



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

Insolvency and Bankruptcy News

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Improving Liquidation Outcomes



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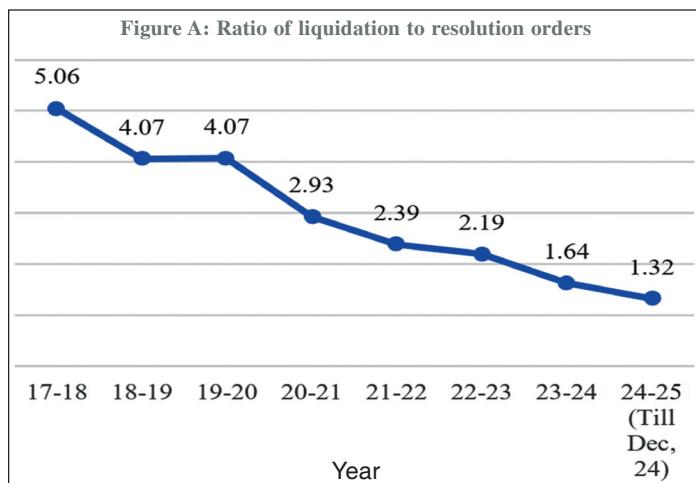
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From Chairperson's Desk

Improving Liquidation Outcomes

The main objective of the Insolvency and Bankruptcy Code, 2016 (IBC/ Code) is resolution of distressed companies. However, when all attempts to resolve the company fail, the next alternative is liquidation of the company involving sale of assets of the company and distribution of the proceeds thereon among the stakeholders.

Over the years more and more companies are being resolved under IBC and the number of liquidations are going down. There is a consistent upward trend in resolutions and a significant downward shift in the number of liquidations, starting from the year 2020-21. Further analysis indicates that the ratio of liquidations to resolutions, in a given year, is also on a downward trend. As seen in Figure A, in 2017-18 for every 1 CD that was resolved, 5 CDs would go into liquidation. However, in 2024-25 (till Dec, 2024) for every one CD that is resolved, 1.3 CDs go into liquidation. Therefore, there is a visible trend reversal in the number of companies going into liquidation under the Code.



While the liquidation process has undergone important course corrections over the years, there is scope for further improvement. It is observed that till December 2024, in the completed liquidation cases, the amount realised by claimants has been very low as compared to CIRP, and in some cases it has been even lower than the liquidation value. Given that many distressed entities are being liquidated under the Code and there is a growing need to improve realisation for claimants, it is imperative that the liquidation process be reformed further for improved outcomes.

The Insolvency and Bankruptcy Board of India (IBBI/ Board) has amended the Liquidation Process Regulations from time to time to make the process more efficient, transparent and bolster stakeholder confidence. One of the most important amendments has been to expand the role of the Stakeholders Consultation Committee (SCC). The Regulations were amended wherein the Liquidator is now mandated to convene regular SCC meetings, with at least one meeting in a quarter, for timely decisions and oversight. Consultation with the SCC has been made mandatory for key activities such as developing a marketing strategy for sale of assets; fresh valuation of assets; undertaking private sale of assets; reduction in reserve price of assets in auctions;

rationalisation of liquidation cost; decision to run the CD as a going concern; initiation or continuation of legal proceedings, among others. In the interest of homebuyers, the Board has also mandated the exclusion of those housing units from the liquidation estate where the possession has already been handed over to the allottees.

The sale of assets is a critical step in the liquidation process, aimed at maximizing the recovery for creditors while ensuring transparency and fairness. Presently, the asset sale and auction process is *ad hoc* and fragmented in several areas. Different liquidators use different online platforms and there is lack of effective advertising of such auctions. These *ad hoc* practices pose challenges to efficient information dissemination to prospective buyers, price discovery and competitive bidding. To address these inefficiencies, the IBBI, in collaboration with the Indian Banks' Association has launched the BAANKNET platform (Bank Asset Auction Network, formerly known as eBKray) for listing and auction of assets under the IBC liquidation process. The platform is owned and operated by PSB Alliance Private Limited, which is a company jointly owned by the 12 public sector banks and is extensively used for auctions under the SARFAESI Act. BAANKNET provides a centralised and transparent digital interface with key features such as strong KYC mechanism, advanced digital marketing tools, automated refunds of Earnest Money Deposits, and audit trails for transparency.

As on January 27, 2025, BAANKNET has facilitated the listing of nearly 62,046 properties and conducted 63,019 auctions, with assets worth Rs. 5356.49 crore auctioned. Additionally, 9,609 auctions are scheduled in the near future, underscoring the platform's significant utilisation and widespread adoption. Encouraged by the platform's success so far, IBBI has decided to extend this digital framework to liquidation processes under the IBC.

Presently, the BAANKNET platform for IBC e-auctions is running on a pilot mode and will be improved based on the experiences of usage. To date, around 210 assets have been listed, and 25 auctions have been scheduled or conducted on the platform. Vide Circular dated January 25, 2025, the IBBI has directed all Liquidators to exclusively use the BAANKNET auction platform for conducting auctions for sale of assets during the liquidation process with effect from April 1, 2025.

It is expected that the centralised e-auction platform will set a benchmark for enhanced information dissemination, improved price realisation, and greater transparency. The success of such a platform could also pave the way for developing a similar platform for inviting resolution plans from prospective resolution applicants under the Code, leading to more competitive bids for companies and value maximisation for creditors. The recent announcement by the Government to set up an Integrated Technology Platform for the IBC ecosystem is a step in this direction. The IBBI remains steadfast in its commitment to fostering tech innovations and implementing reforms to further streamline and strengthen the processes under the Code.

Ravi Mital

A. IBBI Updates

A.1 Key Events

Eighth Annual Day of IBBI

The IBBI celebrated its Eighth Annual Day on October 1, 2024 in New Delhi. Chief Justice (Retd.) Mr. Ramalingam Sudhakar, Hon'ble President, National Company Law Tribunal (NCLT) graced the occasion as the Chief Guest. In order to commemorate the establishment of the IBBI, it has instituted an Annual Day Lecture Series. Mr. Amitabh Kant, India's G20 Sherpa and Former CEO of NITI Aayog delivered the Annual Day Lecture. Dr. V. Anantha Nageswaran, Chief Economic Advisor, Ministry of Finance delivered the Special Address on the occasion and Mr. Ravi Mital, Chairperson, IBBI delivered the Welcome Address. Mr. Sandip Garg, Whole Time Member (WTM), IBBI proposed the vote of thanks at the conclusion of the event.

As part of the Annual Day celebrations, IBBI released its annual publication titled '*IBC के आठ वर्ष: शोध एवं विश्लेषण*'. This publication marked the sixth consecutive annual release of IBBI's Annual Publication, coinciding with the completion of eight years since the Code's inception. The publication also included nine research papers presented at the IIM Ahmedabad Annual Research Workshop on Insolvency and Bankruptcy that was held in March, 2024. Furthermore, as part of the programme, the top three performers of the 5th National Online Quiz on IBC were awarded merit certificates, medals, and cash prizes.



Chief Justice (Retd.) Mr. Ramalingam Sudhakar, Hon'ble President, NCLT



Dr. V. Anantha Nageswaran, Chief Economic Advisor, Ministry of Finance



Release of IBBI Annual Publication



Award to top performer of the 5th National Online Quiz on IBC



Mr. Amitabh Kant, India's G20 Sherpa and Former CEO of NITI Aayog



Eighth Annual Day of IBBI, October 1, 2024, New Delhi

IBBI – NeSL Colloquium with NCLT Members

The IBBI in association with NeSL organised a Colloquium with NCLT Members on the theme ‘Fast Tracking for Value Maximisation and Corporate Governance’ from November 22 – 24, 2024 in Kolkata. Chief Justice (Retd.) Mr. Ramalingam Sudhakar, Hon’ble President, NCLT graced the occasion as the Chief Guest. Ms. Deepi Gaur Mukerjee, Secretary, MCA; Mr. Ravi Mital, Chairperson, IBBI and Mr. Debajyoti Chaudhuri, MD & CEO, NeSL addressed the audience in the inaugural session of the Colloquium. The Colloquium involved detailed deliberations by all stakeholders on various important themes related to the insolvency and bankruptcy space such as effective and speedy approval of resolution plan; bankers’ perspective on the processes under the Code; personal guarantor and personal borrower issues in CIRP; and best practices in real estate cases.



IBBI – NeSL Colloquium, November 22, 2024, Kolkata



IBBI – NeSL Colloquium, November 22, 2024, Kolkata

IBBI - INSOL India 2nd International Conclave

IBBI in association with INSOL India organised the International Conclave 2024 on ‘*Insolvency Resolution: Evolution & Global Perspective*’ on December 7, 2024 in New Delhi. Mr. M. Rajeshwar Rao, Deputy Governor, Reserve Bank of India (RBI) graced the occasion as the Chief Guest. Mr. Rajnish Kumar, Ex-Chairman, State Bank of India (SBI); Mr. Ravi Mital, Chairperson, IBBI and Dr. Sonali Abeyratne, Technical Director of INSOL International, delivered the Special Address on the occasion. Mr. Rana Ashutosh Kumar Singh, Managing Director, SBI delivered the keynote address. Mr. Dinkar Venkatasubramanian, President of INSOL India, delivered the welcome address at the Conclave. Mr. Jayanti Prasad, WTM, IBBI, felicitated the esteemed guests of the inaugural session. Mr. Kulwant Singh, Executive Director (ED), IBBI concluded the Conclave with a vote of thanks to all participants and stakeholders.

The Conclave included three panel discussions on emerging

themes in the insolvency and bankruptcy space – ‘*Issues, Recent Developments & New Trends in Restructuring & Insolvency Across Jurisdictions*'; ‘*Judgment Enforcement, Asset Recovery and Personal Guarantees*'; and ‘*Role of Institutional Creditors in Corporate Resolution Across Jurisdictions*'. The Conclave also featured two insightful fireside chat sessions.



Mr. M. Rajeshwar Rao, Deputy Governor, RBI



Mr. Rajnish Kumar, Former Chairman, SBI



Dr. Sonali Abeyratne, Technical Director of INSOL International



Mr. Rana Ashutosh Kumar Singh, Managing Director, SBI



Mr. Dinkar Venkatasubramanian, President of INSOL India



Panel discussion, IBBI - INSOL India 2nd International Conclave



Panel discussion, IBBI - INSOL India 2nd International Conclave



IBBI - INSOL India 2nd International Conclave, December 7, 2024, New Delhi

A.2 Human Resources

Appointment of Mr. Vaibhav Chaturvedi as *Ex-officio* Member

Mr. Vaibhav Chaturvedi was nominated as *ex-officio* Member in the Governing Board of IBBI on December 3, 2024 as a representative of the RBI.



Mr. Vaibhav Chaturvedi,
Ex-officio Member, IBBI

Mr. Vaibhav Chaturvedi is a career central banker, currently posted as Chief General Manager, Credit Risk Regulation in the RBI. He has more than 25 years of cross-functional experience in regulation and supervision and has handled several important portfolios through his journey within the RBI. He has also been involved with several internal and external committees and task forces on key policy areas. He holds a Masters in Economic Policy Management from Columbia University, United States and Masters in Financial Engineering from National University of Singapore.

Appointment of Mr. Ravinder Maini as Executive Director

Mr. Ravinder Maini took charge as Executive Director (ED), IBBI on November 29, 2024. Immediately before joining as ED, he was serving as Director (ITA-II), Central Board of Direct Taxes, Department of Revenue, Ministry of Finance, Government of India. Mr. Ravinder Maini is an Indian Revenue Service Officer of 2005 Batch. He has completed 19 years of service in various capacities. He holds a B. Tech. degree along with a degree in Law.

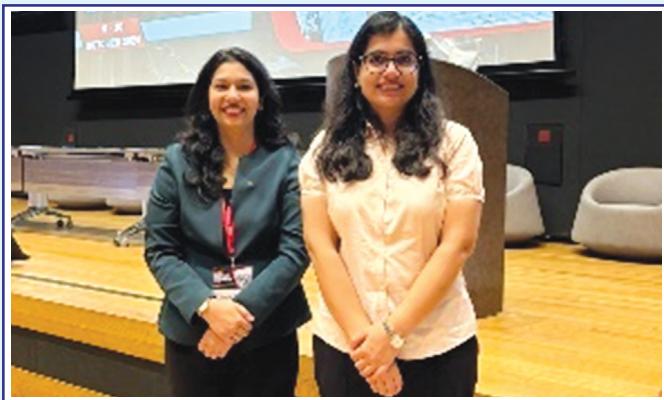


Mr. Ravinder Maini,
ED

A.3 Employee Trainings and Workshops

The members and officers of IBBI attended the following workshops and training programmes.

Date	Organised by	Nature of the programme/ Subject	No. of officers
09.10.2024 – 10.10.2024	IPAS and Law Society of Singapore	Singapore Insolvency Conference 2024	2
23.10.2024	IBBI in association with ICICI Bank	Market Outlook and Investment Strategies	45
04.12.2024	IBBI in association with Legal Pay	Session on Litigation Funding	45
11.12.2024 - 13.12.2024 and 18.12.2024 - 20.12.2024	Forum of Indian Regulators (FOIR)	Building Resilient Organizations: Strategies for Thriving Amidst Adversity	6
16.12.2024 - 20.12.2024	Management Development Institute, Gurgaon	Management Development Programme on Finance for Non-Finance Executives	3



Singapore Insolvency Conference 2024, Singapore,
October 9 - 10, 2024



Session on Market Outlook and Investment Strategies, New Delhi,
October 23, 2024



Session on Litigation Funding, New Delhi, December 4, 2024



Capacity building programme by FOIR, Goa, December 11 – 13, 2024



Capacity building programme by FOIR, Goa, December 18 – 20, 2024



Management Development Programme, MDI, Gurgaon, December
16 - 20, 2024

B. Legal and Regulatory Framework

B.1 Circulars

Extension of time for filing Forms to monitor liquidation processes

IBBI issued a circular on October 9, 2024 to extend the last date for filing of Forms relating to liquidation process, as directed vide circular no. IBBI/LIQ/73/2024 dated June 28, 2024, from September 30, 2024 to November 30, 2024. This was done on account of receipt of representations from liquidators and Insolvency Professional Agencies (IPAs) to extend the filing date, citing technicalities and issues involved in the submission of the Forms.

Extension of time for filing Forms to monitor voluntary liquidation processes

IBBI issued a circular on October 9, 2024 to extend the last date for filing of Forms relating to voluntary liquidation process, as directed vide circular no. IBBI/LIQ/74/2024 dated June 28, 2024, from September 30, 2024 to November 30, 2024. This was done on account of receipt of representations from liquidators and IPAs to extend the filing date, citing technicalities and issues involved in the submission of the Forms.

Centralised electronic listing and auction platform for sale of assets under liquidation

IBBI issued a circular on October 29, 2024, directing IPs handling liquidation processes to use the eBKray platform for centralized listing and auction of assets under the liquidation process, effective from November 1, 2024. The IBBI has collaborated with the Indian Banks' Association (IBA) to facilitate the auction of assets through

the eBKray platform which is presently owned and managed by PSB Alliance Private Limited. The platform aims to address challenges such as information asymmetry and limited bidder participation in existing auction practices. The PSB Alliance has developed a module within the eBKray platform to facilitate the listing and auction of assets under IBC and will provide detailed information on corporate debtor assets, including photographs, videos, and geographical coordinates. Liquidators have been directed to list all unsold assets of ongoing liquidation processes on the eBKray platform and to list assets within 7 days of submitting the Asset Memorandum to the Adjudicating Authority for liquidation processes commencing on or after the circular's effective date. The platform will initially operate in pilot mode, with improvements to follow based on user experience.

