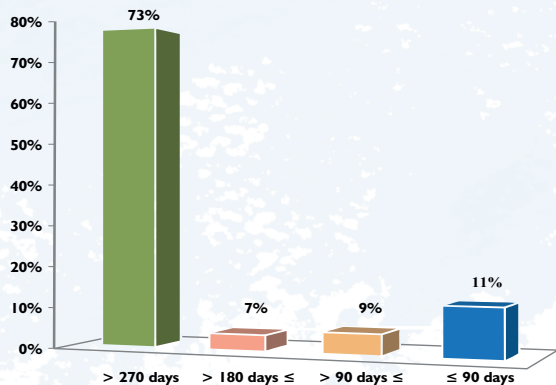


Figure 10: Distribution of Closed CIRPs - Initiated by OCs



The status of ongoing CIRPs as on December 31, 2021 in terms of time taken is presented in Figure 11.

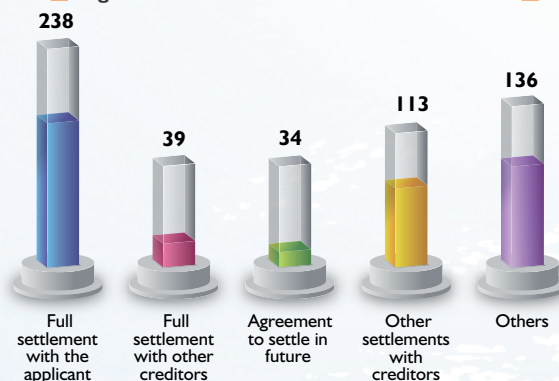
Figure 11: Timeline: Ongoing CIRPs



## Withdrawals under Section 12A

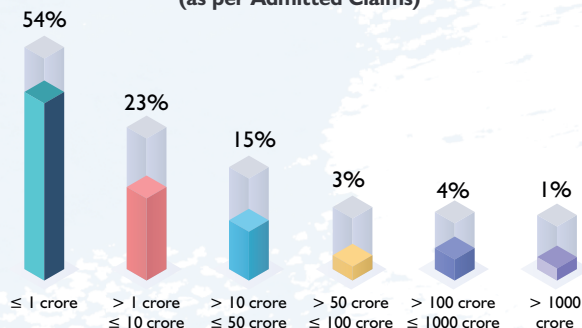
Till December, 2021, a total of 562 CIRPs have been withdrawn under section 12A of the Code. The reasons for withdrawal and distribution of claims in these CIRPs are presented in Figure 12 and 13. Almost three fourth of these CIRPs had claims of less than ₹ 10 crore.

Figure 12: Reasons for Withdrawal of CIRPs



Data in 2 cases is awaited.

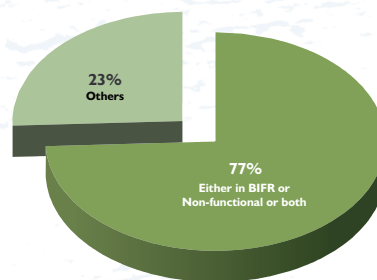
Figure 13: Distribution of CIRPs Withdrawn (as per Admitted Claims)



## Resolution Plans

About 47% of the CIRPs, which were closed, yielded orders for liquidation, as compared to 14% ending up with a resolution plan. However, 77% of the CIRPs ending in liquidation (1143 out of 1512 for which data are available) were earlier with Board for Industrial and Financial Reconstruction (BIFR) and/or defunct (Figure 14). The economic value in most of these CDs had almost completely eroded even before they were admitted into CIRP. These CDs had assets, on average, valued at less than 8% of the outstanding debt amount.

Figure 14: CIRPs ending with Order of Liquidation: State of CD at the Commencement of CIRP



Till September, 2021, 421 CIRPs had yielded resolution plans as presented in the last newsletter. 02 more CIRPs was later reported as yielding resolution plans during that period, as presented in Part A of Table 1. During October - December, 2021, 35 CIRPs yielded resolution plans with different degrees of realisation as compared to the liquidation value as presented in Part B of Table 1. CIRP in respect of 01 CD, which had earlier yielded Resolution, has been restarted. During the quarter, realisation by FCs under resolution plans in comparison to liquidation value is 134.37%. Till December 31, 2021, realisation by FCs under resolution plans in comparison to liquidation value is 165.79%, while the realisation by them in comparison to their claims is 33.10%. It is important to note that out of the 457 CDs rescued through resolution plans and data is available, 148 were in either BIFR or defunct.



Table 1: CIRPs Yielding Resolution

Sl. No.	Name of CD	Defunct (Yes/No)	Date of Commencement of CIRP	Date of Approval of Resolution Plan	CIRP initiated by	Amount (in ₹ crore)			Realisable by FCs as % of Admitted Claims	Realisable by FCs as % of Liquidation Value
						Admitted Claims of FCs	Liquidation Value	Realisable by FCs		
Part A: For Prior Period (Till September 30, 2021)										
1	Mackeil Ispat & Forging Limited	No	03-02-20	21-09-21	FC	458.23	36.55	32.86	7.17	89.90
2	Dash Exports Private Limited	Yes	26-02-20	29-09-21	OC	4800.38	27.57	26.90	0.56	97.57
Part B: October – December, 2021										
1	Kumar'S Metallurgical Corporation Ltd	Yes	28-11-18	01-10-21	FC	5606.67	15.77	41.13	0.73	260.81
2	Poggenamp Nagarsheth Powertronics Private Limited	No	22-01-20	05-10-21	OC	53.32	45.61	54.16	101.58	118.75
3	Vadraj Energy (Gujarat) Limited	Yes	08-01-20	05-10-21	FC	593.69	34.22	111.89	18.85	326.97
4	Raj Rayon Industries Limited	No	23-01-20	05-10-21	FC	1619.45	68.55	78.49	4.85	114.50
5	GSL Nova Petrochemicals Limited	No	18-03-20	05-10-21	OC	10.42	0.04	0.12	1.15	294.12
6	Skyhigh Infraland Private Limited	Yes	29-10-18	06-10-21	FC	56.56	31.04	37.32	65.98	120.23
7	Fedders Electric And Engineering Limited	No	14-08-19	06-10-21	FC	978.69	113.09	83.23	8.50	73.60
8	Mount Shivalik Industries Limited	Yes	12-06-18	13-10-21	FC	60.35	28.75	34.72	57.53	120.77
9	Bohra Industries Limited	No	07-08-19	13-10-21	FC	70.72	22.75	25.21	35.65	110.81
10	Jyoti Power Corporation Private Limited	Yes	05-02-20	14-10-21	FC	678.29	15.06	26.61	3.92	176.69
11	Pradip Overseas Limited	No	09-11-20	14-10-21	FC	2649.70	101.40	126.00	4.76	124.26
12	Khushiya Industries Private Limited	Yes	28-09-20	14-10-21	OC	34.08	8.48	8.61	25.26	101.53
13	Abir Infrastructure Private Limited	No	30-01-19	28-10-21	OC	1035.07	37.26	42.00	4.06	112.73
14	Sri Ganesh Sponge Iron Private Limited	Yes	18-02-19	01-11-21	FC	119.40	13.16	30.00	25.13	227.96
15	Crest Steel and Power Private Limited#	No	11-03-19	01-11-21	OC	3119.08	303.65	301.00	9.65	99.13
16	Maa Durga Flour Mills Private Limited	No	04-09-19	01-11-21	FC	68.77	6.16	9.04	13.15	146.75
17	ETCO Industries Private Limited	No	26-09-19	01-11-21	OC	86.03	18.42	26.50	30.80	143.87
18	Kanak Pulp and Paper Mill Private Limited	Yes	14-11-19	01-11-21	FC	18.77	2.03	2.72	14.49	133.99
19	Swain Aluminium Private Limited	No	20-02-20	01-11-21	CD	54.83	5.02	5.30	9.67	105.58
20	Essar Power M P Limited	No	03-10-20	01-11-21	FC	12067.58	1733.40	2500.00	20.72	144.23
21	RVR Marine Products Limited	No	30-10-19	02-11-21	FC	160.27	5.05	11.75	7.33	232.67
22	Salasar Steel and Power Limited	No	27-09-19	08-11-21	OC	641.17	82.52	150.07	23.41	181.86
23	Sainath Estates Private Limited	No	08-07-19	09-11-21	FC	231.02	122.26	115.00	49.78	94.06
24	Sri Vasavi Industries Limited	Yes	28-10-19	10-11-21	FC	695.09	16.16	15.54	2.24	96.16
25	RVK Energy Private Limited	No	06-01-20	11-11-21	FC	105.46	6.59	6.70	6.35	101.67
26	Fabtech Projects and Engineers Limited	No	24-09-19	16-11-21	FC	1175.45	154.79	193.68	16.48	125.12
27	Agarwal Steel Structures (India) Private Limited	No	18-01-21	17-11-21	FC	12.11	NC	6.16	50.87	NA
28	Krrome Glass Private Limited	No	17-01-20	25-11-21	FC	58.36	6.67	9.00	15.42	134.93
29	Wellman Carbo Metalicks India Private Limited	Yes	07-08-19	25-11-21	FC	85.65	15.83	18.99	22.17	119.96
30	Flywheel Logistics Solutions Private Limited	No	06-10-20	26-11-21	FC	8.93	1.55	1.53	17.13	98.71
31	Morakhia Copper and Alloys Private Limited	No	19-02-20	13-12-21	FC	106.49	7.98	10.18	9.56	127.57
32	Agarwal Mittal Concast Private Limited	No	16-03-20	13-12-21	OC	132.92	45.58	47.98	36.10	105.27
33	Venkatadri Spinning Mills Private Limited	No	01-10-19	16-12-21	OC	15.34	5.01	5.57	36.31	111.18
34	Kilburn Chemicals Limited	No	10-08-20	16-12-21	FC	233.66	128.89	128.52	55.00	99.71
35	Hirakud Industrial Works Limited	No	04-06-19	22-12-21	OC	218.52	86.79	142.04	65.00	163.66
Total (September - December, 2021)						32861.90	3289.53	4406.76	13.41	133.96
Total (Till December, 2021)						756619.82	151068.27	250461.79	33.10	165.79

# FCs got 5% equity shares, additionally

## Liquidation

Till September, 2021, a total of 1419 CIRPs had yielded orders for liquidation, as presented in the previous Newsletter. 11 more CIRPs were later reported as yielding orders for liquidation during that period. During the quarter October - December, 2021, 84 CIRPs ended in orders for liquidation, taking the total CIRPs ending in liquidation to 1514, excluding 13 cases where liquidation orders have been set aside by NCLT / NCLAT / HC / SC. Of these, final reports have been submitted in 292 cases. There are 1222 ongoing liquidation processes, whose status as on December 31, 2021 is presented in Figure 15.