Extension of time for filing Forms to monitor Liquidation and Voluntary Liquidation Processes

The IBBI issued a circular on December 2, 2024, extending the last date for filing forms related to liquidation and voluntary liquidation processes under the IBC. Previously, the deadlines for submission of these forms, as outlined in Circulars No. IBBI/LIQ/73/2024 and No. IBBI/LIQ/74/2024 dated June 28, 2024, were extended from September 30, 2024, to November 30, 2024, vide Circulars No. IBBI/LIQ/76/2024 and No. IBBI/LIQ/77/2024. Based on further representations from liquidators and IPAs citing technical difficulties, the deadline was extended to December 31, 2024. Additionally, the Circular has clarified that: (i) For ongoing liquidation and voluntary liquidation cases, the responsibility for filing all forms lies with the IPs currently managing the processes; and (ii) In cases where an application for closure or dissolution has been filed, or a dissolution or closure order has been passed, the IP responsible at the time of filing the application or order issuance shall ensure the submission of all related forms.

B.2 Guidelines

Guidelines for Panel of IPs

The IBBI issued the Insolvency Professionals to act as Interim Resolution Professionals, Liquidators, Resolution Professionals, and Bankruptcy Trustees (Recommendation) (Second) Guidelines, 2024 on December 2, 2024. These guidelines enable the Board to prepare a common panel of IPs and share the same with the AA for appointment of Interim Resolution Professionals (IRPs), Resolution Professionals (RPs), Liquidators and Bankruptcy Trustees (BTs) from January 1, 2025 to June 30, 2025.

B.3 Invitation of public comments

Mediation before approaching AA for filing Section 9 application

IBBI issued a discussion paper on November 4, 2024 proposing mediation by operational creditors (OCs) before filing a Section 9 application before the AA. Presently, Section 9 applications often involve disputes between the OC and corporate debtor (CD), leading to time consuming proceedings and delays. Common issues include disagreements over goods/ services, contractual disputes, discrepancies in amounts owed, and claims for set-offs or damages. These disputes burden the judicial system and lead to unnecessary delays in the insolvency resolution process.

Considering the above challenges, the discussion paper proposes introducing voluntary mediation as a pre-institutional step before filing a Section 9 application. This would be facilitated by a Mediator

under the Mediation Act, 2023, with the objective of resolving disputes at an early stage. In case mediation is unsuccessful, a non-settlement report would be generated by the Mediator, which will be annexed with the application for initiating the CIRP before the AA.

The proposed framework is expected to resolve disputes between the OC and CD efficiently, reduce the burden on the AA, expedite the admission process, and provide a faster resolution for OCs. The proposal aims to enhance the effectiveness and efficiency of the insolvency process by providing an alternative dispute resolution mechanism before the formal initiation of the CIRP.

Issues related to Real Estate

IBBI issued a discussion paper on November 7, 2024, addressing challenges in real estate insolvencies under the IBC. Key proposals include mandating land authorities' participation as non-voting invitees in Committee of Creditors (CoC) meetings to enhance regulatory coordination, requiring insolvency professionals to report cancelled land allotments for informed decision-making, and clarifying CoC's power to relax eligibility and security requirements for allottee associations. It also recommends including an 8% interest rate in homebuyers' claims to align claim valuation with voting rights, appointing facilitators for better representation of large creditor classes, ensuring transparency by providing CoC minutes to all creditors via a secure login, and streamlining unit handovers during CIRP with CoC approval. These amendments aim to address sector-specific challenges, protect stakeholders, and enhance the resolution process.

Amendments to Liquidation Process and Voluntary Liquidation Process

IBBI issued a discussion paper on November 19, 2024, proposing amendments to the IBBI (Liquidation Process) Regulations, 2016, and IBBI (Voluntary Liquidation Process) Regulations, 2017. Key proposals include streamlining the auction process by allowing affidavits for eligibility; mandatory consultation with the Stakeholders Consultation Committee (SCC) for bid rejections; and enhancing transparency in compromise or arrangement schemes by requiring the liquidator to file final reports with AA. It also suggests permanently authorising the IBBI to manage the Corporate Liquidation and Voluntary Liquidation Accounts, dispensing with Public Accounts of India requirements, and using interest income for stakeholder awareness. For voluntary liquidation, the proposals include allowing liquidation despite uncalled capital and simplifying processes for unclaimed proceeds to expedite closure. These amendments aim to enhance transparency, improve stakeholder confidence, and expedite the resolution process.

Review of grievance redressal and enforcement framework and rationalisation of timelines regarding Authorisation for Assignment

IBBI issued a discussion paper on November 19, 2024, proposing amendments to enhance grievance redressal, enforcement mechanisms, and timelines for Authorization for Assignment (AFA) processing. Key proposals include clarifying the role of Whole Time Members of the Board in the Disciplinary Committee's adjudication of inspection or investigation-related matters; extending the grievance filing period to 30 days post-closure of insolvency proceedings to improve stakeholder access to redressal; and relaxing AFA timelines by allowing IPs to apply for renewals 90

days before expiry (up from 45 days) and extending IPA processing time to 45 days (from 15 days). These measures aim to bolster impartiality, stakeholder inclusivity, and operational efficiency without imposing additional costs.

Monitoring Committee under CIRP

IBBI issued a discussion paper on November 19, 2024, addressing the constitution and functioning of monitoring committees under CIRP. The paper responds to the Supreme Court's judgment dated November 7, 2024, in *State Bank of India & Ors v. The Consortium of Mr. Murari Lal Jalan and Mr. Florian Fritsch*, which emphasised the need for statutory recognition of monitoring committees. Currently, the constitution of such committees is at the discretion of the AA, but the Supreme Court has recommended that the Code should statutorily provide for their establishment once a resolution plan is approved.

The paper proposes amendments to strengthen the existing framework for monitoring committees under Regulation 38 of the CIRP Regulations. While the regulation already allows the CoC to consider the creation of a monitoring committee, the proposed amendment seeks to make it mandatory for all resolution plans to include one. The CoC will retain the authority to decide on the composition, tenure, and functioning of the committee, ensuring that it aligns with the resolution plan's requirements. The monitoring committee would typically include the RP, CoC nominees, and resolution applicant nominees, ensuring balanced representation of all stakeholders. The committee's responsibilities would encompass overseeing the implementation of the resolution plan, ensuring compliance with statutory requirements, and submitting quarterly progress reports to the AA. Further, the discussion paper also proposes that the resolution applicant will bear the expenses of the monitoring committee, while the IP's monthly fee would remain capped at the amount received during CIRP.

C. 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 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.

C.1 Overview

The provisions relating to CIRP came into force on December 1, 2016. The details of CIRP cases admitted and closed, as at the end of December, 2024 are given in Table 1 and Figures 1-2. Sectoral distribution of CDs under CIRP is presented in Figures 3-6.

The Code has rescued 3485 CDs (1119 through resolution plans, 1236 through appeal or review or settlement and 1130 through withdrawal) till December, 2024. It has referred 2707 CDs for liquidation. The resolved CDs resulted in realisation of more than 31.4% as against the admitted claims and more than 162.8% as against the liquidation value. Resolution plans on average are yielding 87.58% of fair value of the CDs. Till December, 2024, 1274 CDs have been completely liquidated. These 1274 CDs together had outstanding claims of Rs. 4.04 lakh crore, but the assets valued at Rs. 0.15 lakh crore. The liquidation of these companies resulted in 89% realisation as against the liquidation value.

Table 1: Details of CIRP cases as on December 31, 2024

CIRP cases	Number
Admitted	8175
Closure:	
Withdrawn under section 12A	1130
Closed on appeal or review or settled	1236
Resolution plans approved	1119
Liquidation orders passed	2707
Ongoing CIRP cases	1983

This excludes 1 CD which has moved directly from Board for Industrial and Financial Reconstruction (BIFR) to resolution.

Source: Compilation from website of the NCLT and filing by IPs.

Figure 1: Corporate Insolvency Resolution Process

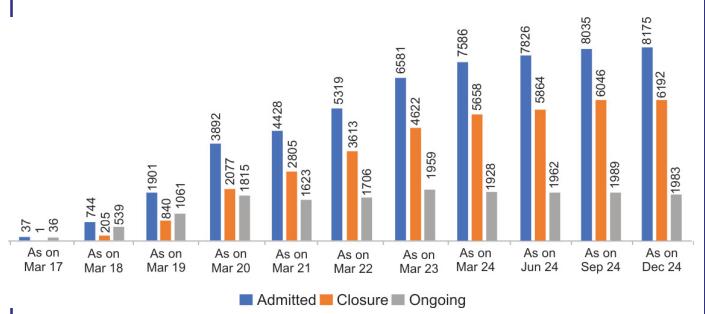


Figure 2: Mode of closure of CIRPs

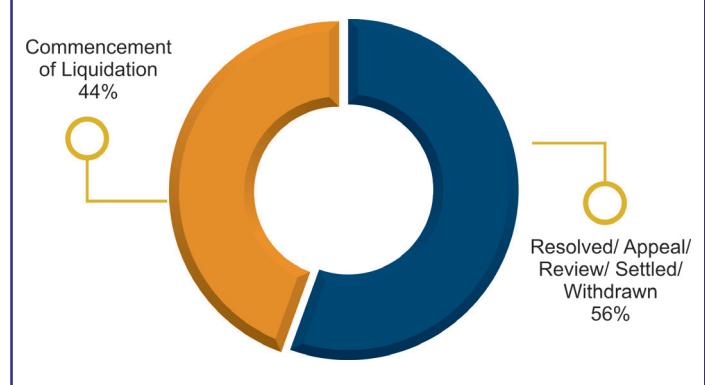
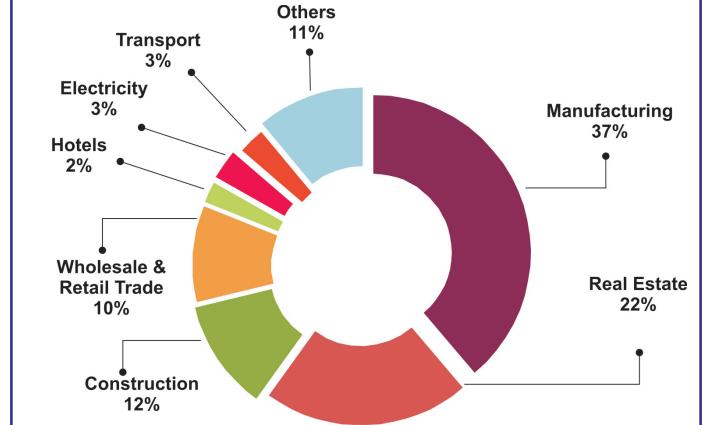


Figure 3: Sectoral distribution of CIRPs: Admission



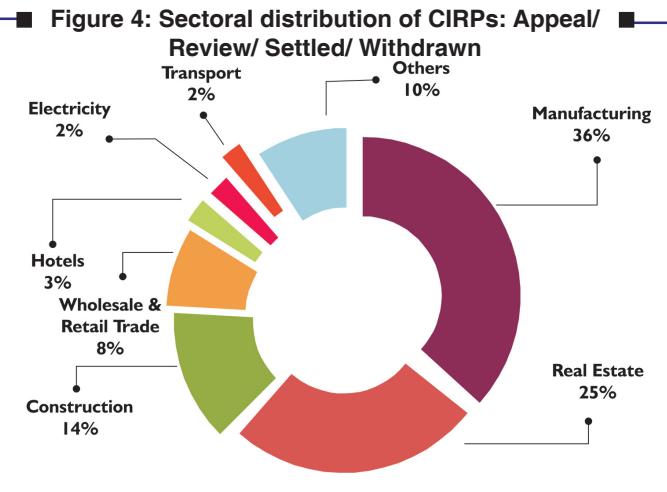
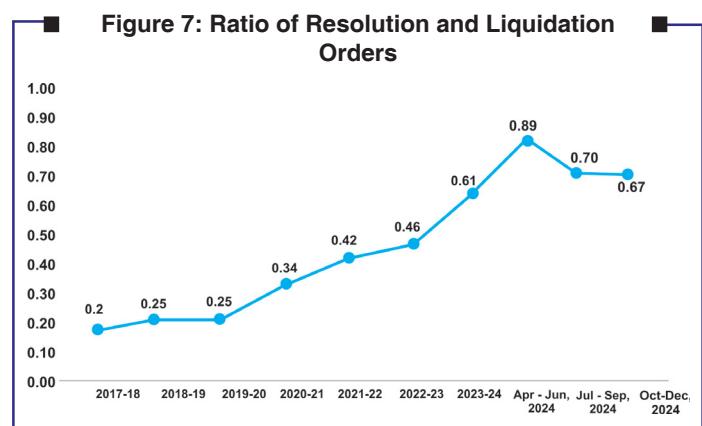


Table 2: Outcome of CIRPs, initiated Stakeholder-wise, as on December 31, 2024

Outcome	Description	CIRPs initiated by/for				Total
		FCs	OCs	CDs	FiSPs	
Status of CIRPs	Closure by Appeal/Review/ Settled	385	841	10	0	1236
	Closure by Withdrawal u/s 12A	332	790	8	0	1130
	Closure by Approval of Resolution Plan	667	366	82	4	1119
	Closure by Commencement of Liquidation	1261	1158	288	0	2707
	Ongoing	1165	706	112	0	1983
CIRPs yielding Resolution Plans	Realisation by Creditors as % of Liquidation Value	176.9	131.2	145.0	134.9	162.8
	Realisation by Creditors as % of their Claims	31.4	25.4	18.1	41.4	31.4
	Average Time taken for Closure of CIRP	706	717	589	677	701
CIRPs yielding Liquidations	Liquidation Value as % of Claims	5.5	8.9	8.4	-	6.3
	Average Time taken for order of Liquidation	517	511	449	-	508
Total		3810	3861	500	4	8175

C.2 Ratio of Resolution and Liquidation orders

A number of initiatives are being taken to improve the outcomes of the Code. These include monitoring of cases pending for admission and ongoing CIRPs. Further, the IBBI revised its mechanisms for real-time sharing of information regarding applications for the initiation of CIRP with the IU. These initiatives have had a substantial impact on the IBC process, as evidenced by the increase in NCLT-approved resolutions and the admission of cases initiated by FCs. Figure 7 below highlights the improvement in ratio of number of cases ending with resolution vis-à-vis cases in which liquidation is ordered till the quarter October – December, 2024.



C.3 Stakeholder-wise initiation of CIRP

The distribution of stakeholder-wise initiation of CIRPs is presented in Table 3. OCs triggered 47.25% of the CIRPs, followed by about 46.63% by FCs and remaining by the CDs. It is observed that about 80% of CIRPs having an underlying default of less than Rs. 1 crore, were initiated on applications by OCs while about 80% of CIRPs having an underlying default of more than Rs. 10 crore were initiated on applications by FCs. The share of CIRPs initiated by CDs is declining over time.

The outcome of CIRPs, initiated stakeholder-wise, as on December 31, 2024 is presented in Table 2. Of the OC initiated CIRPs that were closed, around 52% were closed on appeal, review, or withdrawal. Such closures accounted for more than 70% of all closures by appeal, review, or withdrawal.

Table 3: Year-wise and Stakeholder-wise Initiation of CIRPs

Period	CIRP initiated by			Total
	FC	OC	CD	
2016 - 17	8	7	22	37
2017 - 18	286	310	111	707
2018 - 19	517	569	71	1157
2019 - 20	883	1056	51	1990
2020 - 21	197	317	22	536
2021 - 22	371	474	43	888
2022 - 23	654	538	70	1262
2023 - 24	536	403	66	1005
April - Jun, 2024	150	79	11	240
July - Sept, 2024	124	70	15	209
Oct- Dec, 2024	84	38	18	140
Total	3810	3861	500	8171

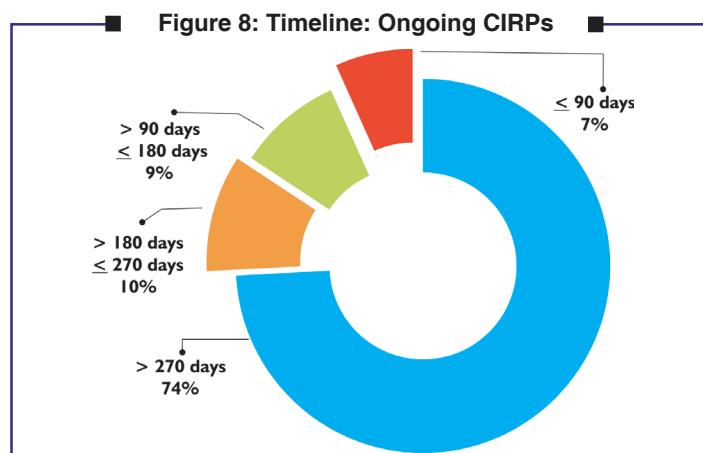
Note: This excludes four cases wherein applications filed by the RBI were admitted u/s 227 of the Code.

Table 4: Average Time for Approval of Resolution Plans/Orders for Liquidation

Sl.	Average time	As on March, 2023		As on March, 2024		April-December, 2024	
		No. of Processes covered	Time (in days) Including excluded time	No. of Processes covered	Time (in days) Including excluded time	No. of Processes covered	Time (in days) Including excluded time
CIRPs							
1	From ICD to approval of resolution plans by AA	671	610	507	940	678	567
2	From ICD to order for Liquidation by AA	2028	455	NA	2470	493	NA
Liquidations							
3	From LCD to submission of final report under Liquidation	764	563	NA	1077	606	NA
4	From LCD to submission of final report under Voluntary Liquidation	1069	408	NA	1405	410	NA
5	From LCD to order for dissolution under Liquidation	438	628	NA	693	737	NA
6	From LCD to order for dissolution under Voluntary Liquidation	652	668	NA	958	724	NA

C.4.2 For Ongoing CIRPs

The status of ongoing CIRPs in terms of time taken, as of December, 2024, is presented in Figure 8.



C.4 Timelines

C.4.1 For Concluded Processes

The Code endeavours to close the various processes at the earliest. The 1119 CIRPs, which have yielded resolution plans by the end of December, 2024 took on average 585 days (after excluding the time excluded by the AA) for conclusion of process, while incurring an average cost of 1.22% of liquidation value and 0.77% of resolution value. Similarly, the 2707 CIRPs, which ended up in orders for liquidation, took on average 508 days for conclusion. Further, 1274 liquidation processes, which have closed by submission of final reports took on average 645 days for closure. Similarly, 1598 voluntary liquidation processes, which have closed by submission of final reports, took on average 404 days for closure.

The average time taken for completion of various processes is presented in Table 4.

Time (In days)

C.5 Resolution Plans

C.5.1 Overall outcomes

Till FY 2023-24, 947 CIRPs had yielded resolution plans. The creditors realised Rs. 3.36 lakh crore under the resolution plans, in these cases. The liquidation value of the assets available with these CDs, when they entered the CIRP, was at Rs. 2.08 lakh crore against the total claims of the creditors worth Rs. 10.46 lakh crore. The realisation to the creditors was 32.10% and 161.76% as against their admitted claims and liquidation value, respectively.

Till September, 2024, 1068 CIRPs had yielded resolution plans. The creditors realised Rs. 3.55 lakh crore under the resolution plans, in these cases. The fair value and liquidation value of the assets available with these CDs, when they entered the CIRP, was estimated at Rs. 3.38 lakh crore and Rs. 2.20 lakh crore, respectively, as against the total claims of the creditors worth Rs. 11.44 lakh crore. The realisation to the creditors was 31% and 161.11% as against their admitted claims and liquidation value, respectively.

During the quarter October - December, 2024, 4 more CIRPs was reported as yielding resolution plan, pertaining to the prior period, as presented in Part A of Table 5. 51 CIRPs yielded resolution plans during the quarter October – December, 2024, the details of which

are presented in Part B of Table 5. Four CDs which had earlier yielded resolution have since either moved into liquidation or the process has been ordered to be restarted, taking the total resolution plans approved to 1119 till December, 2024.

Table 5: CIRPs Yielding Resolution Plans

Sl.	Name of Corporate Debtor	Defunct (Yes / No)	Date of Commencement of CIRP	Date of Approval of Resolu- tion Plan	CIRP initiated by	Amount (in ₹crore)				Realisable Value as % of		
						Total Admitted Claims	Liquid- ation Value	Fair Value	Total Realisable Amount by Claimants	Admit- ted Claims	Liquid - ation Value'	Fair Value
Part A: Reported for Prior Period (Till September, 2024)												
1	Emkay Automobile Industries Limited	No	12.10.2021	23.08.2024	OC	137.27	55.08	77.27	55.16	40.19	100.15	71.39
2	Auromatrix Hotels Private Limited	No	26.11.2021	09.05.2024	FC	88.45	27.25	36.36	31.75	35.90	116.52	87.33
3	Sadhna Media Private Limited	No	30.03.2022	17.09.2024	FC	123.96	13.19	16.10	13.50	10.89	102.39	83.83
4	Git Textiles Manufacturing Limited	Yes	22.06.2022	02.08.2024	FC	84.09	3.42	4.85	3.51	4.18	102.89	72.46
Part B: For October- December, 2024												
1	Grj Distributors & Developers Private Limited	No	16.02.2023	01.10.2024	FC	404.66	47.86	59.83	291.49	72.03	609.03	487.23
2	Manpreet Estates Llp	Yes	24.11.2023	07.10.2024	FC	282.89	36.56	45.73	34.66	12.25	94.80	75.80
3	Altair Industrial Technologies Private Limited	No	26.02.2019	25.10.2024	CD	43.46	1.53	1.68	8.26	19.00	539.48	490.86
4	Vibrant Buildwell Private Limited	NA	22.02.2022	25.10.2024	FC	NA	NA	NA	NA	NA	NA	NA
5	Mp Promoters Pvt. Ltd.	Yes	06.04.2022	25.10.2024	FC	2.11	1.53	2.51	1.76	83.01	114.69	69.98
6	Soubhagya Laxmi Sugars Limited	No	07.04.2022	01.10.2024	FC	833.29	289.49	321.66	213.41	25.61	73.72	66.35
7	Superways Enterprises Private Limited	Yes	26.07.2022	24.10.2024	FC	348.04	0.00	0.00	4.02	1.16	.	.
8	Global Infratech & Finance Limited	Yes	25.11.2022	25.10.2024	FC	4.54	2.01	7.42	2.07	45.57	102.82	27.89
9	Mundara Estate Developers Limited	Yes	12.01.2023	24.10.2024	FC	117.38	7.50	9.38	10.40	8.86	138.66	110.93
10	Value Direct Communication Private Limited	Yes	17.02.2023	10.10.2024	OC	7.23	2.66	3.32	2.50	34.60	93.97	75.36
11	Myp Enterprises Limited	No	09.05.2023	16.10.2024	CD	11.90	0.18	0.18	6.54	54.98	3718.28	3718.00
12	Dolphin Offshore Shipping Limited	Yes	06.07.2023	30.10.2024	OC	140.78	2.84	3.86	7.04	5.00	247.64	182.44
13	Mgi Infra Private Limited	No	09.08.2023	18.10.2024	FC	75.81	0.74	1.19	0.58	0.77	78.82	48.86
14	Triumvirate Sorority Private Limited	NA	21.11.2023	25.10.2024	OC	NA	NA	NA	NA	NA	NA	NA
15	Prabhu Shanti Real Estate Private Limited	Yes	13.06.2018	24.10.2024	FC	208.35	18.79	23.10	182.27	87.48	970.18	788.95
16	Neueon Towers Limited	NA	03.06.2019	23.10.2024	FC	NA	NA	NA	NA	NA	NA	NA
17	Calchem Industries (India) Limited	Yes	25.09.2019	29.10.2024	OC	44.66	5.94	11.27	9.50	21.27	159.85	84.30
18	Value Infratech India Private Limited	Yes	03.01.2020	14.11.2024	OC	40.15	28.60	33.69	22.25	55.42	77.80	66.04
19	Metenere Limited	NA	03.10.2020	04.10.2024	FC	NA	NA	NA	NA	NA	NA	NA
20	Rosedale Developers Private Limited	No	28.02.2022	27.11.2024	FC	39.47	4.85	8.72	20.51	51.95	422.81	235.22
21	Ses Energy Services India Private Limited	No	25.11.2022	14.11.2024	CD	108.95	52.59	88.32	39.98	36.70	76.02	45.27
22	Shree Rajeshwaranand Paper Mills Limited	Yes	07.12.2022	27.11.2024	FC	100.42	33.16	45.85	40.53	40.36	122.20	88.38
23	Cmm Infraprojects Limited	No	15.12.2022	11.11.2024	OC	131.95	10.76	13.19	13.02	9.87	120.97	98.73
24	Champalalji Finance Private Limited	Yes	17.03.2023	29.10.2024	FC	188.10	41.76	49.13	36.00	19.14	86.21	73.27
25	Nd S Art World Private Limited	No	25.07.2023	14.11.2024	FC	369.71	98.12	127.00	103.10	27.89	105.07	81.18
26	Krp Infrastructure & Builders Private Limited	No	22.08.2023	08.11.2024	OC	5.10	0.00	0.00	0.13	2.55	-	-
27	Saffron Therapeutics Private Limited	No	25.09.2023	06.11.2024	FC	14.67	0.00	0.00	1.47	10.00	.	.
28	Mpf Systems Limited	No	08.11.2023	15.10.2024	FC	23.50	0.05	0.05	2.10	8.95	3825.57	3825.57
29	Rancom Healthcare Private Limited	Yes	21.12.2023	12.11.2024	OC	14.62	0.03	0.03	0.01	0.07	31.48	28.91
30	Optus Laminates Private Limited	Yes	25.01.2024	20.11.2024	OC	43.73	10.18	14.70	13.35	30.54	131.24	90.86
31	Pae Limited	No	22.04.2024	27.11.2024	FC	26.79	0.03	0.12	5.50	20.53	19500.17	4694.01
32	Blue Blends (India) Limited	No	02.12.2021	06.12.2024	OC	120.07	21.16	37.31	16.56	13.79	78.27	44.38
33	Som Resorts Private Limited	Yes	02.08.2022	03.12.2024	FC	19.01	11.45	14.32	19.01	100.00	166.05	132.75
34	D.K. Realty (India) Private Limited	No	15.11.2022	09.12.2024	FC	2371.66	370.19	663.00	589.32	24.85	159.20	88.89
35	Vinergy International Private Limited	Yes	09.02.2023	09.12.2024	FC	312.50	2.93	3.51	12.55	4.02	427.72	357.67
36	V V Multiplex Private Limited	Yes	15.06.2023	02.12.2024	FC	74.02	19.28	28.44	15.08	20.38	78.23	53.04
37	Mbe Coal & Mineral Technology India Private Limited	No	12.09.2023	06.11.2024	OC	38.87	7.91	9.71	11.21	28.84	141.67	115.40

38	Karkinos Healthcare Private Limited	No	21.05.2024	09.12.2024	OC	202.17	167.91	214.31	202.17	100.00	120.40	94.33
39	Tayo Rolls Limited	Yes	05.04.2019	17.12.2024	OC	835.18	107.82	161.69	408.30	48.89	378.67	252.52
40	Indian Pulp & Paper Private Limited	Yes	22.07.2022	20.12.2024	OC	109.50	27.19	30.85	28.24	25.79	103.85	91.54
41	Taxus Infrastructure And Power Projects Private Limited	No	10.10.2022	12.12.2024	FC	113.57	6.78	12.14	21.26	18.72	313.51	175.10
42	Geeta Refinery Private Limited	No	03.03.2023	18.12.2024	FC	216.80	10.06	13.46	10.41	4.80	103.48	77.34
43	Paras Commercial Centre Private Limited	No	24.03.2023	20.12.2024	FC	20.02	12.92	15.38	16.00	79.91	123.86	104.01
44	Jiya Eco-Products Limited	Yes	24.04.2023	11.12.2024	FC	24.42	1.35	1.98	4.45	18.24	330.12	224.67
45	Perfect Engineering Products Limited	NA	06.06.2023	19.12.2024	FC	NA	NA	NA	NA	NA	NA	NA
46	Amritpur Tea Company Limited	Yes	27.09.2023	20.12.2024	FC	16.90	2.60	3.83	5.23	30.93	200.83	136.36
47	Karvy Data Management Services Limited	No	15.09.2023	13.12.2024	FC	1265.09	52.07	63.93	158.56	12.53	304.51	248.02
48	Solar Voltaic Power Llp	Yes	19.09.2023	11.12.2024	FC	12.40	0.01	0.01	0.07	0.52	613.65	613.65
49	P.L. Industries Private Limited	No	12.01.2024	13.12.2024	CD	5.65	0.46	0.57	0.43	7.61	93.38	75.65
50	Ayursundra Hospitals (Guwahati) Private Limited	No	12.03.2024	20.12.2024	FC	113.72	64.41	102.76	113.72	100.00	176.54	110.66
51	Epitome Plast-O-Pack Private Limited	No	02.05.2024	13.12.2024	FC	5.94	0.21	0.23	0.21	3.53	99.19	92.54
Total (October- December, 2024)						9509.74	1584.50	2249.36	2705.22	28.45	170.73	120.27
Total (Till December, 2024)						1139304.60	219721.80	335670.69	357677.18	31.39	162.79	87.58*

Notes:

- In 1119 resolved CDs, 200 applications in respect of avoidance transactions to the tune of Rs. 1.13 lakh crore have been pending before AA.
- CIRPs in 35 matters which yielded resolution plans and were reported earlier in this table have since moved into liquidation. The CIRPs have restarted in 24 cases and CIRPs in 2 matters, where liquidation orders were passed earlier, have yielded resolution plans.
- During the quarter, there are 12 CIRPs where the realisable value was less than the liquidation value of the CD. While realisable value is significantly influenced by the value of asset of the CD while entering the resolution process and time taken for resolution, it is also the outcome of a market determined price discovery process and commercial wisdom of the CoC.

* Based on 1013 cases where fair value has been estimated.

NA: Not available

Till December, 2024, the creditors have realised Rs. 3.58 lakh crore under the resolution plans. The fair value and liquidation value of the assets available with these CDs, when they entered the CIRP, was estimated at Rs. 3.36 lakh crore and Rs. 2.20 lakh crore, respectively, as against the total claims of the creditors worth Rs. 11.39 lakh crore. The creditors have realised 162.8% of the liquidation value and 87.58% of the fair value (based on 1013 cases where fair value has been estimated). The haircut for creditors relative to the fair value of assets was less than 13%, while relative to their admitted claims is around 69%. Furthermore, this realisation does not include the CIRP cost, and many probable future realisations such as equity, realisation from corporate and personal guarantees, funds infused into the CD including capital expenditure by the resolution applicants, and recovery from avoidance applications.

About 39% of the CIRPs (440 out of 1114 for which data are available), which yielded resolution plans, were earlier with BIFR and/or defunct. In these CDs, the claimants have realised 19.21% of their admitted claims and 152.32% of liquidation value.

C.5.2 Resolution of Large Cases (Admitted Claims > Rs. 1000 crore)

Of the 1119 CDs rescued under the Code as on December 31, 2024, 164 had admitted claims of more than Rs. 1,000 crore. The realisable value of the assets available with these 164 CDs, when they entered the CIRP, was only Rs. 1.88 lakh crore, though they owed Rs. 9.85 lakh crore to the creditors. Till December 31, 2024, realisation by the claimants under resolution plans in comparison to liquidation value is 169.40%, while the realisation by them in comparison to their claims is 32.31%. 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. The details are presented in Table 6.

Table 6: Details of resolution of large cases as on December 31, 2024

(Amount in ₹lakh crore)

CIRP cases (Admitted Claims > ₹ 1,000 crore)		Till Sep 2024	Oct-Dec 2024	Total as on Dec 31, 2024
Resolution plans approved	No. of Cases	162	2	164
	Admitted Claims	9.82	0.04	9.86
	Liquidation Value	1.88	0.00	1.88
	Realisation by creditors	3.18	0.01	3.19
	Realisation by creditors as % of Admitted Claims	32.35	20.56	32.31
	Realisation by creditors as % of Liquidation Value	169.38	177.11	169.40

C.5.3 Resolution of FiSPs

CIRPs of four financial service providers (FiSPs) i.e. Dewan Housing Finance Corporation Ltd., Srei Equipment Finance Limited and Srei Infrastructure Finance Limited have yielded resolutions under the Code. The details of the resolutions are presented in Table 7.