Till September, 2021, 164 liquidation processes were closed by dissolution / going concern sale / compromise or arrangement as presented in the last newsletter. Dissolution / going concern sale of two more CDs, which happened during the earlier period were reported later, as presented in Part A of Table 2. During October - December, 2021, 16 more liquidation processes were closed, taking total number of closures by dissolution / sale as going concern / compromise or arrangement to 182. The details of the same are presented in Table 2. At the end of December, 2021, 167 liquidations were closed by dissolution, 8 by going concern sale and 7 by compromise/arrangement.

Figure 15: Timeline: Ongoing Liquidations

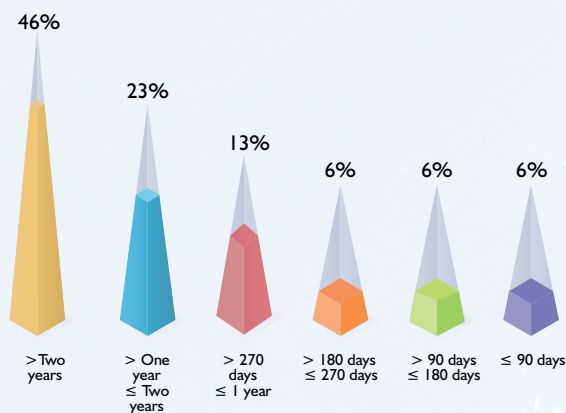




Table 2: Details of Closed Liquidations

Sl. No.	Name of CD	Date of Order of Liquidation	Amount (in ₹ crore)				Date of Order of Dissolution/Closure
			Admitted Claims	Liquidation Value	Sale Proceeds	Distributed to Stakeholders	
Part A: For Prior Period (Till September 30, 2021)							
1	Valaya Clothing Private Limited*	27-01-21	0.66	NA	NA	NA	27-01-21
2	Enviro Bulkk Handling Systems Private Limited#	27-03-19	147.23	14.12	15.30	14.21	21-06-21
Part B: For October - December, 2021							
1	Ojasvi Agritech Private Limited	28-11-19	1.47	0	NA	NA	07-10-21
2	Ramsarup Vyapaar Ltd	16-11-18	140.31	4.66	4.19	3.62 ^	08-10-21
3	CNN Minerals Private Limited	08-07-19	14.58	0.13	0.13	0.09	08-10-21
4	Ispat Energy Limited	14-11-18	42.56	0.02	0.64	NA	01-11-21
5	Maruthi Food Processing and Agri Products Export (India) Private Limited	08-01-20	0.15	0.15	0.15	0.11	01-11-21
6	VB Power Private Limited	04-12-19	2.12	NA	NA	NA	15-11-21
7	Autodecor Private Limited#	04-06-19	126.10	15.09	15.53	13.63	16-11-21
8	Win-Holt India Private Limited*	26-11-21	0	NA	NA	NA	26-11-21
9	Jindal Alufoils Private Limited	13-10-20	34.12	NA	NA	NA	29-11-21
10	Sadhbhawana Impex Private Limited	13-02-19	3,922.88	19.95	16.45	15.36	30-11-21
11	ELHPL Private Limited	15-10-20	101.00	4.32	3.95	3.64	02-12-21
12	Comfund Consulting Limited*	03-12-21	42.16	NA	NA	NA	03-12-21
13	MCCL Petrochem Limited	07-08-20	2.73	2.07	2.90	2.72	08-12-21
14	GCL Private Limited	15-06-20	53.71	10.29	13.57	13.46 ^	08-12-21
15	Frog Fone Private Limited	20-11-20	0.07	0	0	NA	16-12-21
16	Adharshila Country Homes Private Limited	20-07-20	4.21	2.63	2.63@	2.50	17-12-21
Total (October - December, 2021)			4,488.17	59.31	60.14	55.13	NA
Total (Till December, 2021)			34,109.55	1,517.36	1,478.70	1,392.41	NA

'0' means an amount below two decimals.

NA means Not realisable/ saleable or No asset left for liquidation or Not applicable.

\* Direct Dissolution; Claims pertain to CIRP period.

# Sale as a going concern

@ Book debts of ₹ 2.63 crore assigned to the FC.

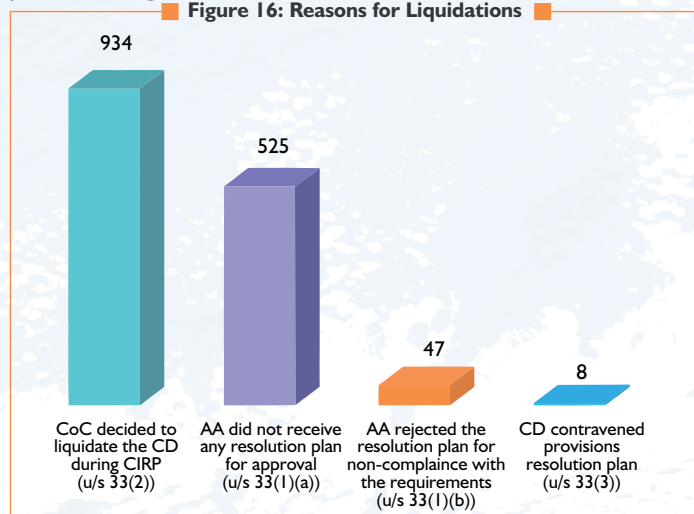
^ Secured creditors decided not to relinquish the security interest.

## Sale as a Going Concern

Till December 31, 2021, eight CDs, namely, M/s. Emmanuel Engineering Private Limited, M/s. K.T.C. Foods Private Limited, M/s Southern Online Bio Technologies, M/s. Smaat India Private Limited, M/s. Winwind Power Energy Private Limited, M/s. Topworth Pipes & Tubes Private Limited, M/s. Enviro Bulkk Handling Systems Private Limited and M/s. Autodecor Private Limited were closed by sale as a going concern under liquidation process. These eight CDs had admitted claims amounting to ₹ 4598.45 crore, as against the liquidation value of ₹ 319.33 crore. The liquidators in these cases realised ₹ 367.59 crore and companies were rescued.

The AA passes an order for liquidation under four circumstances. As on December 31, 2021, 1514 orders for commencement of liquidation have been passed. The details of liquidation in these circumstances are presented in Figure 16.

Figure 16: Reasons for Liquidations



Regulation 12 of the Liquidation Regulations requires the liquidator to make a public announcement calling upon stakeholders to submit their claims as on the liquidation commencement date (LCD), within 30 days from the LCD. The details of the claims admitted by the liquidators in 1316 liquidations, for which data are available, are presented in Table 3.

Table 3: Claims in Liquidation Process

Stakeholders under Section	Number of Claimants	Admitted claims	Liquidation Value	Amount (in ₹ crore)	Amount Realised	Distributed to stakeholder
292 Liquidations where Final Report Submitted						
52	30	963.14	162.41	170.69	168.78	
53 (I) (a)	NA	NA	2131.01	2006.91#	133.96	
53 (I) (b)	1638	41714.66			1776.27	
53 (I) (c)	1213	56.51			1.86	
53 (I) (d)	341	2180.69			40.52	
53 (I) (e)	236	2600.34			13.01	
53 (I) (f)	1308	1956.64			35.45	
53 (I) (g)	0	0			0	
53 (I) (h)	108	28.56			2.83	
Total (A)	4874	49500.54	2293.42	2177.60#	2172.68	
Ongoing 1024 Liquidations*						
53 (I) (a)	NA	NA	36706.29**	Not Applicable	Not Applicable	
53 (I) (b)	39071	546420.91				
53 (I) (c)	30026	1287.58				
53 (I) (d)	12024	126190.01				
53 (I) (e)	1158	31846.08				
53 (I) (f)	1979843	41143.32				
53 (I) (g)	19	278.21				
53 (I) (h)	106099	3541.15				
Total (B)	2168240	750707.26				
Grand Total (A+B)	2173114	800207.80	38999.71			

# Inclusive of unclaimed proceeds of ₹ 4.92 crore under liquidation.

\* Data for other ongoing liquidations is not available.

\*\*Out of 1222 ongoing cases, liquidation value of only 1159 CDs is available. Liquidation value of 757 CDs taken during liquidation process is ₹ 36706.29 crore and liquidation value of rest of the 402 CDs captured during CIR process is ₹ 10142.57 crore.

## Avoidance Transactions

The Code read with Regulations require the RPs and Liquidators to file applications for avoidance of transactions, with the AA seeking appropriate directions. 675 avoidance applications have been filed with the AA till December 31, 2021, as presented in Table 4.



Table 4. Avoidance Transactions in Corporate Insolvencies

(Amount in ₹ in crore)

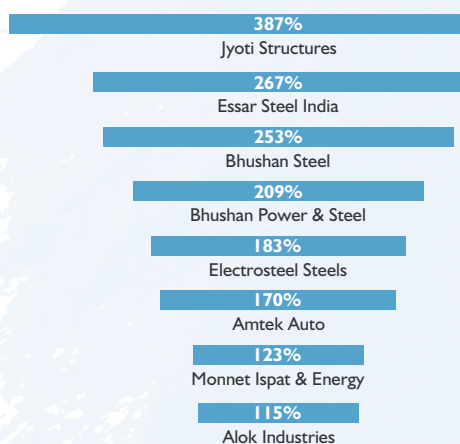
Year of Filing / Disposal	Application filed during CIRP period in case of CIRPs closed by						Application filed during Liquidation period in case of Liquidations		Application filed during CIRP period in case of ongoing CIRPs	
	Approval of Resolution Plans		Orders for Liquidation		Otherwise					
	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
Applications Filed										
2017 - 18	9	11568.70	12	5651.78	0	0.00	0	0.00	3	496.69
2018 - 19	49	17060.75	87	36128.47	10	1520.17	18	22395.73	21	8343.46
2019 - 20	52	10965.06	73	17599.49	6	303.30	18	5896.76	64	8545.87
2020 - 21	20	2026.93	50	8643.91	7	1207.42	11	1241.99	108	18171.49
Apr - Jun, 2021	1	17.40	3	521.40	0	0.00	1	4.54	18	1145.66
Jul - Sep, 2021	1	28.38	4	23035.80	0	0.00	1	0.65	23	2193.11
Oct - Dec, 2021	0	0.00	1	0.40	0	0.00	0	0.00	4	20.13
Total	132	41667.22	230	91581.25	23	3030.89	49	29539.67	241	38916.41

Data is based on validated information in 675 CDs.