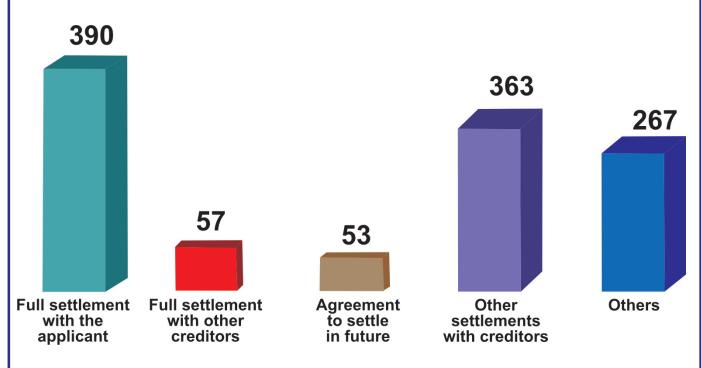
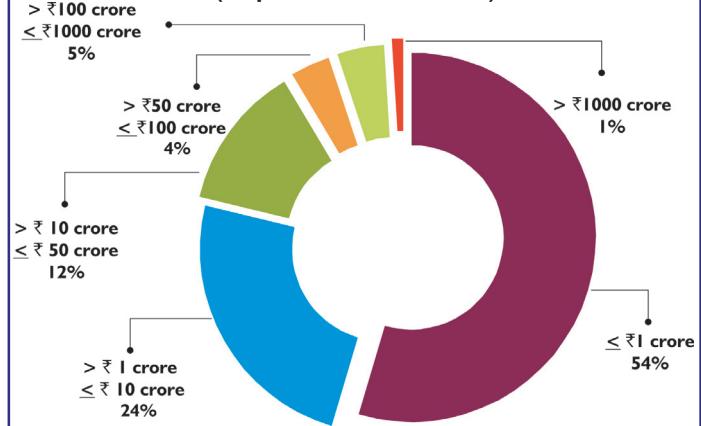
Table 7: Details of resolution plans approved for FiSPs

(Amount in ₹crore)

Sl.	Claims of Financial Creditors Dealt Under Resolution					Resolution Applicant
	Name of FiSP	Amount Admitted	Amount Realized	Realization as % of admitted claims	Realisation as % of Liquidation value	
1	Dewan Housing Finance Corporation Ltd	87247.68	37167.00	42.60%	138.42%	Piramal Capital & Housing Finance Ltd.
2	Srei Equipment Finance Limited	33050.43	13784.76	42.12%	280.74%	National Asset Reconstruction Company Ltd.
3	Srei Infrastructure Finance Limited					
4	Reliance Capital Ltd	26088.97	9661.00	37.03%	73.42%	IndusInd International Holdings Ltd.

C.6 Withdrawals under Section 12A

Till December, 2024, a total of 1130 CIRPs have been withdrawn under section 12A of the Code. The reasons for withdrawal and distribution of claims in these CIRPs are presented in Figures 9 and 10. Almost three-fourth of these CIRPs had claims of less than Rs. 10 crore.

Figure 9: Reasons for Withdrawal of CIRPs**Figure 10: Distribution of CIRPs Withdrawn (as per Admitted Claims)****C.7 Liquidation****C.7.1 Overall outcomes**

Till FY 2023-24, a total of 2476 CIRPs had yielded orders for liquidation, of which the final reports were submitted in 954 cases. Till September, 2024, 2630 CIRPs had yielded orders for liquidation, of which the final reports were submitted in 1113 cases. During the quarter October - December, 2024, 1 more CIRP were reported as yielding orders for liquidation, pertaining to the prior period. Further, 76 CIRPs ended in orders for liquidation during the current quarter, taking the total CIRPs ending in liquidation to 2707. Of these, final reports have been submitted in 1274 cases.

Till December, 2024 2707 CIRPs have ended in liquidation. Of 2707 CDs ending up with orders for liquidation, 211 had admitted claims of more than Rs. 1,000 crore. These CDs had an aggregate claim of Rs. 9.59 lakh crore. However, they had assets, on the ground, valued only at Rs. 0.45 lakh crore.

Of the 2707 CDs, 1274 CDs have been completely liquidated with submission of final report. The overview of closed liquidation processes and timeline of ongoing 1433 cases is presented in Table 8 and Figure 11 respectively. CD-wise details of liquidation processes closed during this quarter are presented in Table 9.

Table 8: Mode of Closure of Liquidation Processes

Status of Liquidation	Till Sep, 2024	Oct-Dec, 2024	Total as on Dec 31, 2024
Initiated	2631	76	2707*
Final Report submitted	1239	35	1274
Closed by Dissolution	719	24	743
Closed by Going Concern Sale	85	8	93
Closed by Compromise / Arrangement	14	0	14
Ongoing processes	1392	NA	1433
Total Closed cases (A+B+C)	819	32	851
Total Admitted Claims (In Rs. crore)	237978.74	5724.47	243703.2
Liquidation Value (In Rs. crore)	8993.04	791.55	9784.59
Total Realisation (In Rs. crore)	8057.97	730.21	8788.18

*This excludes 43 cases where liquidation order has been set aside by NCLT / NCLAT / HC / SC.

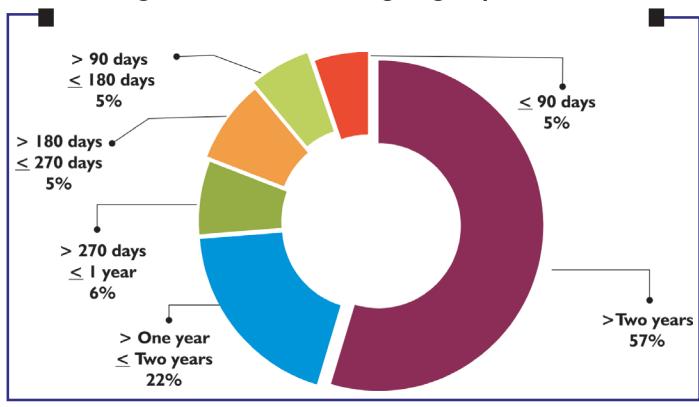
Figure 11: Timeline: Ongoing Liquidations

Table 9: Details of Closed Liquidations

(Amount in ₹crore)

Sl.	Name of CD	Date of Order of Liquidation	Amount of Admitted Claims	Liquidation Value	Sale Proceeds	Amount Distributed to Stakeholders	Date of Order of Dissolution/Closure
Part A: Reported for Prior Period (Till September, 2024)							
1	A School India Private Limited	25.04.2022	6.24	0.00	0.00	0.00	31.05.2024
2	Deep Water Services India Limited	27.03.2018	48.45	0.41	0.05	0.00	16.12.2022
3	Maurya Manpower Services Private Limited	06.07.2022	0.13	0.15	0.06	0.00	18.07.2024
4	Bahula Infotech Private Limited	22.08.2023	14.61	2.81	1.37	1.14	11.09.2024
5	Metro Management Services Private Limited	01.10.2021	0.85	0.99	3.09	0.46	31.01.2024
6	Eci Infra Towers Company Private Limited	28.02.2023	525.35	2.67	1.54	0.01	05.09.2024
7	Infiniti Techlab Llp	07.07.2023	0.00	0.09	0.06	0.00	12.07.2024
8	Belgium Aluminium & Glass Industries Private Limited	24.12.2021	126.84	2.18	1.61	0.81	02.05.2024
9	D S R M Steels Private Limited	12.06.2019	124.52	14.75	13.30	13.22	31.05.2024
10	Oxford Facilities Management	30.12.2022	17.02	1.73	1.57	1.12	21.05.2024
11	Supersonic Dealcom Private Limited	10.02.2023	0.08	0.02	0.02	0.00	05.06.2024
12	Danesita Phadnis Food Industries Limited	23.02.2024	37.04	0.11	0.10	0.00	20.09.2024
13	G P Cottfab Pvt. Ltd.	02.03.2021	26.33	4.12	3.86	3.69	05.04.2024
14	Royalpet Vanijya Private Limited	27.06.2022	3.06	0.30	0.28	0.00	19.03.2024
15	Associated Appliances Limited	03.02.2021	16.03	3.55	3.37	2.98	22.07.2024
16	Windcastle Exports Private Limited	17.11.2022	588.84	0.09	0.09	0.01	13.08.2024
17	Rsj Developers Private Limited	05.05.2022	9.16	0.14	0.14	0.04	28.08.2024
18	Chandra Net Limited	24.01.2023	69.42	0.04	0.04	0.04	01.07.2024
19	Tristar Global Infrastructure Private Limited	12.10.2020	76.23	0.13	0.13	0.00	28.08.2024
20	Shree Sai Rolling Mills India Limited	25.01.2024	204.32	6.62	6.71	6.13	30.08.2024
21	Knd Engineering Technologies Ltd	06.12.2023	109.64	15.41	15.81	12.35	23.09.2024
22	Harishankar Paper Products Private Limited	11.11.2022	77.89	1.65	1.70	0.00	03.01.2023
23	Swift Shipping And Freight Logistics Private Limited	20.11.2017	9.28	0.37	0.38	0.38	16.12.2021
24	Shree Sai Smelters India Limited	25.01.2024	46.19	1.29	1.37	1.14	30.08.2024
25	Biopac India Corporation Limited	04.12.2020	45.00	23.30	26.68	26.49	12.09.2024
26	Leather World India Limited	29.01.2019	62.90	13.75	15.86	13.59	18.07.2024
27	Best Deal Tv Private Limited	02.02.2018	0.00	0.07	0.09	0.00	10.09.2024
28	Exclusive Overseas Private Limited	20.12.2022	77.11	11.25	14.19	14.11	27.09.2024
29	Sai Krishnodaya Industries Private Limited	24.04.2023	3.66	0.00	0.01	0.00	10.09.2024
30	Fizzy Foodlabs Private Limited	12.03.2020	1.50	0.16	0.24	0.00	19.12.2023
31	Metaphor Exports Private Limited	07.03.2019	237.83	0.56	0.92	0.21	14.09.2024
32	Om Shakthi Renergies Limited	25.11.2020	59.05	3.18	6.86	5.27	18.09.2024
33	Katariya Pet Private Limited	28.01.2022	24.60	0.61	1.49	1.30	16.05.2024
34	Royal Hygiene Care Private Limited	21.01.2019	85.60	0.44	1.31	1.11	09.09.2024
35	Maxroth Impex Private Limited	05.07.2019	5.95	1.30	4.28	3.68	01.08.2023
36	Taurus Exports Pvt. Ltd.	18.02.2021	1.21	0.02	0.15	0.11	13.08.2024
37	Ideal Printographics Private Limited	08.10.2020	0.74	0.02	0.14	0.00	22.07.2024
38	Misa Services Pvt. Ltd.	22.02.2021	6.26	0.02	0.90	0.48	06.05.2024
39	Automotive Coaches & Components Private Limited	18.03.2022	190.58	54.86	52.44	46.62	03.05.2024
40	Adi Automotived Private Limited	31.03.2023	23.33	0.27	0.00	0.00	04.06.2024
41	Harihar International Private Limited	02.08.2023	0.00	0.00	0.01	0.00	22.07.2024
42	Rk Silk Mills (India) Limited	21.02.2022	0.21	0.00	0.00	0.00	23.07.2024
43	Shree Sai Prakash Alloys Private Limited	25.01.2024	204.32	6.93	8.42	7.71	30.08.2024
44	Fashion Equation Private Limited	24.07.2023	7.62	0.00	0.02	0.00	19.06.2023
45	Micropower Technology Private Limited	03.02.2021	1.35	0.00	0.00	0.00	23.07.2024
46	Mpl 2 Wheelers Private Limited	26.11.2021	5.24	0.00	0.00	0.00	30.08.2024
47	Flexi Infotech Private Limited	22.12.2021	0.00	0.00	0.01	0.00	10.09.2024
48	Shree Ambika Sugars Limited	20.06.2022	1679.94	172.44	180.06	142.03	12.01.2024
49	Slipcon Engineering Private Limited	21.12.2022	0.00	0.00	0.00	0.00	05.08.2024
50	Mallick Projects Private Limited	02.07.2024	0.00	0.00	0.00	0.00	02.07.2024
Part B: For October - December, 2024							
1	Krishna Premium Care Services Llp	06.09.2023	1.91	0.00	0.28	0.00	04.11.2024
2	Gujarat Metallic Coal & Coke Limited	03.11.2021	83.21	0.23	4.73	3.82	04.12.2024
3	Trans-Fab Power Lndia Private Limited	28.06.2023	42.89	4.58	6.33	5.70	25.11.2024
4	Bush Tea Co Pvt Ltd	26.06.2023	87.79	0.07	0.10	0.00	03.12.2024

5	Shree Shankar Saw Mill Private Limited	14.07.2023	70.85	3.12	3.16	2.78	07.11.2024
6	Speck Systems Limited	20.12.2023	993.59	29.08	41.81	40.00	18.11.2024
7	Sri Panchajanya Power Private Limited	05.03.2021	206.92	7.11	11.21	10.00	15.10.2024
8	Chiraag Vyapaar Pvt. Ltd	30.08.2022	21	0.00	0.14	0.00	03.12.2024
9	Opto Infrastructure Limited	13.03.2024	86.43	0.19	1.64	1.01	05.12.2024
10	Nawa Engineers And Consultants Private Limited	10.10.2018	64.40	13.53	20.21	11.63	18.11.2024
11	Sembmarine Kakinada Limited	01.11.2021	1166.19	199.39	171.22	143.00	07.11.2024
12	Esskay Motors Private Limited	08.01.2018	25.92	0.09	0.15	0.03	13.11.2024
13	Raphael Engineering Private Limited	05.04.2018	4.30	1.74	1.75	1.48	01.10.2024
14	Sonachi Industries Limited	28.02.2019	37.13	14.17	11.40	10.16	19.10.2024
15	Yes Power & Infrastructure Limited	10.05.2019	48.21	7.46	6.67	5.91	17.10.2024
16	Advance Navotpad Surfactants Limited	09.08.2019	55.87	8.41	5.05	4.55	19.11.2024
17	Gths Retails Private Limited	16.10.2019	7.22	4.29	0.13	0.00	11.10.2024
18	Rrc International Freight Services Limited	22.10.2019	42.03	4.89	3.32	1.57	21.11.2024
19	Appsdaily Solutions Private Limited	05.12.2019	29.60	0.00	0.01	0.00	11.10.2024
20	Shirpur Power Private Limited	10.03.2021	2501.12	490.94	438.75	429.97	19.11.2024
21	Poscho Steels Pvt. Ltd.	23.03.2021	21.69	0.00	0.05	0.00	13.11.2024
22	Gm Agro Allied Private Limited	15.04.2021	10.79	1.66	1.12	1.12	23.10.2024
23	Prescot Productions Private Limited	02.09.2021	0.80	0.00	0.00	0.00	09.12.2024
24	Yashica Electronics Private Limited	02.09.2021	2.61	0.01	0.02	0.00	23.10.2024
25	Tin Time Consultancy Private Limited	01.11.2022	44.33	0.02	0.04	0.02	15.10.2024
26	Hitkari Packaging Private Limited	10.01.2023	4.91	0.00	0.00	0.00	20.12.2024
27	Info-Alliance Trading Private Limited	30.01.2023	26.23	0.02	0.06	0.00	29.10.2024
28	Dynamic Hatcheries Private Limited	25.07.2023	1.86	0.17	0.18	0.07	26.11.2024
29	Spark Green Energy (Satara) Limited	28.07.2023	341.16	14.50	14.74	14.74	26.11.2024
30	Ariston Pharma Nova Tech Private Limited	03.04.2024	9.91	0.38	0.63	0.37	16.10.2024
31	Stone Export House Private Limited	01.10.2024	0.00	0.00	0.00	0.00	01.10.2024
32	Bihar E-Governance Services & Technologies Limited	08.11.2024	0.00	0.00	0.00	0.00	08.11.2024

Note: '-' means no value; *Claims pertain to CIRP period

0 means an amount below two decimals

\$ indicates sale as going concern

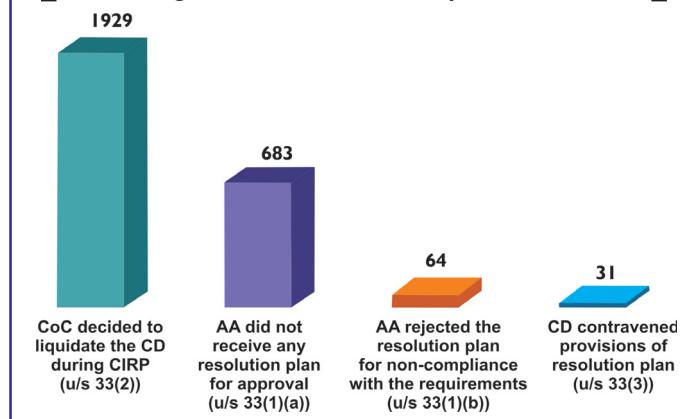
NA means Not Applicable

Around 78% of the CIRPs ending in liquidation (2069 out of 2653 for which data are available) were earlier with BIFR and/or defunct. 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 6.3% of the outstanding debt amount.

C.7.2 Reasons for liquidation

The AA passes an order for liquidation under four circumstances. As on December, 2024, 2707 orders for commencement of liquidation have been passed. The details of liquidation in these circumstances are presented in Figure 12.

Figure 12: Reasons for Liquidations



C.7.3 Claims in liquidation process

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 2078 liquidations, for which data are available, are presented in Table 10.

Table 10: Claims in Liquidation Process

Stakeholders under Section	Number of Claimants	Amount of Claims Admitted	Liquidation Value	Amount Realised	Amount Distributed	(Amount in ₹crore)
1274 Liquidations where Final Report Submitted*						
52	91	10708.98	668.91	661.93	650.60	
53 (1) (a)	NA	NA	14127.01	12478.54	1617.96	
53 (1) (b)	10778	278787.54			10351.10	
53 (1) (c)	9687	321.87			15.92	
53 (1) (d)	3502	73473.37			256.81	
53 (1) (e)	1581	20702.90			45.62	
53 (1) (f)	24819	18272.21			167.83	
53 (1) (g)	5	7.41			0	
53 (1) (h)	269	2160.44			21.66	
Total (A)	50732	404434.72	14795.92	13140.47#	13127.50	

Stakeholders under Section	Number of Claimants	Amount of Claims Admitted	Liquidation Value	Amount Realised	Amount Distributed
Ongoing 1433 Liquidations**					
53 (1) (a)	NA	NA			
53 (1) (b)	39714	640384.58			
53 (1) (c)	30127	1337.64			
53 (1) (d)	10520	130258.99			
53 (1) (e)	2691	33162.18			
53 (1) (f)	1967603	87448.81			
53 (1) (g)	53	573.97			
53 (1) (h)	105548	2650.34			
Total (B)	2156256	895816.51			
Grand Total (A + B)	2206988	1300251.23	66087.26		

*Data reconciliation pending in 144 cases

Inclusive of unclaimed proceeds of Rs.12.97 crore under liquidation.

** Data for other ongoing liquidations is awaited.

***Out of 1433 ongoing cases, liquidation value of only 1165 CDs is available. Liquidation value of 754 CDs taken during liquidation process is Rs.40,403.34 crore and liquidation value of rest of the 411 CDs captured during CIRP is Rs.10888 crore.

C.7.4 Sale as Going Concern

Till December, 2024, 93 CDs were closed by sale as a going concern under liquidation process. These 93 CDs had claims amounting to Rs. 148537.56 crore, as against the liquidation value of Rs. 5432.97 crore. The liquidators in these cases realized Rs. 4408.59 crore and companies were rescued.

C.8 Voluntary Liquidation

C.8.1 Overview

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.

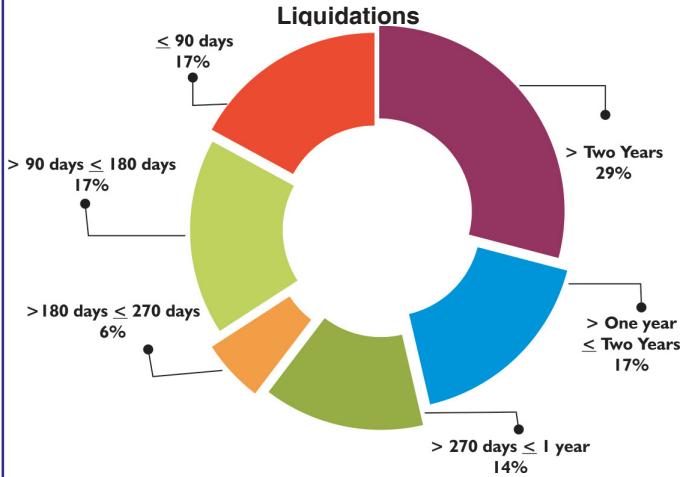
Till March, 2024, 1897 corporate persons initiated voluntary liquidation of which final reports were submitted in 1405 cases and 34 cases were withdrawn. Till September, 2024 2047 corporate persons initiated voluntary liquidation of which final reports were submitted in 1553 cases and 42 cases were withdrawn.

At the end of December, 2024, 2133 corporate persons initiated voluntary liquidation, of which final reports have been submitted in 1598 cases. Further, 43 processes have been withdrawn by December 31, 2024. The details of commencement of voluntary liquidations are presented in Table 11. The timeline of ongoing voluntary liquidations is presented in Figure 13.

Table 11: Commencement of Voluntary Liquidations till December 31, 2024
(Number)

Period	Liquidations at the beginning	Liquidations Commenced	Liquidation closed by Withdrawal	Final Reports Submitted	Liquidations at the end of period
2017 – 18	NA	184	0	11	173
2018 – 19	173	232	7	108	290
2019 – 20	290	272	1	170	391
2020 – 21	391	251	2	186	454
2021 – 22	454	302	3	259	494
2022 – 23	494	320	9	335	470
2023 – 24	470	336	12	336	458
Apr-Jun, 2024	458	45	4	77	422
July-Sept, 2024	422	105	4	71	452
Oct-Dec, 2024	452	86	1	45	492
Total	NA	2133	43	1598	492

Figure 13: Timeline of Ongoing Voluntary Liquidations



Of the 2090 corporate persons that initiated voluntary liquidations (excluding withdrawals) till December 31, 2024, the reasons for these initiations are available for 2088 cases, which are presented in Figure 14. Most of these corporate persons are small entities. 1269 of them have paid-up equity capital of less than or equal to Rs. 1 crore. Only 302 of them have paid-up capital exceeding Rs. 5 crore. The corporate persons, for which details are available, have an aggregate paid-up capital of Rs. 15,569 crore (Table 12).

Figure 14: Reasons for Voluntary Liquidation

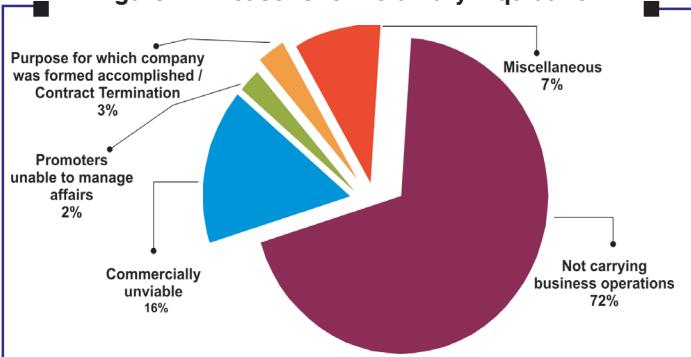


Table 12: Details of Voluntary Liquidations (Excluding Withdrawals)

Details of Liquidations	No. of Liquidations	Amount (in ₹ crore)				
		Paid-up capital*	Assets	Out-standing debt	Amount paid to creditors	Surplus
Liquidations for which Final Reports submitted**	1598	9034	11370	225	225	10802
Ongoing Liquidations	492	6535	3079#		***	
Total	2090	15569	14,449		***	

Notes:

* Paid up capital is not available in case of eleven companies as they are limited by guarantee companies where there exist no shareholders and paid-up capital.

** Data of 5 Final Report cases is awaited. *** For ongoing liquidations, data is not available. # Assets of 373 cases are available.

C.8.2 Dissolution orders in voluntary liquidation

It was reported in the last newsletter that dissolution orders were passed in respect of 1099 voluntary liquidations. Dissolution orders in respect of 4 more voluntary liquidations, which were issued during the earlier period, were reported later. During the quarter October – December 2024, dissolution orders in respect of 41 voluntary liquidations were issued taking the total dissolutions to 1144. These 1144 corporate persons owed Rs. 115.82 crore to creditors and through voluntary liquidation process, they were paid full amount.

Table 13: Realisations under Voluntary Liquidations

Sl.	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: For Prior Period (Till September 2024)									
1	Shivshankar Niwas Private Limited	19.11.2019	13.06.2024	0.56	-	-	0.02	0.54	
2	Secunderabad Hospital Private Limited	21.11.2020	10.09.2024	0.18	-	-	0.16	0	
3	Emmons Dyes Trading Company Private Limited	20.02.2024	25.09.2024	0.37	-	-	0.03	0	
4	Kidz Router Private Limited	10.07.2021	27.09.2024	0.13	0.06	0.06	0.07	0	
Part B: For October - December, 2024									
1	Agm Capital India Private Limited	19.11.2019	03.10.2024	2.27	2.22	2.22	0.04	0	
2	Mudita Ventures Private Limited	21.11.2020	04.10.2024	0.16	-	-	0.01	0	
3	Paarkadel Ballast Technology Private Limited	20.02.2024	07.10.2024	6.07	0.01	0.01	0.07	0	
4	Green World Projects Private Limited	10.07.2021	08.10.2024	6.3	0	0	0.06	6.24	
5	Xtx Securities Private Limited	10.05.2021	09.10.2024	10.08	-	-	0.19	9.89	
6	S.V.C Estates Private Limited	15.02.2024	16.10.2024	4.47	-	-	0.29	0	
7	Rajsuraj Fincap Private Limited	28.02.2022	21.10.2024	1.98	-	-	0.02	1.96	
8	E Com Logistics Private Limited	25.11.2022	21.10.2024	0.21	0	0	0.01	0.19	
9	Ms Merchandisers Private Limited	21.10.2021	21.10.2024	0.03	0	0	0.02	0.01	
10	Doc Medical Services Private Limited	15.02.2020	23.10.2024	2.12	-	-	0.12	0	
11	Aimia India Loyalty Management Private Limited	21.04.2022	24.10.2024	34.01	-	-	0.14	33.87	
12	Formel D India Private Limited	26.12.2022	24.10.2024	1.27	-	-	0.11	1.16	
13	Systopia India Private Limited	27.04.2023	25.10.2024	0.05	-	-	0.04	0	
14	Iplast Industries Private Limited	22.01.2024	25.10.2024	0.15	-	-	0.03	0	
15	Ectosense India Private Limited	14.11.2022	07.11.2024	0.4	-	-	0.05	0.35	
16	Bangalore Airport Rail Link Limited	30.01.2023	07.11.2024	1.26	-	-	0.09	1.18	
17	Weld-Aids Private Limited	30.09.2023	07.11.2024	1.54	-	-	0.09	1.45	
18	Kabbage India Private Limited	19.07.2024	07.11.2024	0.04	-	-	0.04	-	
19	Footprint Ventures Trustee Company Private Limited	13.12.2022	07.11.2024	0.04	0	0	0.02	0.02	
20	Footprint Ventures Consultancy Private Limited	28.11.2022	07.11.2024	0.04	0	0	0.02	0.02	
21	Suguna Fincorp Private Limited	25.02.2023	08.11.2024	3	-	-	0.03	0	
22	Xdoc Works Private Limited	02.05.2023	09.11.2024	0.29	0	0	0.05	0.24	
23	Unfors Raysafe (India) Private Limited	23.03.2023	13.11.2024	0	-	-	0	-	
24	Skava Systems Private Limited	23.03.2023	14.11.2024	82.87	0.03	0.03	11.37	0	
25	Central Railside Warehouse Company Limited	15.04.2024	19.11.2024	42.84	0	0	0.19	42.65	
26	Quadricap Advisors Private Limited	01.08.2022	19.11.2024	0.24	-	-	0.1	0	
27	Kris Sumeru Investments Private Limited	06.04.2023	28.11.2024	4.92	-	-	0.18	4.74	
28	Kalvir Realty Private Limited	29.03.2021	29.11.2024	11.15	-	-	0.05	0	
29	Ecovia Tech Private Limited	06.02.2023	02.12.2024	6.14	-	-	0.03	0	
30	Finaxar Technology Solutions Private Limited	22.03.2024	02.12.2024	0.03	-	-	0.03	-	
31	Sambodhi Healthcare Private Limited	05.12.2019	04.12.2024	0.02	-	-	0.01	0.01	
32	Frontline Wind Energy Private Limited	19.02.2024	05.12.2024	-	-	-	-	-	

33	Consul Real Estate Bengaluru Private Limited		28.02.2024	06.12.2024	17.38	1.31	1.31	0.03	16.04
34	Clintec Cro Services (India) Private Limited		28.06.2024	06.12.2024	2.94	-	-	0.06	2.88
35	Takusho India Design Consultants Private Limited		03.03.2020	06.12.2024	1.92	-	-	0.02	1.91
36	Spi Finance And Investments Private Limited		02.08.2021	11.12.2024	2.1	0	0	0.02	2.08
37	Phonepe Wealth Private Limited		24.08.2022	12.12.2024	0.13	0.03	0.03	0.04	0.05
38	Finvault Account Aggregator Services Private Limited		13.12.2022	18.12.2024	2.13	-	-	0.07	2.06
39	Vadodara Securities Private Limited		28.07.2023	18.12.2024	0.39	-	-	0.02	0
40	Virtustream Security Solutions Private Limited		05.02.2021	19.12.2024	8.01	-	-	0.5	7.51
41	Boltell Infimedia Private Limited		31.03.2023	20.12.2024	5.72	5.47	5.47	0.02	0.23
Total (October-December, 2024)					264.7	9.09	9.09	14.27	136.73
Total (Till December, 2024)					9,951.59	115.83	115.83	220.61	7,946.10

Notes: '0' means an amount below two decimals;

'-' means no value

Data awaited

C.9 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, 2024 are presented in Table 14.

Table 14: Corporate Liquidation Accounts as on December 31, 2024
(Amount in ₹lakh)

Name of Account	Opening Balance	Deposit during the period	Withdrawn during the period	Balance at the end of the period
Corporate Liquidation Account				
2019 – 20	0.00	476.26	0.21	476.05
2020 – 21	476.05	116.18	0.00	592.23
2021 – 22	592.23	25.93	4.84	613.32
2022 – 23	613.32	596.10	0.00	1209.42
2023 – 24	1209.42	777.37	9.26	1977.53
Apr – Jun, 2024	1977.53	22.10	0.00	1999.63
July – Sept, 2024	1999.63	550.28	0.00	2549.91
Oct- Dec, 2024	2549.91	0.40	0.00	2550.31
Corporate Voluntary Liquidation Account				
2019 – 20	0.00	109.70	0.00	109.70
2020 – 21	109.70	112.06	0.00	221.76
2021 – 22	221.76	127.94	0.03	349.67
2022 – 23	349.67	241.29	10.42	580.54
2023 – 24	580.54	265.49	39.02	807.01
Apr – Jun, 2024	807.01	146.25	8.47	944.79
July – Sept, 2024	944.79	16.38	3.62	957.55
Oct- Dec, 2024	957.55	1.88	4.17	955.26

C.10 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. As per the information available with the Board, 13 applications have been admitted as on December, 2024, out of which one has been withdrawn and resolution plans have been approved in five cases i.e., Amrit India Limited, Sudal Industries Limited, Shree Rajasthan Syntex Limited, Enn Tee International Limited and GCCL Infrastructure and Projects Limited. The details of the ongoing cases are in Table 15.

Table 15: List of ongoing cases for PPIRP as on December 31, 2024

Sl.	Name of the CD	Date of admission	Name of the NCLT Bench
1.	Mudra Lifespaces Private Limited	06-12-23	Mumbai
2.	Kethos Tiles Private Limited	04-01-24	Ahmedabad
3.	Shreemati Fashions Private Limited	05-01-24	Kolkata
4.	Kratos Energy & Infrastructure Limited	01-02-24	Mumbai
5.	Garodia Chemicals Limited	16-04-24	Mumbai
6.	Kvir Towers Private Limited	20-02-24	New Delhi
7.	Rg Residency Private Limited	20-02-24	New Delhi

C. 11 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. 1396 applications seeking avoidance of transactions have been filed with the AA till December 31, 2024 as presented in Table 16.