## Status of large accounts

Resolution of 12 large accounts were initiated by banks, as directed by RBI. They had an aggregate outstanding claim of ₹ 3.45 lakh crore as against liquidation value of ₹ 73,220 crore. Of these, resolution plan in respect of eight CDs were approved and orders for liquidations were issued in respect of two CDs. Thus, CIRPs in respect of two CDs and liquidation in respect of two CDs are ongoing and are at different stages of the process. The status of the 12 large accounts is presented in Figure 17.

**Figure 17: Realisation by the Claimants as % of the Liquidation Value**



## Resolution of FiSPs

On an application filed by the RBI to initiate CIRP against DHFL, the AA admitted the application on December 3, 2019. This was the first financial service provider (FiSP) admitted for resolution under the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019, which were notified on November 15, 2019. The AA, vide order dated June 7, 2021, approved the resolution plan submitted by Piramal Capital and Housing Finance Ltd.

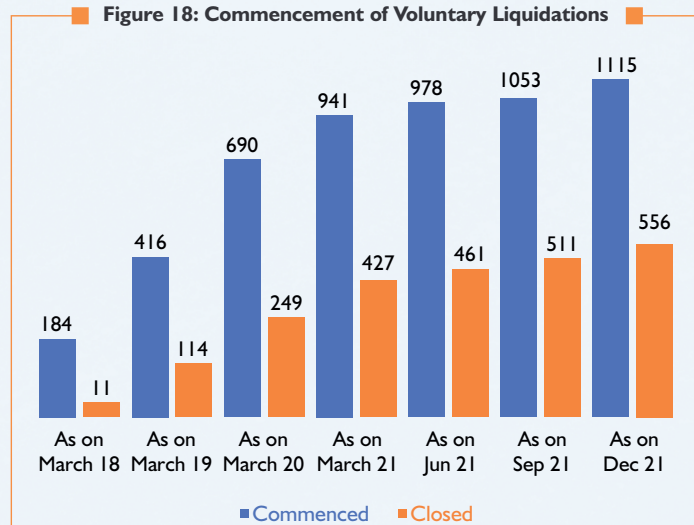
During the reported quarter, CIRPs have been initiated for three FiSPs namely Srei Equipment Finance Limited, Srei Infrastructure Finance Limited and Reliance Capital Ltd and the processes are underway.

## Voluntary Liquidation

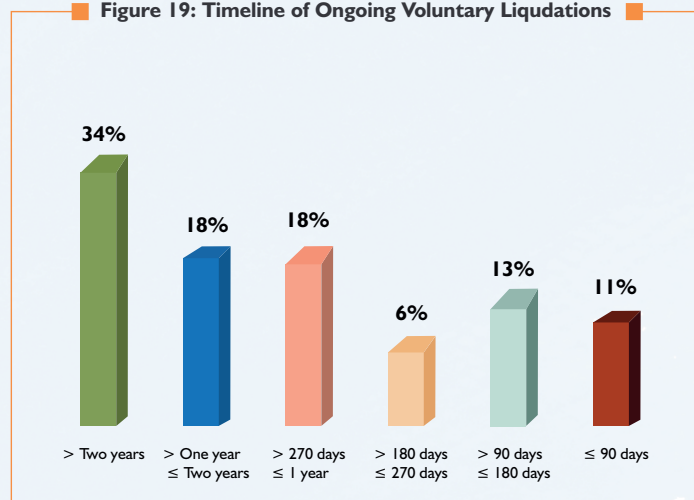
A corporate person may initiate voluntary liquidation proceeding if majority of the directors or designated partners of the corporate person make a declaration to the effect that (i) the corporate person has no debt or it will be able to pay its debts in full, from the proceeds of the assets to be sold under the proposed liquidation, and (ii) the corporate person is not being liquidated to defraud any person. At the end of December 31, 2021,

1115 corporate persons initiated voluntary liquidation (Figure 18). Final reports in respect of 546 voluntary liquidations have been submitted and ten processes have been withdrawn by December 31, 2021. The status of 559 ongoing voluntary liquidations is presented in Figure 19.

**Figure 18: Commencement of Voluntary Liquidations**



**Figure 19: Timeline of Ongoing Voluntary Liquidations**



Of the 1115 corporate persons that initiated voluntary liquidations till December 31, 2021, the reasons for these initiations are available for 953 cases, which are presented in Figure 20. Most of these corporate persons are small entities. 599 of them have paid-up equity capital of less than ₹ 1 crore. Only 122 of them have paid-up capital exceeding ₹ 5 crore. The corporate persons, for which details are available, have an aggregate paid-up capital of ₹ 6683 crore (Table 5).



Figure 20: Reasons for Voluntary Liquidation

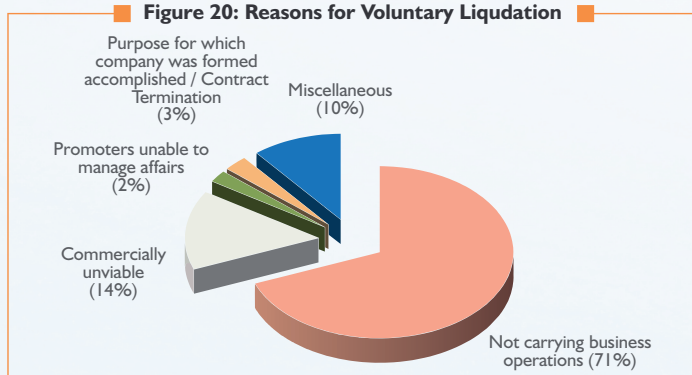


Table 5: Details of 1105 Liquidations (Excluding Ten Withdrawals)

Details of	No. of Liquidations	Amount (in ₹ crore)				
		Paid-up capital	Assets	Outstanding debt	Amount paid to creditors	Surplus #
Liquidations for which Final Reports submitted	546	2923*	3939	30	30	3515
Ongoing Liquidations	559	3760#	2240#	**		
<b>Total</b>	<b>1105</b>	<b>6683</b>	<b>6179</b>	<b>**</b>		

\* Paid up capital is not available in case of two companies as they are limited by guarantee companies.

\*\*For ongoing liquidations, outstanding debt amount is not available.

# Paid up capital and assets of 417 and 408 cases, respectively, are available.

## Details regarding four cases not available.

It was reported in the last newsletter that dissolution orders were passed in respect of 257 voluntary liquidations. Dissolution orders in respect of 5 more voluntary liquidations, which were issued during the earlier period, were reported later, as indicated in Part A of Table 6. During the quarter October - December, 2021, dissolutions orders in respect of 21 voluntary liquidations were issued taking the total dissolutions to 283. These 283 corporate persons owed ₹ 11.59 crore to creditors and through voluntary liquidation process, they were paid full amount.

Table 6: Realisations under Voluntary Liquidations

Sl. No.	Name of Corporate Person	Date of Commencement	Date of Dissolution	Amount (in ₹ crore)				
				Realisation of Assets	Due to Creditors	Paid to Creditors	Liquidation Expenses	Surplus
Part A: Prior Period (Till September 30, 2021)								
1	J. B. India Private Limited	26-09-18	09-08-21	0.17	-	-	0.01	0.16
2	FF Foto Fast Pvt Ltd	20-02-20	10-08-21	0.01	-	-	0.01	-
3	Esprit Energy Appliances Private Limited	26-11-18	24-08-21	0.03	-	-	0.01	0.02
4	Crop Tech Chemicals (India) Private Limited	25-02-20	28-09-21	1.75	-	-	0.75	1.00
5	Amba Steel Limited	22-04-19	28-09-21	0.29	-	-	0.03	0.27
Part B: October - December, 2021								
1	Trans Asia Corporation Limited	06-04-21	01-10-21	0.62	-	-	0.21	0.41
2	Arthrocare India Medical Device Private Limited	11-11-19	01-10-21	0.08	-	-	0.08	-
3	WFG Solutions India Private Limited	10-02-20	01-10-21	0.06	-	-	0.06	-
4	NMDC Power Limited	29-12-20	14-10-21	0.47	-	-	0.05	0.42
5	Coimbatore Commodities Limited	28-10-20	01-11-21	0.79	-	-	0.04	0.76
6	Vivona Brands India Private Limited	12-02-21	02-11-21	0.23	-	-	0.04	0.19
7	Richmond Tie-Up Private Limited	04-02-19	09-11-21	0.50	-	-	0.02	0.48
8	Sikha Movies Private Limited	22-02-19	09-11-21	0.71	-	-	0.01	0.69
9	Newave Energy India Private Limited	02-11-18	09-11-21	0.31	-	-	0.02	0.29
10	Keck Genesis Exhibitions India Private Limited	04-06-18	09-11-21	0.07	-	-	0.02	0.06
11	Ensolvia Infotech Limited	25-10-19	10-11-21	0.14	-	-	0.01	0.13
12	Invstap Advisors Private Limited	17-01-19	12-11-21	0.27	-	-	0.00	0.27
13	Climate Change Association India	19-04-19	18-11-21	0.04	0.01	0.01	0.03	-
14	IPL Green Power Limited	29-03-21	23-11-21	0.38	0	0	0.05	0.33
15	And Data India Private Limited	28-09-20	25-11-21	2.20	0.07	0.07	0.14	1.98
16	Sawhney Coal Transport Private Limited	18-08-17	30-11-21	0.27	-	-	0.13	0.13
17	Sidhivinayak Financial Services Limited	24-01-19	01-12-21	2.04	-	-	2.02	2.02
18	Kumaran Hi-Tech Private Limited	10-06-20	08-12-21	2.18	-	-	0.51	1.67
19	Aetherpal (India) Private Limited	13-07-20	14-12-21	3.18	-	-	0.06	3.11
20	Jaisurya Forex Private Limited	05-11-20	14-12-21	0.32	-	-	0.02	0.30
21	Jharkhand Kolhan Steel Limited	19-02-21	17-12-21	0.06	-	-	0.03	0.03
Total (October – December, 2021)				14.93	0.09	0.09	1.55	13.29
Total (Till December, 2021)				2919.56	11.59	11.59	35.79	2872.14

'0' means an amount below two decimals

-' means no value

## Time for Conclusion of Processes

The average time taken for completion of various processes is presented in Table 7.

Table 7: Average Time for Approval of Resolution Plans/Orders for Liquidation

Average Time for Approval of Resolution Plans, Orders and Liquidation										
Sl. No.	Average time	As on March, 2020			As on March, 2021			April to December, 2021		
		No. of Processes covered	Time (in days) Including excluded time	Time (in days) Excluding excluded time	No. of Processes covered	Time (in days) Including excluded time	Time (in days) Excluding excluded time	No. of Processes covered	Time (in days) Including excluded time	Time (in days) Excluding excluded time
CIRPs										
1	From ICD to approval of resolution plans by AA	237	411	376	359	465	406	98	709	591
2	From ICD to order for Liquidation by AA	939	309	NA	1289	352	NA	225	615	NA
Liquidations										
3	From LCD to submission of final report under Liquidation	126	307	NA	250	415	NA	42	526	NA
4	From LCD to submission of final report under Voluntary Liquidation	242	320	NA	418	382	NA	128	504	NA
5	From LCD to order for dissolution under Liquidation	71	284	NA	145	401	NA	37	648	NA
6	From LCD to order for dissolution under Voluntary Liquidation	142	453	NA	233	515	NA	50	753	NA

## Corporate Liquidation Accounts

The Regulations require a liquidator to deposit the amount of unclaimed dividends, if any, and undistributed proceeds, if any, in a liquidation process along with any income earned thereon into the corporate liquidation account before he submits an application for dissolution of the corporate person. It also provides a process for a stakeholder to seek withdrawal from the said account. Similar provisions exist for voluntary liquidation processes. The details of these accounts at the end of December, 2021, are presented in Table 8.

Table 8: Corporate Liquidation Accounts as on December 31, 2021

(Amount in ₹ lakh)

Period	Opening Balance	Deposit during the period	Withdrawn during the period	Balance at the end of the period
<b>Corporate Liquidation Account</b>				
2019 - 20	0.00	476.26	0.21	476.05
2020 - 21	476.05	116.18	0.00	592.23
Apr - Jun, 2021	592.23	9.66	0.00	601.89
Jul - Sep, 2021	601.89	15.11	0.00	617.00
Oct - Dec, 2021	617.00	0.37	4.84	612.53
<b>Corporate Voluntary Liquidation Account</b>				
2019 - 20	0.00	109.70	0.00	109.70
2020 - 21	109.70	112.06	0.00	221.76
Apr - Jun, 2021	221.76	3.05	0.00	224.81
Jul - Sep, 2021	224.81	23.41	0.00	248.22
Oct - Dec, 2021	248.22	0.93	0.00	249.15

## Pre-Packaged Insolvency Resolution Process

The Central Government enacted the Insolvency and Bankruptcy Code (Amendment) Act, 2021 on August 11, 2021 which was deemed to have come into force on April 4, 2021 introducing the pre-packaged insolvency resolution process (PPIRP) for corporate MSMEs. On April 9, 2021, the Central Government notified the Insolvency and Bankruptcy (Pre-packaged Insolvency Resolution Process) Rules, 2021 prescribing the manner and form of making application to initiate PPIRP and the IBBI notified the IBBI (Pre-packaged Insolvency Resolution Process) Regulations, 2021. The Regulations provide for manner of carrying out certain processes and tasks under PPIRP. Thereafter, the first application for PPIRP was admitted in the matter of GCCL Infrastructure & Projects Ltd. on September 14, 2021 by NCLT Ahmedabad. A resolution plan has been approved by the CoC and approval of the AA is awaited.

## Summary of Outcomes

(a) The primary objective of the Code is rescuing lives of CDs in distress. The Code has rescued 457 CDs till December, 2021 through resolution plans, almost one third of which were in deep distress. However, 1514 CDs were referred for liquidation. The CDs rescued had assets valued at ₹ 1.51 lakh crore, while the CDs referred for liquidation had assets valued at ₹ 0.55 lakh crore when they were admitted to CIRP. Thus, in value terms, around 73% of distressed assets were rescued. Of the CDs sent for liquidation, three-fourth were either sick or defunct and of the firms rescued, one-third were either sick or defunct.



(b) The liquidation value of the assets available with the 457 CDs rescued, when they entered the CIRP, was assessed as only ₹1.51 lakh crore, though they owed ₹8.34 lakh crore to creditors. The resolution plans realised ₹2.59 lakh crore, which is around 172% of the liquidation value of these CDs. Any other option of recovery or liquidation would have recovered at best ₹100 minus the cost of recovery/liquidation, while the creditors recovered ₹172 under the Code. The excess recovery of ₹72 is a bonus from the Code. Though recovery is incidental under the Code, the FCs recovered 33.10% of their claims, which only reflects the extent of value erosion by the time the CDs entered CIRP; yet it is the highest among all options available to creditors for recovery. Resolution plans on average are yielding 84% of fair value of the CDs. These realisations are exclusive of realisations that would arise from value of equity holdings post-resolution, resolution of PGs to CDs, and from disposal of applications for avoidance transactions.

(c) The 1514 CDs ending up with orders for liquidation had an aggregate claim of ₹7.85 lakh crore. However, they had assets, on the ground, valued at only at ₹0.55 lakh crore. Till December, 2021, 292 CDs have been completely liquidated. Many of these CDs did not have any job or asset when they entered the IBC process. These included the likes of Ghotaringa Minerals Limited and Orchid Healthcare Private Limited, which owed ₹8,163 crore, while they had absolutely no assets and employment. These 292 CDs together had outstanding claims of ₹49,500 crore, but the assets valued at ₹2293.42 crore. ₹2177.60 crore were realised through liquidation of these companies.

(d) A distressed asset has a life cycle. Its value gradually declines with time if distress is not addressed. The credible threat of the Code, that a CD may change hands, has changed the behaviour of debtors. Thousands of debtors are resolving distress in early stages of distress. They are resolving when default is imminent, on receipt of a notice for repayment but before filing an application, after filing application but before its admission, and even after admission of the application, and making best effort to avoid consequences of resolution process. Most companies are rescued at these stages. Till December, 2021, 19,803 applications for initiation of CIRPs of CDs having underlying default of ₹6,09,470.72 crore were resolved before their admission. Only a few companies, who fail to address the distress in any of earlier stages, pass through the entire resolution process. At this stage, the value of the company is substantially eroded, and hence some of them are rescued, and others liquidated. The recovery may be low at this stage, but recovery in early stages of distress is much higher, and it is primarily because of the Code.

(e) The Code endeavours to close the various processes at the earliest. It prescribes timelines for some of them. The 457 CIRPs, which have yielded resolution plans by the end of December, 2021 took on average 441 days (after excluding the time excluded by the AA) for conclusion of process. Similarly, the 1514 CIRPs, which ended up in orders for liquidation, took on average 391 days for conclusion. Further, 292 liquidation processes, which have closed by submission of final reports took on average 431 days for closure. Similarly, 546 voluntary liquidation processes, which have closed by submission of final reports, took on average 411 days for closure.

(f) The cost details are available in respect of 420 CIRPs. The cost works out on average 0.99% of liquidation value and 0.55% of resolution value.

## Individual Process

The provisions relating to insolvency resolution and bankruptcy relating to PGs to CDs came into force on December 1, 2019. Based on the

information available with the Board received from the applicants, IPs, and data collated from various benches of NCLT and DRT, a total of 678 applications have been filed. Out of them 46 have been filed by the debtors and 632 applications have been filed by the creditors under sections 94 and 95 of the Code respectively. Among them 17 have been filed before different benches of DRT and 661 have been filed before different benches of NCLT (Table 9).

## Service Providers

### Insolvency Professionals

An individual, who is enrolled with an IPA as a professional member and has the required qualification and experience and passed the Limited Insolvency Examination, is registered as an IP. An IP needs an authorisation for assignment (AFA) to take up an assignment under the Code with effect from January 1, 2020. The IBBI made available an online facility from November 16, 2019 to enable an IP to make an application for issuance / renewal of AFA to the concerned IPA. Thereafter, an IPA processes such applications electronically. The details of IPs registered as on December 31, 2021 and AFAs held by them, IPA-wise, is presented in Table 10.

Table 10: Registered IPs and AFAs as on December 31, 2021

City / Region	Registered IPs				IPs having AFA			
	IIPI	ICSI IIP	IPA of ICAI	Total	IIPI	ICSI IIP	IPA of ICAI	Total
New Delhi	445	270	88	803	270	173	54	497
Rest of Northern Region	469	203	69	741	288	127	36	451
Mumbai	402	148	37	587	228	89	27	344
Rest of Western Region	323	120	43	486	207	77	25	309
Chennai	143	85	16	244	81	53	8	142
Rest of Southern Region	399	220	78	697	233	136	57	426
Kolkata	219	37	24	280	142	26	16	184
Rest of Eastern Region	76	27	9	112	41	16	4	61
<b>Total Registered</b>	<b>2476</b>	<b>1110</b>	<b>364</b>	<b>3950</b>	<b>1490</b>	<b>697</b>	<b>227</b>	<b>2414</b>

Of the 3971 IPs registered till date, registrations of five IPs have been cancelled through disciplinary action, and registrations of two IPs cancelled on failing to fulfil the requirement of fit and proper person status. As per information available, 14 IPs have passed away since their registrations. The registrations and cancellations of registrations IPs, quarter wise, till December 31, 2021 are presented in Table 11.

Table 11: Registration and Cancellation of Registration of IPs

Year / Quarter	Registered at the beginning of the period	Registered during the period	Cancelled during the period on account of Disciplinary Process	Failing to Meet Eligibility Norms	Death	Registered at the end of the period
2016 - 17 (Nov - Dec) #	0	977	0	0	0	977
2016 - 17 (Jan - Mar)	0	96	0	0	0	96
2017 - 18	96	1716	0	0	0	1812
2018 - 19	1812	648	4	0	0	2456
2019 - 20	2456	554	0	1	5	3004
2020 - 21	3004	506	0	1	5	3504
Apr - Jun, 2021	3504	169	0	0	3	3670
Jul - Sep, 2021	3670	147	0	0	1	3816
Oct - Dec, 2021	3816	135	1	0	0	3950
<b>Total</b>	<b>NA</b>	<b>3971</b>	<b>5</b>	<b>2</b>	<b>14</b>	<b>3950</b>

# Registrations with validity of six months. These registrations expired by June 30, 2017

Table 9: Insolvency Resolution of Personal Guarantors

Period	Applications filed by						Total					Adjudicating Authority	
	Debtors (u/s 94)			Creditors (u/s 95)									
	Number	Debt Amount	Guarantee Amount	Number	Debt Amount	Guarantee Amount	Number	Debt Amount	Guarantee Amount	NCLT	DRT		
2019 - 20	3	49.66	40.75	14	3256.87	4454.83	17	3306.53	4495.58	16	1		
2020 - 21	15	1875.48	608.75	155	35398.51	25412.89	170	37273.99	26021.64	164	6		
Apr - Jun, 2021	2	496	150.13	72	7718.68	10198.94	74	8214.68	10349.07	74	0		
Jul - Sep, 2021	19	1193.14	407.41	234	23133.21	21431.76	253	24326.35	21839.17	244	9		
Oct - Dec, 2021	7	365.45	89.5	157	12489.85	5219.52	164	12855.3	5309.02	163	1		
<b>Total</b>	<b>46</b>	<b>3979.73</b>	<b>1296.54</b>	<b>632</b>	<b>81997.12</b>	<b>66717.94</b>	<b>678</b>	<b>85976.85</b>	<b>68014.48</b>	<b>661</b>	<b>17</b>		

NA: Not Available.