Table 16: Details of avoidance applications and disposal
(Amount in ₹crore)

Sl.	Nature of transactions	Applications Filed		Applications Disposed		
		Number of transactions	Amount involved	Number of transactions	Amount involved	Amount clawed back
1	Preferential	209	29916.40	81	1831.39	38.27
2	Undervalued	37	1817.37	6	368.72	5.98
3	Fraudulent	405	121454.82	78	6576.52	1452.36
4	Extortionate	4	75.65	1	0.09	-
5	Combination	741	231803.14	202	56873.50	6434.16 *
Total		1396	385067.38	368	65650.22	7930.77

*In the matter of Jaypee Infra, possession of 758 acres out of total 858 acres of land was given back to the CD. The 858 acres of land was earlier valued at Rs. 5500 crore.

D. Individual Processes

D.1 Insolvency Resolution Process

The provisions relating to insolvency resolution and bankruptcy relating to PGs to CDs came into force on December 1, 2019. As per the information received from the applicants, IPs, and data collected from various benches of NCLT and Debt Recovery Tribunal (DRT), 3806 applications have since been filed as of December 31, 2024, for initiation of personal insolvency resolution process (PIRP) of PGs to CDs. Out of them, 546 applications have been filed by the debtors and 3260 applications by the creditors under sections 94 and 95 of the Code, respectively. Among them 51 have been filed before different benches of Debt Recovery Tribunal (DRT) and 3755 have been filed before different benches of NCLT (Table 17).

Table 17: Insolvency Resolution of Personal Guarantors

(Amount in ₹crore)

Period	Applications filed by				Total		Adjudicating Authority	
	Debtors (u/s 94)		Creditors (u/s 95)					
	No.	Debt Amount	No.	Debt Amount	No.	Debt Amount	NCLT	DRT
2019 - 20	4	1827.57	23	3299.82	27	5127.39	26	1
2020 - 21	27	2492.98	254	40111.58	281	42604.56	275	6
2021 - 22	87	3545.82	960	69330.62	1047	72876.44	1032	15
2022 - 23	81	10547.37	903	39471.18	984	50018.55	983	1
2023 - 24	244	5006.95	560	31860.63	804	36867.58	777	27
Apr - Jun, 2024	40	1673.08	218	12132.92	258	13806	258	0
July - Sept, 2024	38	740.18	185	15437.57	223	16177.75	223	0
Oct - Dec, 2024	25	259.55	157	3056.47	182	3316.02	181	1
Total	546	26093.5	3260	214700.79	3806	240794.29	3755	51

Note: The data are provisional. These are revised on a continuous basis as further information is received.

Debt data not available in 633 cases.

Of the 3806 applications, 119 applications have been withdrawn/ rejected/ dismissed before the appointment of RP and RPs have been appointed in 1767 cases. After the appointment of RP, 135 cases have been withdrawn/ rejected/ dismissed, and 620 cases have been admitted. The details are given in Table 18.

Table 18: Status of filed applications for initiation of Insolvency Resolution Process of PGs to CDs (Number)

Period	No. of applications filed	Before appointment of RP		No. of cases where RPs have been appointed*	After appointment of RP		No. of cases Admitted
		No. of Applications with drawn	No. of Applications dismissed/ rejected		No. of Applications with drawn	No. of Applications dismissed/ rejected	
2019 - 20	27	0	0	2	0	0	0
2020 - 21	281	6	1	35	2	1	13
2021 - 22	1047	15	15	468	0	7	35
2022 - 23	984	19	30	556	14	25	213
2023 - 24	804	11	19	564	19	18	172
Apr - Jun, 2024	258	0	2	98	4	26	97
July - Sept, 2024	223	1	0	35	1	15	78
Oct - Dec, 2024	182	0	0	9	0	3	12
Total	3806	52	67	1767	40	95	620

*This includes the admitted cases and cases, which are withdrawn or dismissed or rejected after appointment of RP.

Out of the 620 admitted PIRPs, 169 have been closed. Of these, 12 have been withdrawn; 129 have been closed on non-submission or rejection of repayment plan; and 26 have yielded approval of repayment plan. In cases where repayment plans have been approved, the creditors have realised Rs.102.78 crore, which is 2.16% of their admitted claims.

D.2 Bankruptcy Process

If the resolution process fails or repayment plan is not implemented, the debtor or the creditor may make an application for initiation of the bankruptcy process. As per the information received from the applicants, IPs and data collected from various benches of NCLT and DRT, 62 bankruptcy applications have since been filed as of December, 2024. Out of them, two applications are filed by the debtor and 60 applications have been filed by the creditors under section 122 and 123 of the Code respectively. Among them, one application has been filed before DRT, Chennai and 61 applications have been filed before different benches of NCLT.

E. Service Providers

E.1 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. Pursuant to the IBBI (Insolvency Professionals) (Fourth Amendment) Regulations, 2022 read with IBBI (Model Bye-Laws and Governing Board of Insolvency Professional Agencies) (Amendment) Regulations, 2022, the Insolvency Professional Entities (IPEs) have been permitted to registered as IP to carry on the activities of an IP. An IP needs an authorization 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, 2024 and AFAs held by them, IPA-wise, are presented in Table 19.

Table 19: Registered IPs and AFAs as on December 31, 2024

City / Region	Registered IPs			IPs having AFA				
	IIIP ICAI	ICSI IP	IPA of ICMAI	Total	IIIP ICAI	ICSI IP	IPA of ICMAI	Total
New Delhi	506	293	97	896	240	144	44	428
Rest of Northern Region	515	219	87	821	226	108	31	365
Mumbai	444	157	42	643	208	77	19	304
Rest of Western Region	380	141	54	575	200	74	22	296
Chennai	157	90	24	271	70	40	11	121
Rest of Southern Region	452	237	95	784	185	112	51	348
Kolkata	243	43	28	314	134	19	17	170
Rest of Eastern Region	80	35	12	127	35	20	6	61
Total (Individual)	2777	1215	439	4431	1298	594	201	2093
Total (IPE as IP)	49	15	24	88	47	12	23	82
Grand Total	2826	1230	463	4519	1345	606	224	2175

Of the 4592 IPs registered till date, registrations of 15 IPs have been cancelled through disciplinary action, and registrations of 24 IPs cancelled on failing to fulfil the requirement of fit and proper person status. As per information available, 34 IPs have passed away. The registrations and cancellations of registrations IPs, quarter wise, till December 31, 2024 are presented in Table 20.

Table 20: Registration and Cancellation of Registration of IPs

Year / Quarter	Regis- tered at the beginning of the period	Registered during the period	Cancelled during the period on account of			Registered at the end of the period
			Discip- linary Process	Failing to fulfil the continuing requirement of 'fit and proper person' status	Dea- th	
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
2021 – 22	3504	549	1	0	8	4044
2022 – 23	4044	209	2	0	5	4246
2023 – 24	4246	116	3	0	7	4352
Apr - Jun, 2024	4352	41	0	0	2	4391
July – Sept, 2024	4391	36	1	0	1	4425
Oct- Dec, 2024	4425	33	4	22	1	4431
Total (Individual)	NA	4504	15	24	34	4431
Total (IPE as IP)	NA	88	0	0	0	88
Grand Total	NA	4592	15	24	34	4519

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

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 Post Graduate Insolvency Programme (PGIP) is a 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 IBBI has granted approval to two institutes to conduct PGIP - the Indian Institute of Corporate Affairs and the National Law Institute University, Bhopal, who commenced PGIP from the year 2019 and 2022 respectively. The IBBI has granted 46 registrations based on this qualification, until December 31, 2024.

Table 21 presents distribution of IPs as per their eligibility (an IP may be a member of more than one Institute) as on December 31, 2024. Of the 4431 IPs (individual) as on December 31, 2024, 457 IPs (constituting about ten per cent of the total registered IPs) are female.

Table 21: Distribution of IPs as per their Eligibility as on December 31, 2024

Eligibility	No. of IPs (Individual)		
	Male	Female	Total
Member of ICAI	2198	222	2420
Member of ICSI	599	139	738
Member of ICMAI	186	19	205
Member of Bar Council	235	35	270
Managerial Experience	716	36	752
PGIP Qualified	40	6	46
Total	3974	457	4431

The Regulations provide that an IP (individual) shall be eligible to obtain an AFA if he has not attained the age of 70 years. Table 22 presents the age profile of the IPs registered as on December 31, 2024.

Table 22: Age Profile of IPs (individual) as on December 31, 2024

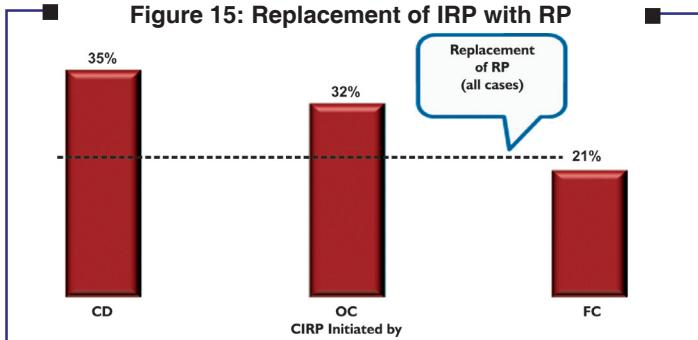
Age Group (in Years)	Registered IPs				IPs having AFA#			
	IIIP ICAI	ICSI IIP	IPA of ICMAI	Total	IIIP ICAI	ICSI IIP	IPA of ICMAI	Total
≤ 30	16	7	3	26	12	5	1	18
> 30 ≤ 40	180	69	17	266	109	42	10	161
> 40 ≤ 50	949	340	54	1343	453	177	21	651
> 50 ≤ 60	837	365	112	1314	405	195	58	658
> 60 ≤ 70	704	349	209	1262	319	175	111	605
> 70 ≤ 80	85	78	41	204	2	NA	NA	NA
> 80 ≤ 90	5	6	3	14	NA	NA	NA	NA
> 90	1	1	0	2	NA	NA	NA	NA
Total	2777	1215	439	4431	1298	594	201	2093

Excluding 1320 AFAs which are expired / not renewed.

NA: Not Applicable.

E.2 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 31, 2024, as per updates available, a total of 1643 IRPs have been replaced with RPs, as shown in Figure 15. It is observed that IRPs in about 35% of CIRPs initiated by CD are replaced by RPs, in 32% of CIRPs initiated by OCs and in 21% of CIRPs initiated by FCs.

Figure 15: Replacement of IRP with RP**Table 24: Activities by IPAs**

Period	Number of					
	Pre-regis-tration Courses conducted	CPE Progra-mmes con-ducted	Training Work-shops for IPs	Other Work shops/ Webinars/ Roundtables/ Seminars	Discipli-nary Orders Issued	Complai-nts (Forwar-ded 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
2021 – 22	13	133	56	81	23	12
2022 – 23	15	231	104	192	85	125
2023 – 24	3	198	61	135	49	179
Apr - Jun, 2024	1	60	17	45	1	49
July – Sept, 2024	1	73	35	39	17	20
Oct- Dec, 2024	1	59	23	36	4	34
Total	75	977	378	887	234	659

E.3 Insolvency Professional Entities

During the quarter under review, three IPEs were recognised. As on December 31, 2024, there were 126 IPEs (Table 23).

Table 23: IPEs as on December 31, 2024

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
2021 – 22	10	2	91
2022 – 23	17	1	107
2023 – 24	15	0	122
Apr - Jun, 2024	1	0	123
July – Sept, 2024	2	2	123
Oct- Dec, 2024	3	0	126
Total	174	48	126

E.4 Insolvency Professional Agencies

IPAs are front-line regulators and are 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, 2024, there are three IPAs registered in accordance with the Code and Regulations. The IBBI interacts with the Managing Directors (MDs) of the IPAs and the IU every month, to obtain feedback on areas of concern for the profession of IPs and discuss the resolutions and the way forward. Table 21 presents the details of activities by the IPAs. Table 24 gives details of number of continuing professional education (CPE) hours earned by IPs.

Table 25: CPE Hours earned by the IPs

Period	Number of CPE Hours earned by members of			
	IIIP ICAI	ICSI IIP	IPA ICAI	Total
2019 – 20	1160	695	320	2175
2020 – 21	18465	8746	4647	31858
2021 – 22	14123	7890	3872	25885
2022 – 23	22185	10732	3433	36350
2023 – 24	5803	9835	3715	19353
Apr - Jun, 2024	2314	2203	960	5477
July – Sept, 2024	4178	2466	902	7546
Oct- Dec, 2024	4513	2122	904	7539
Total	72741	44689	18753	136183
Average CPE hours				
per registered IP	26.19	36.78	42.72	30.73

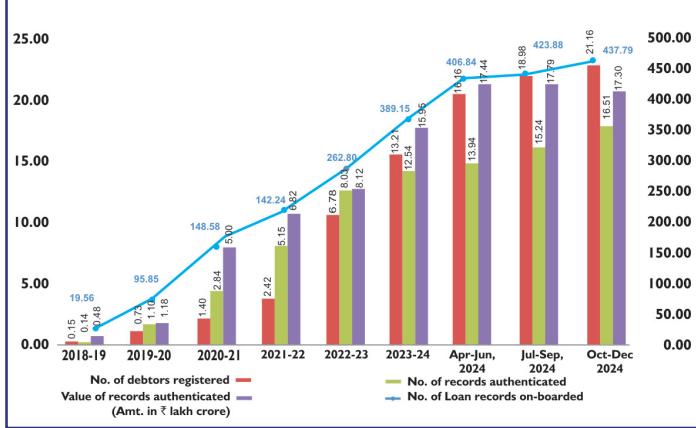
E.5 Information Utility

The Code provides that the data with the IU facilitates the CIRP. The RoD of the IU provides evidence of debt and default and assists the AA in deciding on an application for admission of insolvency proceedings against a CD. Sections 7(3) & 9(3) of the Code read with the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016, require submission of RoD from an IU as evidence of default, among various other options, along with application for initiation of CIRP. The RoD issued by an IU has evidentiary value in IBC processes. It contains complete details of the parties to the debt, debt information, security details, default information, details of communication with debtor and authentication status by the counter parties of the debt categorized in accordance with regulation 21 of the IBBI (Information Utilities) Regulations, 2017. The IU issues RoD in every defaulted loan (unique debt) reported to it on completing the process of authentication.

There is one IU, namely, the 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 every month to discuss the issues relating to receipt and authentication of financial information. As at the end of December, 2024, NeSL has issued

about 1,36,890 RoDs under Corporate Segment to support the IBC ecosystem. Figure 16 provides details of the registered users and information with NeSL, as submitted by it.

Figure 16: Details of information with NeSL



E.6 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 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 and clear the examination conducted by IBBI, before seeking registration with IBBI as an RV. There are currently 14 RVOs. The IBBI meets MDs / CEOs of RVOs 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, 2024, are given in Table 26. A total of 5658 individuals have active registrations, four of them are registered for all three asset classes, 8785 are registered for two asset classes and the balance 5567 are registered for one asset class. As on December 31, 2024, the registration of four RVs have been cancelled.

Table 26: Registered Valuers as on December 31, 2024
(Number)

Sl.	Registered Valuer Organisation	No. of registration granted in each Asset Class			
		Land & Building	Plant & Machinery	Securities or Financial Assets	Total
1	RVO Estate Managers and Appraisers Foundation	96	17	15	128
2	IOV: IOV Registered Valuers Foundation	1659	263	190	2112
3	ICSI: ICSI Registered Valuers Organisation	0	0	254	254
4	IIV India registered Valuers Foundation	194	51	58	303
5	ICMAI: ICMAI Registered Valuers Organisation	63	34	320	417

6	ICAI: ICAI Registered Valuers Organisation	1	0	1127	1128
7	PVAI: PVAI Valuation Professional Organisation	327	56	140	523
8	CVSRTA: CVSRTA Registered Valuers Association	196	61	NA	257
9	ACVA: Association of Certified Valuators and Analysts*	0	0	4	4
10	CEV: CEV Integral Appraisers Foundation	162	47	3	212
11	DJF: Divya Jyoti Foundation	119	20	73	212
12	Nandadeep Valuers Foundation	6	0	1	7
13	IBVA: International Business Valuers Association	5	2	24	31
14	AIVA: All India Valuers Association	2	0	0	2
15	AaRVF: Assessors and Registered Valuers foundation	87	26	50	163
Total		2917	577	2259	5753

Note: Registration of 4 RVs have since been cancelled.