Debt data not available in 26 cases and Guarantee data not available in 180 cases.

Guarantee amount has been collated from the annexures of the applications, wherever is available.



An individual with 10 years of experience as a member of the ICAI, ICSI, ICMAI or a Bar Council or 10 years of experience in the field of law, after receiving a Bachelor's degree in law or 10 years of experience in management, after receiving a Master's degree in Management or two-year full time Post Graduate Diploma in Management or 15 years of experience in management, after receiving a Bachelor's degree is eligible for registration as an IP on passing the Limited Insolvency Examination.

The Graduate Insolvency Programme (GIP) is the first of its kind programme for those aspiring to take up the profession of IP as a career without having to wait for acquiring the specified 10/15 years of experience. The first batch of GIP (2019-2021) conducted by Indian Institute of Corporate Affairs has successfully been completed and IBBI has granted 14 registrations based on this qualification, until December 31, 2021.

Table 12 presents distribution of IPs as per their eligibility (an IP may be a member of more than one Institute) as on December 31, 2021. Of the 3950 IPs as on December 31, 2021, 378 IPs (constituting about nine per cent of the total registered IPs) are female.

Table 12: Distribution of IPs as per their Eligibility as on December 31, 2021

Eligibility	No. of IPs		
	Male	Female	Total
Member of ICAI	1985	188	2173
Member of ICSI	564	118	682
Member of ICMAI	181	17	198
Member of Bar Council	218	29	247
Managerial Experience	611	25	636
GIP Qualified	13	1	14
<b>Total</b>	<b>3572</b>	<b>378</b>	<b>3950</b>

The Regulations provide that an IP shall be eligible to obtain an AFA if he has not attained the age of 70 years. Table 13 presents the age profile of the IPs registered as on December 31, 2021.

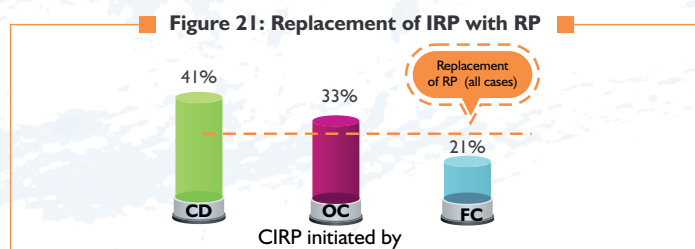
Table 13: Age Profile of IPs as on December 31, 2021

Age Group (in years)	Registered IPs				IPs having AFA			
	IIPI	ICSI IIP	IPA ICAI	Total	IIPI	ICSI IIP	IPA ICAI	Total
≤ 30	6	7	0	13	4	2	0	6
> 30 ≤ 40	277	75	14	366	176	51	6	233
> 40 ≤ 50	877	384	58	1319	565	263	34	862
> 50 ≤ 60	757	300	90	1147	445	199	54	698
> 60 ≤ 70	516	304	185	1005	300	182	133	615
> 70 ≤ 80	40	34	14	88	NA	NA	NA	NA
> 80 ≤ 90	2	6	3	11	NA	NA	NA	NA
> 90	1	0	0	1	NA	NA	NA	NA
<b>Total</b>	<b>2476</b>	<b>1110</b>	<b>364</b>	<b>3950</b>	<b>1490</b>	<b>697</b>	<b>227</b>	<b>2414</b>

NA: Not Applicable

## Replacement of IRP with RP

Section 22(2) of the Code provides that the CoC may, in its first meeting, by a majority vote of not less than 66% of the voting share of the FCs, either resolve to appoint the IRP as the RP or to replace the IRP by another IP to function as the RP. Under section 22(4) of the Code, the AA shall forward the name of the RP, proposed by the CoC, under section 22(3)(b) of the Code, to IBBI for its confirmation and shall make such appointment after such confirmation. However, to save time in such reference, a database of all the IPs registered with the IBBI has been shared with the AA, disclosing whether any disciplinary proceeding is pending against any of them and the status of their AFAs. While the database is currently being used by various Benches of the AA, in a few cases, the IBBI receives references from the AA and promptly responds to it. Till December 30, 2021, as per updates available, a total of 1031 IRPs have been replaced with RPs, as shown in Figure 21. It is observed that IRPs in 41% of CIRPs



initiated by CD are replaced by RPs, in 33% of CIRPs initiated by OCs and in 21% of CIRPs initiated by FCs.

## Panel for IPs

In accordance with the 'Insolvency Professionals to act as Interim Resolution Professionals, Liquidators, Resolution Professionals and Bankruptcy Trustees (Recommendation) (Second) Guidelines, 2021' (Guidelines) issued on December 1, 2021, the IBBI invited EoI from IPs for preparation of a panel of IPs for appointments during January 1, 2022 to June 30, 2022. In accordance with Guidelines, it prepared and shared with the AA (NCLT and DRT), on December 30, 2021, a panel of 888 IPs (who hold AFAs) valid for appointments for the period January 1, 2022 to June 30, 2022 (Table 14).

Table 14: Zone-wise IPs in the Panel

Zone (1)	Areas Covered (2)	No. of IPs (3)
New Delhi	Union Territory of Delhi	193
Ahmedabad	State of Gujarat	54
	Union Territory of Dadra and Nagar Haveli	
	Union Territory of Daman and Diu	
Allahabad	State of Uttar Pradesh	45
	State of Uttarakhand	
Amravati	State of Andhra Pradesh	13
Bengaluru	State of Karnataka	30
Chandigarh	State of Himachal Pradesh	98
	State of Punjab	
	State of Haryana	
	Union Territory of Chandigarh	
	Union Territory of Jammu and Kashmir	
	Union Territory of Ladakh	
Cuttack	State of Chhattisgarh	17
	State of Odisha	
Chennai	State of Tamil Nadu	85
	Union Territory of Puducherry	
Guwahati	State of Arunachal Pradesh	3
	State of Assam	
	State of Manipur	
	State of Mizoram	
	State of Meghalaya	
	State of Nagaland	
	State of Sikkim	
	State of Tripura	
Hyderabad	State of Telangana	83
Indore	State of Madhya Pradesh	17
Jaipur	State of Rajasthan	23
Kochi	State of Kerala	22
	Union Territory of Lakshadweep	
Kolkata	State of Bihar	90
	State of Jharkhand	
	State of West Bengal	
	Union Territory of Andaman and Nicobar Islands	
Mumbai	State of Goa	115
	State of Maharashtra	
<b>Total</b>		<b>888</b>

## Insolvency Professional Entities

During the quarter under review, one IPE was recognised. As on December 31, 2021, there were 87 IPEs (Table 15).

Table 15: IPEs as on December 31, 2021

Quarter	No. of IPEs		
	Recognised	Derecognised	At the end of the Period
2016 - 17 (Jan - Mar)	3	0	3
2017 - 18	73	1	75
2018 - 19	13	40	48
2019 - 20	23	2	69
2020 - 21	14	0	83
Apr - Jun, 2021	1	0	84
Jul - Sep, 2021	4	2	86
Oct - Dec, 2021	1	0	87
<b>Total</b>	<b>132</b>	<b>45</b>	<b>87</b>



## Insolvency Professional Agencies

IPAs are front-line regulators and responsible for developing and regulating the insolvency profession. They discharge three kinds of functions, namely, quasi-legislative, executive, and quasi-judicial. The quasi-legislative functions cover laying down standards and code of conduct through byelaws, which are binding on all members. The executive functions include monitoring, inspection, and investigation of professional members on a regular basis, addressing grievances of aggrieved parties, gathering information about their performance, etc., with the overarching objective of promoting best practices and conduct by IPs. The quasi-judicial functions include dealing with complaints against members and taking suitable disciplinary actions.

As on December 31, 2021, there are three IPAs registered in accordance with the Code and Regulations. The IBBI interacts with the MDs of the IPAs and the IU on the 7<sup>th</sup> of every month, to obtain feedback on areas of concern for the profession and discuss the ways and means to deal with them. During the quarter under review, issues like disposal of grievances, use of technology in processes, conduct of IPs, concerns emanating from COVID-19, etc. are discussed. Table 16A presents the details of activities by the IPAs. Table 16B gives details of number of continuing professional education (CPE) hours earned by IPs.

Table 16A: Activities by IPAs

Period	Number of					
	Pre-registration Courses conducted	CPE Programmes conducted	Training Workshops for IPs	Other Workshops/ Webinars/ Roundtables/ Seminars	Disciplinary Orders Issued	Complaints (Forwarded by IBBI) Disposed
2018 - 19	16	-	7	100	4	11
2019 - 20	11	30	9	157	9	127
2020 - 21	14	193	66	102	42	102
Apr - Jun, 2021	8	23	7	10	4	0
Jul - Sep, 2021	3	25	12	21	4	5
Oct - Dec, 2021	4	38	23	22	7	0
<b>Total</b>	<b>56</b>	<b>309</b>	<b>124</b>	<b>412</b>	<b>70</b>	<b>245</b>

Table 16B: CPE Hours earned by the IPs

Period	Number of CPE Hours earned by members of			
	IIIP	ICSI IIP	IPA ICAI	Total
2019 - 20	1160	695	320	2175
2020 - 21	18465	8746	4647	31858
Apr - Jun, 2021	5510	2100	971	8581
Jul - Sep, 2021	1910	1314	780	4004
Oct - Dec, 2021	3354	3191	1104	7649
<b>Total</b>	<b>30399</b>	<b>16046</b>	<b>7822</b>	<b>54267</b>
<b>Average CPE hours per registered IP</b>	<b>12.2</b>	<b>14.4</b>	<b>21.4</b>	<b>13.7</b>

## Information Utility

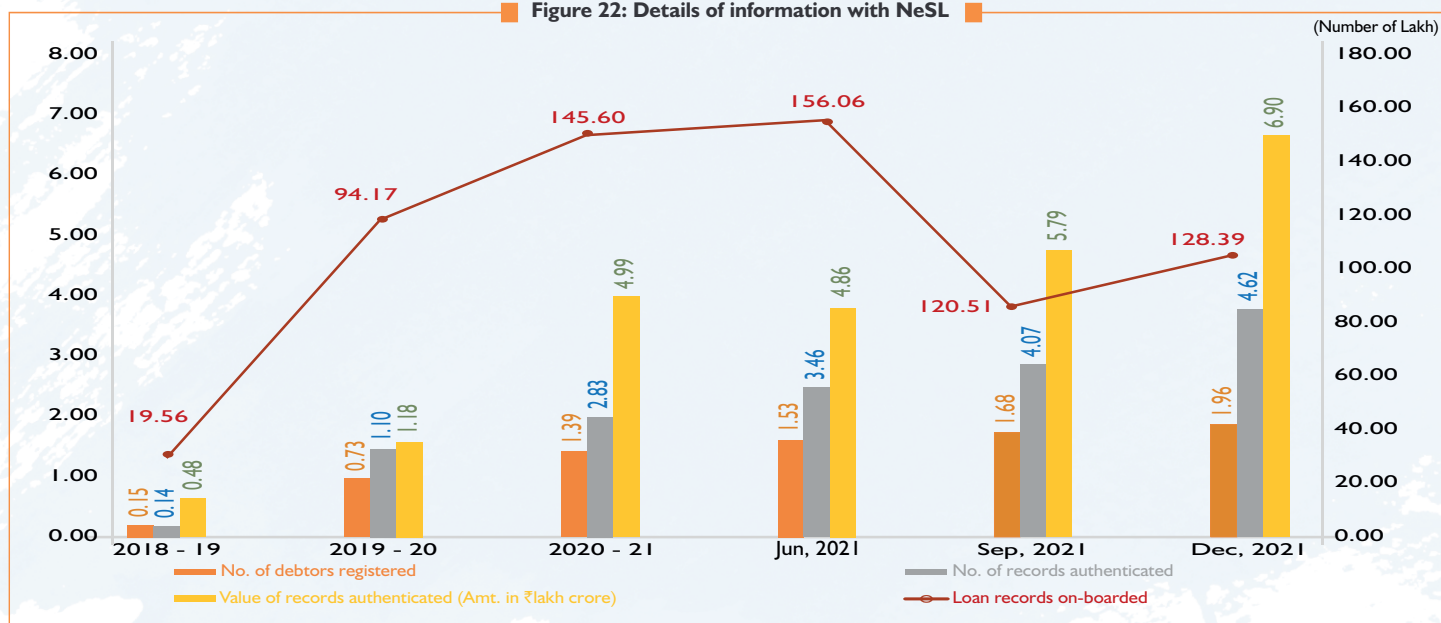
There is one IU, namely, the National E-Governance Service Limited (NeSL) that provides authenticated financial information to the users. The IBBI interacts with the MD & CEO of the IU along with the MDs of IPAs on 7<sup>th</sup> of every month to discuss the issues relating to receipt and authentication of financial information. During interaction in this quarter, IPAs were requested to encourage their members to make use of the information stored with the IU for verification of claims during CIRP. Figure 22 provides details of the registered users and information with NeSL, as submitted by it.

## Registered Valuer Organisations

The Companies (Registered Valuers and Valuation) Rules, 2017 (Valuation Rules) made under section 247 of the Companies Act, 2013 provide a unified institutional framework for development and regulation of valuation profession. Its remit is limited to valuations required under the Companies Act, 2013 and the Code. The IBBI performs the functions of the Authority under the Valuation Rules. It recognises Registered Valuer Organisations (RVOs) and registers Registered Valuers (RVs) and exercises regulatory oversight over them, while RVOs serve as front-line regulators for the valuation profession.

An individual having specified qualification and experience needs to enrol with an RVO, complete the educational course conducted by the RVO, clear the examination conducted by IBBI, before seeking registration with IBBI as an RV. There are currently 16 RVOs, Assessors and Registered Valuers Foundation being the latest RVO recognised, on March 31, 2021. The IBBI meets MDs / CEOs of RVOs on the 7<sup>th</sup> of every month to discuss the issues arising from the valuation profession, to resolve queries of the RVOs and to guide them in discharge of their responsibilities. The details of individual RVs, RVO-wise, as on December 31, 2021, are given in Table 17A. A total of 4473 individuals have registrations, two of them are registered for all three asset classes, 63 are registered for two asset classes and the balance 4408 are registered for one asset class. Till date, the registration of one RV has been cancelled.

Figure 22: Details of information with NeSL





**Table 17A: Registered Valuers as on December 31, 2021** (Number)

Sl. No.	Registered Valuer Organisation	Asset Class			Total
		Land & Building	Plant & Machinery	Securities or Financial Assets	
1	RVO Estate Managers and Appraisers Foundation	66	13	14	93
2	IOV Registered Valuers Foundation	1360	216	156	1732
3	ICSI Registered Valuers Organisation	0	0	215	215
4	IIV India registered Valuers Foundation	159	46	50	255
5	ICMAI Registered Valuers Organisation	31	23	268	322
6	ICAI Registered Valuers Organisation	NA	NA	886	886
7	PVAI Valuation Professional Organisation	307	51	118	476
8	CVSRTA Registered Valuers Association	198	60	NA	258
9	Association of Certified Valuators and Analysts	NA	NA	2	2
10	CEV Integral Appraisers Foundation	105	34	3	142
11	Divya Jyoti Foundation	51	18	42	111
12	Nandadeep Valuers Foundation	1	0	1	2
13	All India Institute of Valuers Foundation	7	3	16	26
14	International Business Valuers Association	3	0	8	11
15	All India Valuers Association	1	0	0	1
16	Assessors and Registered Valuers Foundation	4	1	3	8
<b>Total</b>		<b>2293</b>	<b>465</b>	<b>1782</b>	<b>4540</b>

Note: NA signifies that the RVO is not recognised for that asset class.

RVs are permitted to form an entity (Partnership / Company) for rendering valuation services. There are 57 such entities registered as RVs as on December 31, 2021, as presented in Table 17B. 23 of them are registered for three asset classes, 9 are registered for two asset classes and 25 are registered for one asset class. The registration of RVs till December 30, 2021 is given in Table 18.

**Table 17B: Registered Valuers (Entities) as on December 31, 2021** (Number)

Sl. No.	Registered Valuer Organisation	Number of Entities Registered	Registrations in the Asset Class		
			Land & Building	Plant & Machinery	Securities or Financial Assets
1	RVO Estate Managers and Appraisers Foundation	3	3	2	2
2	IOV Registered Valuers Foundation	19	15	13	16
3	ICSI Registered Valuers Organisation	2	0	0	2
4	IIV India registered Valuers Foundation	2	2	2	1
5	ICMAI Registered Valuers Organisation	11	4	5	11
6	ICAI Registered Valuers Organisation	10	NA	NA	10
7	PVAI Valuation Professional Organisation	2	2	2	2
8	CVSRTA Registered Valuers Association	1	1	1	NA
9	CEV Integral Appraisers Foundation	1	1	1	0
10	Divya Jyoti Foundation	2	1	1	2
11	All India Institute of Valuers Foundation	1	1	1	1
12	International Business Valuers Association	3	3	3	2
<b>Total</b>		<b>57</b>	<b>33</b>	<b>31</b>	<b>49</b>

Note: NA signifies that the RVO is not recognised for that asset class.

**Table 18: Registration of RVs till December 31, 2021** (Number)

Year / Quarter	Land & Building	Plant & Machinery	Securities or Financial Assets	Total
2017 - 2018	0	0	0	0
2018 - 2019	781	121	284	1186
2019 - 2020	848	204	792	1844
2020 - 2021	409	82	446	937
Apr - Jun, 2021	95	25	86	206
Jul - Sep, 2021	84	19	91	194
Oct - Dec, 2021	77	14	83	174
<b>Total</b>	<b>2294</b>	<b>465</b>	<b>1782</b>	<b>4541</b>

Note: The registration of 1 RV has since been cancelled.

Of the RVs registered as on December 31, 2021, 1192 RVs (constituting 26% of the total RVs registered) are from metros, while 3348 RVs (constituting 74% of the total RVs registered) are from non-metro locations (Table 19).

**Table 19: Region wise RVs as on December 31, 2021** (Number)

City / Region	Land & Building	Plant & Machinery	Securities or Financial Assets	Total
New Delhi	78	34	213	325
Rest of Northern Region	360	72	307	739
Mumbai	112	50	274	436
Rest of Western Region	642	126	289	1057
Chennai	112	41	135	288
Rest of Southern Region	928	121	429	1478
Kolkata	26	14	103	143
Rest of Eastern Region	35	7	32	74
<b>Total</b>	<b>2293</b>	<b>465</b>	<b>1782</b>	<b>4540</b>

The average age of RVs as on December 31, 2021 stood at 47 years across asset classes. It was 49 years for Land & Building, 53 years for Plant & Machinery and 43 years for Securities or Financial Assets (Table 20). Of the 4540 RVs as on December 31, 2021, 432 RVs (constituting about nine per cent of the total RVs) are females.

**Table 20: Age profile of RVs as on December 31, 2021** (Number)

Age Group (in years)	Land & Building	Plant & Machinery	Securities or Financial Assets	Total
≤ 30	165	8	128	301
> 30 ≤ 40	368	67	715	1150
> 40 ≤ 50	539	102	518	1159
> 50 ≤ 60	922	144	283	1349
> 60 ≤ 70	259	96	133	488
> 70 ≤ 80	38	46	5	89
> 80	2	2	0	4
<b>Total</b>	<b>2293</b>	<b>465</b>	<b>1782</b>	<b>4540</b>

## Complaints and Grievances

The IBBI (Grievance and Complaint Handling Procedure) Regulations, 2017 enable a stakeholder to file a grievance or a complaint against a service provider. Beside this, grievance and complaints are received from the Centralised Public Grievance Redress and Monitoring System, Prime Minister's Office, Ministry of Corporate Affairs (MCA), and other authorities. The receipt and disposal of grievances and complaints till December 31, 2021 is presented in Table 21.

**Table 21: Receipt and Disposal of Grievances and Complaints till December 31, 2021** (Number)

Year / Quarter	Complaints and Grievances Received						Total		
	Under the Regulations		Through CPGRAM/PMO/MCA/Other Authorities		Through Other Modes		Received	Disposed	Under Examination
	Received	Disposed	Received	Disposed	Received	Disposed			
2017-2018	18	0	6	0	22	2	46	2	44
2018-2019	111	51	333	290	713	380	1157	721	480
2019-2020	153	177	239	227	1268	989	1660	1393	747
2020-2021	268	260	358	378	990	1364	1616	2002	361
Apr-Jun, 2021	79	85	120	90	287	420	486	595	252
Jul-Sep, 2021	85	75	175	199	157	114	417	388	281
Oct-Dec, 2021	56	64	158	154	95	155	309	373	217
<b>Total</b>	<b>770</b>	<b>712</b>	<b>1389</b>	<b>1338</b>	<b>3532</b>	<b>3424</b>	<b>5691</b>	<b>5474</b>	<b>217</b>

## Examinations

### Limited Insolvency Examination

The IBBI publishes the syllabus, format etc. of the Examination under regulation 3(3) of the IBBI (Insolvency Professionals) Regulations, 2016. It reviews the Examination continuously to keep it relevant with respect to dynamics of the market. It has successfully completed five phases of the Limited Insolvency Examination. Sixth phase is going on since January 1, 2021. The IBBI, in accordance with regulation 3 (3) of the IBBI (Insolvency Professionals) Regulations, 2016, notified the revised syllabus and other details for the seventh phase of the Limited Insolvency Examination on November 30, 2021. The seventh phase of the examination commences from March 1, 2022. It is a computer based online examination available on daily basis from various locations across India. NSEIT Limited is the current test administrator. The details of the Examination are given in the Table 22.