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

*The RVO has merged with IOV Registered Valuers Foundation and the transfer of membership of members is under process.

RVs are permitted to form an entity (Partnership / Company) for rendering valuation services. There are 116 such entities registered as RVs as on December 31, 2024, as presented in Table 27. 55 of them are registered for three asset classes, 22 are registered for two asset classes and 39 are registered for one asset class. The registration of RVs till December 31, 2024 is given in Table 28.

Table 27: Registered Valuers (Entities) as on December 31, 2024

Registered Valuer Organisation	Number of Entities	Asset Class		
		Land & Building	Plant & Machinery	Securities or Financial Assets
RVO Estate Managers and Appraisers Foundation	6	6	4	5
IOV Registered Valuers Foundation	40	35	32	33
ICSI Registered Valuers Organisation	6	2	2	6
IIV India Registered Valuers Foundation	3	3	3	2
ICMAI Registered Valuers Organisation	18	10	9	17
ICAI Registered Valuers Organisation	19	1	0	19
PVAI Valuation Professional Organisation	5	4	4	5
CVSRTA Registered Valuers Association	1	1	1	0
CEV Integral Appraisers Foundation	2	2	2	0
Divya Jyoti Foundation	3	2	2	3
All India Institute of Valuers Foundation	1	1	1	1
International Business Valuers Association	10	9	7	8
Nandadeep Valuers Foundation	1	1	1	1
Assessors and Registered Valuers foundation	1	1	1	1
Total	116	78	69	101

Table 28: Registration of RVs till December 31, 2024
(Number)

Year / Quarter	Land & Building	Plant & Machinery	Securities or Financial Assets	Total
2017 – 18	0	0	0	0
2018 – 19	781	121	284	1186
2019 – 20	848	204	792	1844
2020 – 21	409	82	446	937
2021 – 22	302	67	303	672
2022 – 23	311	57	275	643
2023 – 24	138	23	89	250
Apr - Jun, 2024	29	7	24	60
Jul-Sep, 2024	35	9	31	75
Oct- Dec, 2024	64	7	15	86
Total	2917	577	2259	5753

Note: Registration of 4 RVs have since been cancelled.

As on December 31, 2024, 1439 RVs (constituting 25% of the total RVs registered) are from metros, while 4314 RVs (constituting 75% of the total RVs registered) are from non-metro locations. The region-wise detail of RVs is given in Table 29.

Table 29: Region wise RVs as on December 31, 2024
(Number)

City / Region	Land & Building	Plant & Machinery	Securities or Financial Assets	Total
New Delhi	92	39	267	398
Rest of Northern Region	481	96	398	975
Mumbai	127	56	343	526
Rest of Western Region	850	172	385	1407
Chennai	123	46	164	333
Rest of Southern Region	1147	135	533	1815
Kolkata	38	20	124	182
Rest of Eastern Region	59	13	45	117
Total	2917	577	2259	5753

The average age of RVs as on December 31, 2024 stood at 48 years across asset classes. It was 48 years for Land & Building, 53 years for Plant & Machinery and 43 years for Securities or Financial Assets (Table 30). Of the 5773 RVs as on December 31, 2024, 582 RVs (constituting about 10% of the total RVs) are females.

Table 30: Age profile of RVs as on December 31, 2024

Age Group (in years)	Land & Building	Plant & Machinery	Securities or Financial Assets	Total
< 30	218	9	152	379
> 30 ≤ 40	637	90	880	1607
> 40 ≤ 50	568	121	691	1380
> 50 ≤ 60	1046	171	335	1552
> 60 ≤ 70	398	129	185	712
> 70 ≤ 80	44	54	15	113
> 80	6	3	1	10
Total	2917	577	2259	5753

E.7 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 (CPGRAMS), Prime Minister's Office (PMO), MCA, and other authorities. The receipt and disposal of grievances and complaints till December 31, 2024 is presented in Table 31.

Table 31: Receipt and Disposal of Grievances and Complaints till December 31, 2024
(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 – 18	18	0	6	0	22	2	46	2	44
2018 – 19	111	51	333	290	713	380	1157	721	480
2019 – 20	153	177	239	227	1268	989	1660	1393	747
2020 – 21	268	260	358	378	990	1364	1616	2002	361
2021 – 22	276	279	574	570	611	784	1461	1633	189
2022 – 23	235	211	399	386	238	272	872	869	192
2023 – 24	209	193	435	452	311	271	955	916	231
Apr - Jun, 2024	48	38	105	112	49	77	202	227	206
Jul - Sept, 2024	58	28	60	54	90	50	208	130	284
Oct - Dec, 2024	79	60	54	65	67	80	200	205	279
Total	1455	1297	2563	2534	4359	4269	8377	8098	279

E.8 Examinations

E.8.1 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 same continuously to keep it relevant with respect to dynamics of the market. It has successfully completed seven phases of the Limited Insolvency Examination. The eighth phase is going on from July 1, 2023. 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 Table 32.

Table 32: Limited Insolvency Examination

Phase	Period	Number of Attempts (some candidates made more than one attempt)	Successful Attempts
First	Jan, 2017 – Jun, 2017	5329	1201
Second	Jul, 2017 – Dec, 2017	6237	1112
Third	Jan, 2018 – Oct, 2018	6344	1013
Fourth	Nov, 2018 – Jun, 2019	3025	505
Fifth	Jul, 2019 – Dec, 2020	5860	1016
Sixth	Jan, 2021 – Feb, 2022	2741	474
Seventh	Mar, 2022 – Jun, 2023	1677	198
Eighth	Jul, 2023 - Mar, 2024	380	58
	Apr, 2024 - Jun, 2024	184	27
	July, 2024 – Sept, 2024	192	35
	Oct, 2024- Dec, 2024	157	25
Total		32126	5664

E.8.2 Valuation Examinations

The IBBI, being the authority under the Valuation Rules 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. Presently, the fifth phase of valuation examinations is going on from May 1, 2024. It is a computer based online examination available from several locations across India. National Institute of Securities Markets is the current test administrator. The details of the Examinations are given in Table 33.

Table 33: 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 – Jun, 2022	8370	2015	8377	620	139	781
Fourth	Jul, 2022 - Apr, 2024	4042	764	2459	392	72	262
Fifth	May, 2024 - Jun, 2024	235	32	145	31	6	17
	Jul, 2024 - Sep, 2024	391	51	181	54	10	21
	Oct 2024 - Dec, 2024	373	40	164	55	8	21
Total		26660	5324	20637	3280	654	2459

E.9 Disciplinary Orders

During the quarter, the Disciplinary Committee of the IBBI disposed of 11 show cause notices issued to the IPs and 1 show cause notice issued to an RV for contravention of the provisions of law by passing suitable orders.

F. Orders

F.1 Supreme Court

Committee of Creditors of KSK Mahanadi Power Company Limited Vs. M/s Uttar Pradesh Power Corporation Limited & Ors. [Civil Appeal No. 11086 of 2024]

AA rejected the application filed by one of the FC for consolidation of CIRP of KSK Mahanadi Power Company Limited (CD) with other two group companies. The appeal filed by FC before NCLAT was later withdrawn. In the meanwhile, Uttar Pradesh Power Corporation Limited (Respondent/ OC) filed a WP in Telangana HC, seeking relief of consolidation for maximization of assets. The HC had declined to grant the main relief and directed OC to approach the NCLT with the grounds available under the law and stayed the CIRP. Aggrieved by the order of HC, the CoC filed an appeal before SC.

The issue for consideration before the SC was whether the HC was justified in granting stay during the first hearing without notice to CoC and others. The SC while allowing the appeal, has set aside the order of HC. It observed that the decision of HC in deferring the CIRP proceedings is beyond its jurisdictional boundaries under Article 226 and held that such a decision “breaches the discipline of the law which has been laid down in the provisions of the Insolvency and Bankruptcy Code 2016.”

GLAS Trust Company LLC Vs. BYJU Raveendran & Ors. [Civil Appeal No. 9986 of 2024 with SLP (C) No. 21023 of 2024]

GLAS Trust Company LLC (GTCL), an administrative agent of the secured lender in the capacity of FC, had filed section 7 application against Think and Learn Private Limited, a subsidiary of M/s Byju's Alpha Inc., a USA based entity. Earlier, the CIRP had already commenced against the CD on the application filed by OC i.e., The Board of Control for Cricket in India (BCCI). Therefore, GTCL was allowed to submit claims in the ongoing CIRP with the liberty to seek restoration of its petition. NCLT's orders were challenged by the CD and FC before NCLAT which granted stay on the constitution of CoC. In the meanwhile, one of the directors of CD proposed settlement of dues with BCCI which was objected by FC and the appellant herein on the grounds of source of funds, round-tripping and that such payments would amount to preferential treatment to OC and prejudicial to FCs. However, NCLAT while exercising inherent powers under rule 11 of National Company Law Appellate Tribunal Rules, 2016 (NCLAT Rules) allowed withdrawal of CIRP. On appeal by FC, the issue before SC was whether rule 11 can be invoked when provisions for withdrawal are prescribed under the law. SC while setting aside the judgment of NCLAT, examined the provisions of section 12A read with regulation 30A of CIRP Regulations and inherent powers under the rule 11 of NCLAT Rules and held that inherent powers can be exercised in cases where statutory provisions are silent or ambiguous and such powers cannot be used to go against the established legal framework provided under the provisions of the Code. Further, it also highlighted the importance of ensuring fairness and compliance with insolvency regulations to protect the interests of all stakeholders and directed that the funds in question remain in an escrow account under the oversight of the Committee of Creditors (CoC) until further developments.

State Bank of India & Ors. Vs. The Consortium of Mr. Murari Lal Jalan and Mr. Florian Fritsch & Anr. [Civil Appeal Nos. 5023-5024 of 2024]

AA admitted Jet Airways (India) Limited (CD) into CIRP *vide* order dated 20.06.2019. Subsequently, AA approved the resolution plan of SRA. The implementation of the resolution plan was delayed beyond the timelines owing to extensions sought by the SRA. The CoC objected for extensions as the dues payable to workmen, airport authorities, and other costs etc. were on the rise. Further, SRA approached NCLAT to exclude the period in deciding appeal from 180-day period for infusion of 1st tranche of funds and restrain FCs from encashing Performance Bank Guarantee (PBG). On 16.08.2023, the FC filed an affidavit before the NCLAT and submitted that, if SRA (i) infuses Rs. 350 crores by 31.08.2023; (ii) complies with the payment obligations to the workmen and employees, and (iii), follows the other terms and conditions of the plan - then it would not contest the issues relating to the grant of extension of time as well as the issue relating to the compliance of

the terms and conditions of the plan. On 28.08.2023, the NCLAT partly allowed the adjustment application filed by the SRA by holding that the payment of the first tranche of Rs. 350 Crore and remaining Rs. 200 Crore were allowed to be infused on or by 31.08.2023 and 30.09.2023 respectively and, accordingly timeline was considered. FCs filed an appeal before the SC against the aforesaid order. On 18.01.2024, the SC held that the PBG cannot be permitted to be adjusted against the first tranche payment and therefore, directed that the amount of Rs. 150 Crore be infused in cash on or before 31.01.2024 and prayer for extension of the compliance order was dismissed. Meanwhile, FCs' submissions regarding non-fulfilment of the stipulations under the resolution plan was dismissed by NCLAT holding that SRA had complied with the conditions in the plan. FCs filed an appeal before SC against the order of NCLAT. While adjudicating upon the present appeals, SC held that the PBG could not have been adjusted against the first tranche payment, as it contravened its previous order dated 18.01.2024 and the terms of the resolution plan. It noted *malafide* intention on part of the SRA in delaying implementation of the resolution plan in the garb of pendency of litigation against non-fulfilment of terms and conditions and held that the adjustment of the PBG was impermissible under the terms of the resolution plan read with regulation 36B(4A) of the CIRP Regulations. SC, further held that the SRA, not having infused the first tranche payment of Rs. 350 Crore within a period of 180 days from the effective date, has defaulted on its obligation towards the payment of CIRP costs (which include airport dues) and has breached the terms of the resolution plan towards payment of workmen and employees' dues and other statutory dues like PF and Gratuity. Considering the above, it concluded that failure to implement the resolution plan by the SRA has rendered CIRP too costly for the FCs, leaving liquidation as the last resort to recover their money.

SC reiterating the superiority of the commercial wisdom of the CoC in deciding resolution plan with minimum judicial interference, it suggested that the Central Government and the IBBI should explore the possibilities of better enforcement of the standards and practices enumerated in the Guidelines for CoC through an independent mechanism under the auspices of an oversight committee instead of making them self-regulatory. Further, SC observed that AA, while approving a resolution plan, should record the steps which are to be taken by the respective parties for implementation of the approved resolution plan. It also observed that the IBC should statutorily incorporate provisions for the constitution of a Monitoring Committee once the plan has been approved, for a smooth handover of the CD to the SRA, removing AA's discretion to order constitution of such Committee. Lastly, SC, while allowing appeal, invoked Article 142 of the Constitution and held that the amount of Rs 200 Crore already infused by the SRA shall be forfeited and FCs were permitted to encash the PBG of Rs. 150 Crore furnished by the SRA and directed to commence liquidation of CD.

Committee of Creditors Vs. Directorate of Enforcement & Ors. [SLP (Civil) Nos. 29327- 29328 of 2019]

CoC had filed a civil appeal against Directorate of Enforcement (ED) challenging the provisional attachment orders issued by the latter post approval of resolution plan. The issue before SC was on the jurisdiction of the ED to attach the properties of the CD in the light of section 32A of the Code. In the peculiar facts of the case, considering the prayer of the ED to proceed with the investigation

of the case registered against the promoters of Bhushan Power and Steel Limited- CD and seeking restitution of the attached properties to the SRA under the provisions of PMLA, SC directed ED to handover the properties that were provisionally attached, forthwith to SRA in terms of section 8(8) of the Prevention of Money Laundering Act, 2002 (PMLA) read with rule 3A of the said Rules.

China Development Bank Vs. Doha Bank Q.P.S.C. & Ors. [Civil Appeal No. 7298 of 2022 & Ors.]

A Deed of Hypothecation (DoH) was executed between China Development Bank (lender/appellant) and Rcom entities comprising of four entities including Reliance Infratel Limited-CD-Chargors, whereby a charge was created on pooled properties, for securing repayment of the facilities provided by the lenders. It was agreed between the parties that if any entity fails in repayment, then all would jointly and severally be liable to make the repayment after realisation of hypothecated assets. The lenders submitted their claims as FCs after CIRP initiation against the CD and their claims were admitted as FC. Doha Bank another FC challenged the lender's status as FC, before NCLT, as the latter is not involved in the direct lending. AA upheld the status of lender as FC. In the appeal filed by another FC, NCLAT reversed the order of NCLT. Aggrieved by the NCLAT order, the lender filed an appeal before SC. The issue before SC was whether the appellants can be classified as FCs within the meaning of section 5(7) of the Code and can they be classified as secured creditors and paid as per security interest. The SC observed that financial debt defined in section 5(8) of the Code includes liabilities arising from guarantee and direct lending is not a pre-requisite of section 5(8), when the debt arises from a valid guarantee. Through Master Security Trustee Agreement (MSTA), lenders have authorised a security trustee to enforce the security in accordance with the provisions of the agreement and to receive and apply all money in accordance with the security documents. Therefore, the secured lenders have authorised the Security Trustee to accept the security on their behalf. The DoH comprises of elements of guarantee and its legal effect must not be seen from its nomenclature. Clause 5(iii) of the DoH obligates that CD, who is not the borrower of the appellants, but agreed to discharge the liability of the third parties i.e., RCom entities to the lender in the case of default of RCom entities. Thus, by the covenants of the DoH, a guarantee was provided by the CD to the appellants in terms of section 126 of the Contract Act. SC while allowing the appeal held that there is no requirement under section 5(8) of the Code that a debt becomes financial debt only when default occurs and restored the order of AA.