**Table 22: Limited Insolvency Examination**

Phase	Period	Number of Attempts (some candidates made more than one attempt)	Successful Attempts
First	Jan - Jun 2017	5329	1201
Second	Jul - Dec 2017	6237	1112
Third	Jan - Oct 2018	6344	1013
Fourth	Nov 2018 - Jun 2019	3025	505
Fifth	Jul 2019 - Dec 2020	5860	1016
Sixth	Jan - Mar 2021	464	66
	Apr - Jun 2021	408	89
	Jul - Sep 2021	718	144
	Oct - Dec 2021	555	89
<b>Total</b>		<b>28940</b>	<b>5235</b>



## Valuation Examinations

The IBBI, being the authority under the Companies (Registered Valuers and Valuation) Rules, 2017, commenced the Valuation Examinations for asset classes of: (a) Land and Building, (b) Plant and Machinery and (c) Securities or Financial Assets on March 31, 2018. It reviews the Examinations continuously to keep it relevant with the changing times. The second phase concluded on May 31, 2020 and the third phase commenced on June 1, 2020. It is a computer based online examination available from several locations across India. National Institute of Securities Management is the current test administrator. The details of the Examinations are given in Table 23.

Table 23: Valuation Examinations

Phase	Period	Number of Attempts (some candidates made more than one attempt) in Asset Class			Number of Successful Attempts in Asset Class		
		Land & Building	Plant & Machinery	Securities or Financial Assets	Land & Building	Plant & Machinery	Securities or Financial Assets
First	Mar, 2018 - Mar, 2019	9469	1665	4496	1748	324	707
Second	Apr, 2019 - May, 2020	3780	757	4795	380	95	656
Third	Jun - 2020	64	7	99	1	0	6
	Jul - Sep, 2020	1471	248	1781	138	14	217
	Oct - Dec, 2020	1449	404	1571	119	28	137
	Jan - Mar, 2021	1049	334	967	74	27	73
	Apr - Jun, 2021	494	158	541	37	12	57
	Jul - Sep, 2021	902	238	1095	54	17	92
	Oct - Dec, 2021	821	204	691	55	14	63
<b>Total</b>		<b>19499</b>	<b>4015</b>	<b>16036</b>	<b>2606</b>	<b>531</b>	<b>2008</b>

## Building Ecosystem

### Committees and Groups

#### Research Guidance Group

The third meeting of the Research Guidance Group (RGG) was held on December 9, 2021 under the chairmanship of Dr. K.P. Krishnan in virtual mode. The group was briefed on the progress made towards formalisation of IBC-21. In addition, the group discussed areas of concern in the data dissemination rules document. The RGG members guided on the International Research Conference on Insolvency and Bankruptcy to be held on April 30, 2022 and May 1, 2022 at IIMA.



3<sup>rd</sup> Meeting of RGG, December 9, 2021

#### Expert Committee on IBC 21

The Committee of Experts constituted by the IBBI to assist the Board to finalise documentation in connection with development of IT system (IBC-21) for various processes and filing under the Code and regulations framed thereunder met twice on October 28, 2021 and December 1, 2021. The committee deliberated on the project report of IBC-21 and rendered its opinion for its fine tuning.

#### IP Workshops

The IBBI has been organising workshops for registered IPs with the aim to deliver specialised and deep level learning through a classroom, non-residential mode. It organised one Basic Workshops and one Advanced Workshop for the IPs during the quarter through online mode. The details of the workshops conducted till December 31, 2021, is given in Table 24.



24<sup>th</sup> Basic IP Workshop, November 29, 2021



13<sup>th</sup> Advanced IP Workshop, November 30, 2021

Table 24: Capacity Building Programmes for IPs till December 31, 2021

Year / Period	Basic Workshops	Advanced Workshops	Other Workshops	Webinars	Roundtables	Trainings	Total
2016 - 17	1	-	-	-	8	-	9
2017 - 18	6	-	-	-	44	-	50
2018 - 19	7	-	-	-	22	-	29
2019 - 20	4	6	5	1	22	-	38
2020 - 21	1	2	6	29	18	2	58
Apr - Jun, 2021	3	3	-	9	-	-	15
Jul - Sep, 2021	1	1	-	6	9	-	17
Oct - Dec, 2021	1	1	-	3	1	2	8
<b>Total</b>	<b>24</b>	<b>13</b>	<b>11</b>	<b>48</b>	<b>124</b>	<b>4</b>	<b>224</b>



Workshop on IBC for Officers of IOB, October 8, 2021

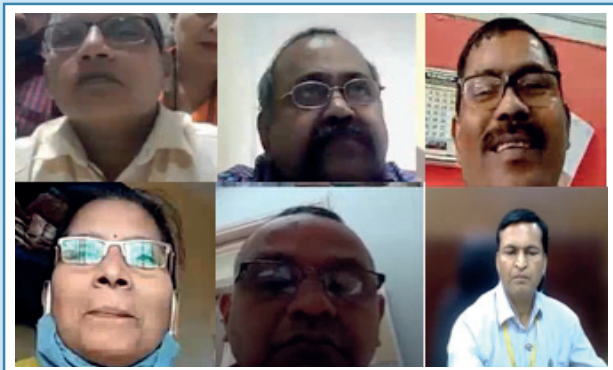




Workshop on IBC for Officers of GST Department, October 24, 2021



Webinar on PPIRP for MSMEs with SIDBI, October 21, 2021



Orientation Session on IBC for officers of Goa Institute of Public Enterprises and Rural Development, November 12, 2021

## Webinars

The IBBI organised five webinars for benefit of IPs and other stakeholders as presented in Table 25.

Table 25: Webinars during October - December, 2021

Sl. No.	Date	Particulars	In Association With
1	06-10-21	Registered Valuers Ecosystem and Valuation Profession	-
2	20-10-21	Registered Valuers Ecosystem and Valuation Profession	-
3	18-11-21	Voluntary Liquidation Process	FCDO UK
4	20-11-21	Digitisation of Insolvency Process	NeSL
5	03-12-21	Individual Insolvency	FCDO UK and IIIPI



Session on Registered Valuers Ecosystem and Valuation Profession, October 6, 2021

## CoC Workshop

As part of the ongoing 'Azadi Ka Amrit Mahotsav' celebrations, the IBBI, in association with the State Bank of India (SBI) and the Indian Banks' Association (IBA), organised a one-day workshop, in hybrid mode, on the subject titled 'Committee of Creditors: An Institution of Public Faith' on December 13, 2021. This is the eighth such workshop in the series of events organised by the IBBI for the benefit of officers of scheduled commercial banks and financial institutions who represent FCs in the CoC, under the Code.

Seventy-three senior officers (Assistant General Manager and above) representing seventeen scheduled commercial banks and financial institutions participated in the workshop. Mr. Ritesh Kavdia, Executive Director, IBBI; Mr. Subrata Biswas, Deputy Managing Director (SARG), SBI and Mr. V. Chandrasekar, Senior Advisor, IBA delivered the inaugural address setting the context for the workshop. Mr. Giridhar Kini, CGM (SARG), SBI and Mr. Rajesh Kumar Gupta, CGM, IBBI delivered the valedictory address. The eminent faculty included Mr. Sanjeev Pandey, DGM (NCLT), SBI; Mr. Satish Kumar Gupta, IP; Mr. Vijay V. Iyer, IP; Dr. (Ms.) Kokila Jayaram, DGM, IBBI; and Mr. Suhail Nathani, Founding Partner, Economic Laws Practice.

## Roundtables

The IBBI in association with NLU, Delhi conducted a roundtable on cross-border insolvency rules and regulations on December 11, 2021.

## Advocacy and Awareness

### RFMLR-IBBI Blog Series Competition on Evolving Dynamics of the Insolvency Regime in India, 2021

The IBBI and RFMLR jointly organises Blog Series Competition, invites students to submit manuscripts on various themes on the evolving dynamics of the Insolvency Regime in India, 2021. The selected entries will be published on the RFMLR Blog under the Insolvency Series. Among the published entries, the top three will be awarded Certificates of Appreciation. Different cash prizes will also be awarded for the best and second-best entry. The Blog Series Competition will be followed by the RFMLR-IBBI Conference on Evolving Dynamics of the Insolvency Regime in India on January 30, 2022.

## Essay Competition

The IBBI, in its endeavour to create awareness about the insolvency and bankruptcy regime amongst the students of higher education, conducted an essay competition in collaboration with Damodaram Sanjivayya National Law University in line with the Insolvency and Bankruptcy Board of India Essay Competition Guidelines, 2017. 31 students participated in the competition and the following were adjudged as best essays:

Best Essay	Ms. Muskan Jain
Second Best Essay	Ms. Ananya Malviya



## Other Programmes

IBBI, in association with various stakeholders, organised advocacy and awareness programmes as presented in Table 26.

**Table 26: Advocacy and Awareness Programme**

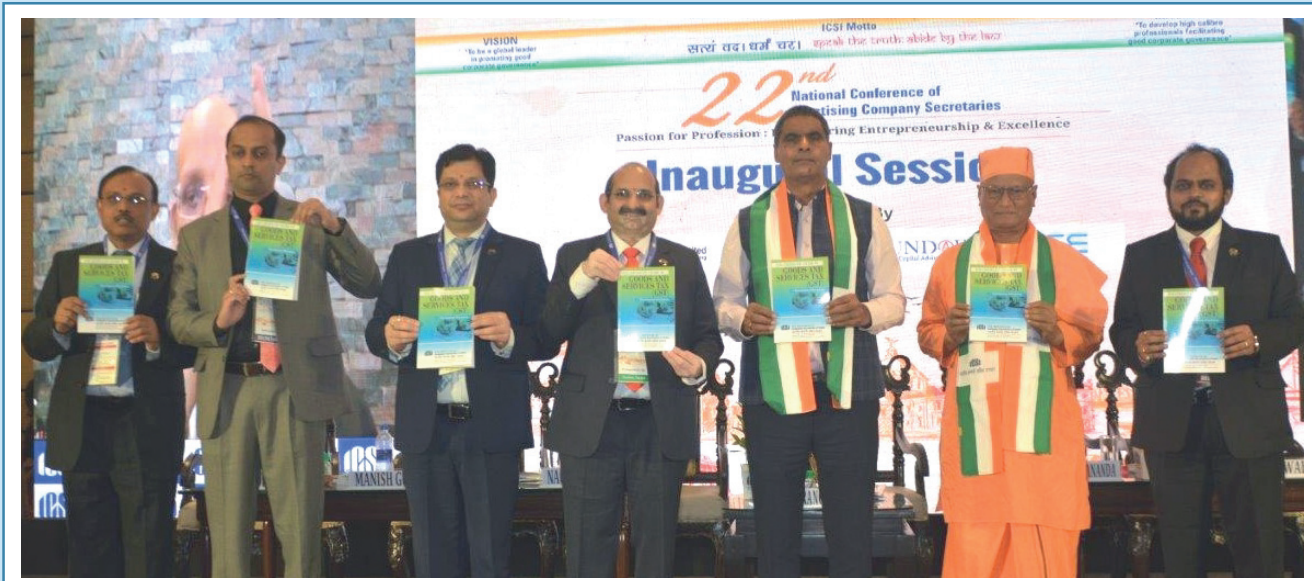
Sl. No.	Date	Particulars	Topic	In association with
1	04-10-21	Orientation session for the officers of Income Tax Department - Pr. CCIT, Delhi Region	IBC	-
2	04-10-21	Orientation session for the officers of Income Tax Department - Pr. CCIT, MP and CG Region	IBC	-
3	08-10-21	Workshop on IBC, 2016 for officials of Indian Overseas Bank	IBC	-
4	08-10-21	Orientation session for the officers of Income Tax Department - Pr. CCIT, Bihar and Jharkhand Region	IBC	-
5	11-10-21	Orientation session for the officers of Income Tax Department - Pr. CCIT, Odisha Region	IBC	-
6	11-10-21	Orientation session for the officers of Income Tax Department - Pr. CCIT, Chandigarh Region	IBC	-
7	12-10-21	Workshop on IBC, 2016 for officials of State Bank of India	IBC	-
8	15-10-21	Orientation session for the officers of Income Tax Department - Pr. CCIT, Hyderabad Region	IBC	-
9	15-10-21	Orientation session for the officers of Income Tax Department - Pr. CCIT, Kerala Region	IBC	-
10	18-10-21	Orientation session for the officers of Income Tax Department - Pr. CCIT, Ahmedabad Region	IBC	-
11	18-10-21	Orientation session for the officers of Income Tax Department - Pr. CCIT, Nagpur Region	IBC	-
12	21-10-21	Webinar on Pre Packaged Insolvency Resolution Process, for MSME Industry - Eastern and North Eastern Region	PPIRP	SIDBI
13	22-10-21	Orientation session for the officers of Income Tax Department - Pr. CCIT, Pune Region	IBC	-
14	25-10-21	Orientation session for the officers of Income Tax Department - Pr. CCIT, Rajasthan Region	IBC	-
15	03-11-21	Session by Dr. M.S. Sahoo, Former Chairperson, IBBI on Gyandarshan Channel, IGNOU	IBC and Freedom of Exit	IGNOU
16	12-11-21	Orientation session for the officers of State Government of Goa	IBC	-
17	16-11-21	Orientation session for the officers of Income Tax Department - Pr. CCIT, Mumbai Region	IBC	-
18	16-11-21	Orientation session for the officers of Income Tax Department - Pr. CCIT, Guwahati Region	IBC	-
19	17-11-21	Session by Dr. Mukulita Vijayawargiya, WTM, IBBI on Gyandarshan Channel, IGNOU	IBC: A procedural reform for speedy resolution	IGNOU
20	18-11-21	Orientation session for the officers of Income Tax Department - Pr. CCIT, UP West Region	IBC	-
21	18-11-21	Orientation session for the officers of Income Tax Department - Pr. CCIT, UP East Region	IBC	-
22	20-11-21	Orientation Program on "Insolvency and Bankruptcy Code and its Emerging Scenario" at Jaipur	IBC	IPA of ICAI
23	24-11-21	Orientation session for the officers of GST Department	IBC	-
24	01-12-21	Session by Dr. K. P. Krishnan on "Emerging Regulatory Framework and IBC" Gyandarshan Channel, IGNOU	"Emerging Regulatory Framework and IBC"	IGNOU
25	08-12-21	Program on - Milestones Achieved and the Way Forward for IPs and RVs	Milestones Achieved and the Way Forward for IPs and RVs	IPA of ICAI and ICAI RVO
26	15-12-21	Session by Dr. Kokila Jayaram, DGM, IBBI and Mr. Nitish Saini, AGM, IBBI on "Overview of CIRP and Liquidation" on Gyandarshan Channel, IGNOU	Overview of CIRP and Liquidation	IGNOU
27	24-12-21	Workshop for Registered Valuers	Registered Valuers	-
28	29-12-21	Session by Dr. T. K. Vishwanathan, Chairman of the BLRC on "IBC framework as envisaged by the BLRC" on Gyandarshan Channel, IGNOU	IBC framework as envisaged by the BLRC	IGNOU

Senior officers of IBBI participated as guests and faculty in several programmes during the quarter, the details of which are presented in Table 27.

**Table 27: Participation of Senior Officers in Programmes**

Sl. No.	Date	Organiser	Subject	Participation
1	05-10-21	IOV RVF	Valuation under Disinvestment: Potential Avenue for Valuers	Dr. Saini, WTM
2	12-10-21	SBI	Workshop on IBC, 2016	Dr. Saini, WTM
3	11-11-21	IIIPICAI	Webinar on "Interaction with CFOs of CDs and Successful Applicants"	Mr. Shukla, WTM
4	13-11-21	Merchants Chamber of Commerce and Industry, Kolkata	Insolvency Profession and IBC Space	Dr. Saini, Chairperson
5	25-11-21	IIIP of ICAI	IIIP's 5 <sup>th</sup> Foundation Day	Dr. Saini, Chairperson
6	26-11-21	RVO of ICAI	Impairment Testing and Valuation	Dr. Saini, Chairperson
7	27-11-21	ICMAI	CMA Conclave	Mr. Kavdia, ED
8	03-12-21	ICSI	Special session on "IBC: Journey so far and further opportunities for PCS"	Dr. Saini, Chairperson
9	03-12-21	IIIPICAI	Individual Insolvency	Mr. Shukla, WTM
10	08-12-21	IPA OF ICAI & ICAI RVO	Milestones achieved and way forward	Dr. Saini, Chairperson
11	16-12-21	IIIPICAI	I <sup>st</sup> Regional Residential Conference (RRC) on IBC, 2016	Dr. Saini, Chairperson





22<sup>nd</sup> National Conference of Practising Company Secretaries, December 3-4, 2021



5<sup>th</sup> foundation day of Indian Institute of Insolvency Professionals of ICAI, November 25, 2021



5<sup>th</sup> foundation day of IIPI, November 25, 2021



Merchants Chamber of Commerce and Industry, November 13, 2021



CMA Conclave by ICAI, November 27, 2021



# List of Abbreviations

AA	Adjudicating Authority
Arbitration Act	Arbitration and Conciliation Act, 1996
AFA	Authorisation for Assignment
AR	Authorised Representative
ARC	Asset Reconstruction Company
BSE	Bombay Stock Exchange
BSE IPF	BSE Investors' Protection Fund
BIFR	Board for Industrial and Financial Reconstruction
CBIRC	Cross-Border Insolvency Rules/Regulations Committee
CCIT	Chief Commissioner of Income Tax
CD	Corporate Debtor
CEO	Chief Executive Officer
CIRP	Corporate Insolvency Resolution Process
CIRP Regulations	IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016
CoC	Committee of Creditors
CPE	Continuing Professional Education
CPGRAMS	Centralised Public Grievance Redress and Monitoring System
DC	Disciplinary Committee
DHFL	Dewan Housing Finance Corporation Ltd.
DRT	Debt Recovery Tribunal
EoI	Expression of Interest
FC/FCs	Financial Creditor / Creditors
FCDO	The Foreign, Commonwealth & Development Office
FDI	Foreign Direct Investment
FiSP	Financial Service Provider
GIP	Graduate Insolvency Programme
GNPA	Gross Non- Performing Asset
GST	Goods and Services Tax
HC	High Court
IBA	Indian Banks' Association
IBBI / Board	Insolvency and Bankruptcy Board of India
IBC / Code	Insolvency and Bankruptcy Code
ICAI	Institute of Chartered Accountants of India
ICMAI	Institute of Cost and Management Accountants of India
ICSI	Institute of Company Secretaries of India
ICSI IIP	ICSI Institute of Insolvency Professionals
IGNOU	Indira Gandhi National Open University
IICA	Indian Institute of Corporate Affairs
IIP ICAI	Indian Institute of Insolvency Professionals of ICAI

ILC	Insolvency Law Committee
IIMA	Indian Institute of Management Ahmedabad
IP / IPs	Insolvency Professional/ Professionals
IPA / IPAs	Insolvency Professional Agency/ Agencies
IPE / IPEs	Insolvency Professional Entity/Entities
IRP	Interim Resolution Professional
IRPC	Insolvency Resolution Process Costs
ITD	Income Tax Department
IU / IUs	Information Utility/Utilities
LCD	Liquidation Commencement Date
Liquidation Regulations	IBBI (Liquidation Process) Regulations, 2016
MCA	Ministry of Corporate Affairs
MD	Managing Director
MPIDC	Madhya Pradesh Industrial Development Corporation
Facilitation Council	Madhya Pradesh Micro and Small Enterprises Facilitation Council
MSME	Micro, Small and Medium Enterprise
NCLAT	National Company Law Appellate Tribunal
NCLAT Rules, 2016	National Company Law Appellate Tribunal Rules, 2016
NCLT	National Company Law Tribunal
NDC	No Dues Certificate
NeSL	National e- Governance Services Limited
NOC	No Objection Certificate
OC / OCs	Operational Creditor/ Creditors
PG / PGs	Personal Guarantor/Guarantors
PPIRP	Pre-Packaged Insolvency Resolution Process
Pr. CCIT	Principal Chief Commissioner of Income Tax
RA/RAs	Resolution Applicant/Resolution Applicants
RBI	Reserve Bank of India
RP	Resolution Professional
RV/RVs	Registered Valuer/Registered Valuers
RVO	Registered Valuer Organisation
SARFAESI Act	Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002
SC	Supreme Court of India
SEBI	Securities and Exchange Board of India
SRA	Successful Resolution Applicant
TCE	Transaction Cost Economics
Valuation Rules	The Companies (Registered Valuers and Valuation) Rules, 2017
WTM	Whole-time Member

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