F.2 High Court

Vijendra Kumar Jain Vs. IBBI [W.P. No. 12320 of 2024]

One of the OCs had filed an appeal before NCLAT against the approved resolution plan. The NCLAT observed that the RP should have been more dutiful and alert in responding to the emails of OC concerning their claims backed by arbitral award. RP also failed to take cognizance of objectional comments of SRA on Arbitral award passed in favour of OC, while the resolution plan was in consideration before the CoC and AA. Subsequently, IBBI after investigation, issued show cause notice (SCN) to RP for dereliction of duty. Thereafter, his registration as RP was suspended for a period of one year by the order of Disciplinary Committee (DC). Thereafter, RP filed WP in Bombay HC, challenging the order of

DC. The HC while dismissing WP observed that the SCN was issued on the sufficient grounds, and the DC had adhered to the principles of natural justice in passing the order. Further, it observed that there was sufficient material available with DC, on the basis of which the SCN was disposed. It noted that by not taking into account the claim of OC in CIRP and not taking cognizance of remarks made by SRA on the arbitral award, in the resolution plan, RP had failed in the performance of his duties. HC held that the suspension order is proportionate based on material available, and the DC has jurisdiction under the Code to take into consideration all related aspects including the conduct of RP.

Siti Networks Limited Vs. Rajiv Suri [IA(Lodg.) No. 31055 of 2024 in Appeal No. 597 of 2016 in Suit No. 2295 of 2002]

During the pendency of an appeal in execution of a decree, the judgment debtor was pushed into CIRP. The CD filed an application before the HC of Bombay seeking withdrawal of such appeal and release of the amount deposited with the appellant court. The issue for consideration before the HC was whether such amount deposited by the CD in appellate court would form part of the CD's asset? HC while disposing the application held that- i. Such amounts due from the CD under a judgement or decree would give way to the IBC; ii. Monies deposited with the court are assets of the CD, with possession being in the hands of the Court. iii. Though such amount constitutes "security interest" under the purview of section 3(31) of Code with regards to "performance of an obligation", but its enforcement is subject to provisions of IBC. iv. With regard to release of the deposited amount, it observed that "*No meaningful purpose would be served in continuing with the deposit, since even if the Appeal were to fail, the Respondent would need to be subjected to the CIRP run by the Committee of Creditors through the Resolution Professional. If the resolution attempts fail, the Respondent's rights under the Impugned Judgement would be subject to the waterfall mechanism for distribution of liquidation proceedings, stipulated under the IBC*". While allowing the withdrawal of original appeal, HC allowed release of the amount to the CD.

Harsh Mehta Vs. Securities and Exchange Board of India & Ors. [W.P. No. 4844 of 2024]

Harsh Mehta (petitioner) had acquired 6700 equity shares of the Reliance Capital Limited-CD subsequent to the approval of resolution plan by AA. The approved resolution plan provides NIL value to the equity shareholders and shares of CD were delisted accordingly. The stock exchange issued circulars suspending trading of CD's shares. The petitioner being aggrieved with the delisting of shares of CD, filed a WP, challenging the regulation 3(2)(b)(i) of the SEBI (Delisting of Equity Shares) Regulations, 2021 (Delisting Regulations) as the said regulation was *ultra vires* to Securities Contracts (Regulation) Act, 1956 (SCRA) and Securities and Exchange Board of India Act, 1992 (SEBI). The issue before HC was whether the regulations are manifestly arbitrary and violative of Article 14 of the Constitution. The HC while dismissing the WP, observed that (i) The petitioner invested in a minuscule percentage of shares after being aware that CD was in CIRP. (ii) The Delisting Regulations provides that it would not apply to delisting of shares of a listed company, made pursuant to IBC approved resolution plan. The provisions of SEBI and SCRA, empower SEBI to regulate financial markets and protect the interest of investors,

and SEBI acted within its regulatory scope and no breach of power had been committed. (iii) IBC aims to provide a comprehensive framework for expeditious resolution and asset maximisation, and SEBI's decision to not govern the delisting cannot be held to be *ultra vires* as the NCLT approved plan is consistent with the objective of SEBI Act.

Mandava Holdings Private Limited Vs. PTC India Financial Services Limited & Ors. [W.P. No. 20620 of 2024]

CIRP in terms of section 10 of the Code was initiated by AA *vide* its order dated 18.01.2018. An OTS was proposed by the promoter of CD which was rejected by CoC. Thereafter, CoC approved the resolution plan with 83.35% of votes. A writ of Mandamus was filed by the promoter challenging such rejection of OTS. Some of the major issues for consideration before Telangana High Court were- (i) Can the RBI Regulations create new rights which are not contemplated under the IBC? (ii) Can a sole FC, entertain OTS once the CIRP of CD commences? and (iii) Can an application for withdrawal from CIRP be entertained after the approval of plan by CoC? HC held that any settlement must be done within the statutory framework of the IBC only. It observed that "*The Court is hence of the view that the mandate of the RBI Framework must give way to the CIRP of the Borrower Entity once the process has been initiated. It is further relevant that paragraph 14 of the RBI Circular provides that "the compromise settlements with the borrowers under the above framework shall be without prejudice to the provisions of any other statute in force" which indicates that the RBI Framework recognizes the precedence of the relevant statute (the IBC in this case) ...*". With regards to issue of sole creditor entertaining the OTS, it was held that if any entity wants to withdraw from the CIRP, it has to obtain the approval of the entire CoC in accordance with law. The option of negotiating with only one creditor is not contemplated under the law. Further, section 12A of the IBC makes it clear that once a resolution plan is approved by the CoC, it becomes binding and cannot be undone even by the NCLT and neither the CoC nor the SRA can deviate from the approved resolution plan.

F.3 National Company Law Appellate Tribunal

Commissioner of Income Tax (TDS-1), Mumbai Vs. Sundaresh Bhat & Ors. [CA(AT)(Ins) No. 575 of 2023]

The appellant-Income Tax Department (ITD) submitted its claim of Rs.10.14 crore after the last date for submission of claims but before the resolution plan was approved. It claimed that it was not informed of its rejection by RP. On an application filed before AA by ITD against the rejection of their claim, the said application was dismissed. On appeal by ITD, the issue before the NCLAT was whether the ITD showed due diligence in submitting the claim. The NCLAT while dismissing the appeal ruled that (i) the RP was empowered to seek additional evidence to analyse the admissibility of the claim. (ii) CIRP Regulations does not provide any discretion to RP for admitting the claim after the extended period. (iii) Putting the status of claims of the creditors on the websites of CD and IBBI portal amounted to deemed knowledge and constructive notice on the ITD in respect of rejection of its claim. (iv) the provisions of the Income Tax Act do not create any charge or security interest on the CD. (v) after approval of a resolution plan by both the CoC and the AA, no surprise claims should be flung on the SRA.

Avil Menezes RP of Topworth Urja & Metals Limited Vs. Ministry of Coal Through its Secretary & Ors. [CA(AT)(Ins) No. 944 of 2024]

During the CIRP process of the CD, the Coal Ministry issued withdrawal of mine opening permission for certain coal blocks owing to non-deposit of Annual Mine Closure Costs (AMCC). Subsequently, the resolution was approved by CoC with requisite majority, AA in its order partly approved plan directing RP to keep aside the AMCC; and directed the RP to be personally liable for disposal of mined coal in terms of the mine agreement. The RP filed an appeal before NCLAT. The NCLAT while disposing the appeal has stated that AMCC funds deposited into an escrow account were not held in trust as opening of a separate trust is not contemplated under the agreement. It observed that Respondents (Ministry of Coal and others) cannot be allowed to recover the pre-CIRP AMCC dues outside the resolution plan framework as it would be a discriminatory arrangement not envisaged under IBC. NCLAT observed that AMCC should be treated as part of IRP cost during the CIRP and pre-CIRP AMCC to be part of the claim. It held that the IBC, being a special and the subsequent law, overrides inconsistent provisions of Mines and Minerals (Development and Regulation) Act, 1957. It did not agree with the Ministry of Coal's reliance on the Rainbow Papers judgment and held that no security interest had been created for the AMCC by virtue of any law.

Sunil Kumar Sharma Vs. ICICI Bank Limited & Ors. [CA(AT)(Ins) No. 1158 & 1162 of 2024]

Jaiprakash Associates Limited-CD involved in the business of infrastructure development, had slipped into NPA in the year 2014. The joint lender forum (JLF) approved Debt Realignment Plan (DRP) in 2016. Thereafter, the JLF approved Comprehensive Reorganisation and Restructuring Plan (CRRP) and Master Restructuring Agreement in October 2017. As it did not materialise, the lenders filed section 7 application against the CD. AA admitted CD into CIRP on 03.06.2024. The suspended director challenged the admission orders before NCLAT. The issues for consideration were (i) whether the pendency of a scheme of arrangement under the Companies Act preclude the initiation of CIRP under section 7 of the IBC? (ii) whether restructuring agreements, including DRP and MRA, waive of the pre-existing defaults? (iii) whether the submission of an OTS proposal by the CD constitute acknowledgment of debt and default? (iv) whether RBI, under section 35AA of the Banking Regulation Act can direct banks to initiate CIRP? NCLAT while dismissing the appeal held that pendency of scheme of arrangement before AA does not bar initiation of CIRP against the CD. The Code being a special statute prevails over other laws when it comes to resolving corporate insolvencies. It observed that master restructuring agreements do not automatically extinguish pre-existing defaults. Further, it also rejected the averment of the CD that OTS proposal waived of the default. On the issue of RBI issuing direction to the Banks, it observed that "*Directions issued by the RBI, based on defaults within the meaning of Section 3(12) of the IBC, are binding and cannot be disregarded. These directions form a crucial basis for initiating insolvency proceedings.*"

K.H. Khan & Anr. Vs. Art Constructions Private Limited & Ors. [CA(AT)(Ins) No. 1116 & 1117 of 2024]

Owners of the land (appellants) had entered into a collaboration

agreement with M/s. Era Landmarks (India) Limited (CD) to develop and construction project on their land. Later, CIRP was initiated against the CD under section 7. Subsequently, another developer issued public notice intending to enter into a Joint Development Agreement with the Owners, for the development of the same property which was part of the earlier collaboration agreement between CD and the owners. The application of owners to remove the said property from CIRP was rejected by the AA. Aggrieved by the order, the owners approached NCLAT. The following issues were before NCLAT for its consideration: (i) whether AA had power to decide the subject land to be the assets of the CD under section 60 of IBC (ii) whether RP could have included the subject land in the CIRP process of the CD in terms of explanation to section 18(1)(f) of the Code. Relying upon the SC dictum in *Victory Iron Works Ltd. vs. Jitendra Lohia & Anr.*, wherein it was held that the development rights created in favour of the CD constitute "property" within the meaning of section 3(27) of the IBC, NCLAT held that AA did not lack jurisdiction in adjudicating the question of development rights and deciding as to whether some assets are part of the CIRP. Thus, AA is the proper forum, and the parties need not be relegated to the Civil Court. Answering the second question in affirmative, NCLAT noted that the assignment of rights and obligations was contemplated under the collaboration agreement itself with the consent of other party, which indicated that the developers had development rights to the extent of 70.5% in the assets. Since the impugned case contains similar facts, NCLAT reiterated its own decision in the case of *Nilesh Sharma, Resolution Professional Vs. Mordhwaj Singh & Ors.* and held that the CD has development rights in the immovable assets. Thus, NCLAT while dismissing the appeal held that RP has rightly included the subject land in the CIRP.

Narottamka Trade & Vyapaar Private Limited Vs. SPP Insolvency Professionals LLP, Liquidator, Kamachi Industries Limited & Ors. [CA(AT)(Ins) No. 305 & 306 of 2024]

On an IA filed by the liquidator, AA confirmed the sale of CD as a going concern. Two appeals were filed by minority shareholder seeking to quash the e-auction and prayed for considering the scheme under section 230 of the Companies Act, 2013 (CA) proposed by them as the same was earlier rejected by SCC on grounds that the value offered was lower than the liquidation value and no clarity on source of funds was provided. The NCLAT has examined the basic premise that a CD has to be revived, evaluated the provisions of section 230 of CA, 2013 *vis-à-vis* sale as a going concern under regulation 32A of the liquidation regulations. It observed that the intention of the legislature is very clear that a company should be continued, to the maximum extent possible, as a going concern, while addressing the issues of insolvency / sickness, it envisages certain processes and procedures to be followed as laid down in section 230. With enactment of IBC, the process of insolvency resolution has been fast tracked and therefore, the significance of section 230(1) in addressing the issue of insolvency / sickness has diminished. The sale of the CD as a going concern under regulations 32(e) and 32A of liquidation regulations are more transparent and effective; the arrangement under section 230 of CA, 2013 should not be put on a higher pedestal; since it is a carryover from an earlier legal regime. NCLAT while dismissing both the appeal held that "*while taking action under Chapter 6 of Liquidation Process Regulations, dealing with*

realizations of assets of the Corporate Debtor, selling the Corporate Debtor as a going concern, will have to be the first priority for the Liquidator, in order to meet the objective of the I & B Code, 2016, i.e. the Corporate Debtor is to be kept, as a going concern after resolution of the insolvency. Therefore, the sale of the Corporate Debtor as a going concern will have precedence, rather than resorting to the Scheme of Compromise under Section 230 (1) of the Companies Act, 2013."

Praveen Arya & Ors. Vs. Anju Aggarwal (RP) & Anr. [CA(AT)(Ins) No. 40, 45 and 61 of 2024]

Approved resolution plan was challenged by the dissenting financial creditors (DFCs) who were allottees of commercial space, sought exclusion of their allotted units from the asset of CD. The pivotal issue for consideration before NCLAT was whether by virtue of lease deed between lessees and the CD for the allotted unit of one of the DFCs pending registration, can lessor be held to be the owner of the units allotted to them so as to get the units exempted from the asset of the CD? NCLAT observed that executing a lease deed cannot be claimed as ownership for the commercial spaces and more so, the allotted property has not been registered in the name of DFC. NCLAT dismissed the appeal holding that a contract between the parties at best, can lead to specific performance only and the property would continue to be dealt as asset of CD.

Getz Cables Private Limited Vs. State Bank of India & Ors. [CA(AT)(Ins) No. 1953 of 2024]

CD had availed certain credit facilities from SBI and the Northern ARC Capital Ltd (FCs) separately for which Getz Cables Pvt. Ltd. executed a Corporate Guarantee in favour of the FCs. As the account slipped into NPA, ARC issued a demand notice to the corporate guarantor. Another FC-SBI initiated proceedings under section 13(2) of the SARFAESI Act, 2002 against CD and corporate guarantor and subsequently possession notice was issued. Thereafter, the corporate guarantor had filed section 10 application under the Code. In the meanwhile, the District Magistrate has ordered physical possession of property on an application filed by SBI under section 14 of SARFAESI Act. In the section 10 application filed by the corporate guarantor, SBI filed an IA prayed for dismissal of application as the same was filed with malicious intention. AA disposed of the application of SBI and held that the corporate guarantor had filed application with fraudulent and malicious intention in terms of section 65 of the Code and imposed a penalty of Rs.1 lakh. On appeal, the issue for consideration before NCLAT was whether filing of an application by the corporate guarantor under section 10 IBC can be termed as initiation of proceedings with fraudulent and malicious intent. The NCLAT observed that for allowing section 65 application i.e., fraudulent and malicious intention of CIRP, two elements are required to be proved – (i) to commit a wrongful act in absence of any justification and (ii) intent of causing a particular harm. Thus, it held that merely proceeding under section 13(2) and 13(4) of the SARFAESI Act are initiated by the FC prior to filing of section 10 application under the Code, it cannot be a ground to hold that the said application is filed with malicious and fraudulent intent. While allowing the appeal, it held that mere fact that section 10 application is filed, consequent of which the recovery proceedings, cannot lead to conclusion that intent and purpose of the application is malicious and fraudulent.

Supriya Singh & Anr. Vs. Ansal Urban Condominiums Private Limited & Ors. [CA (AT) (Ins) No. 1974 of 2024]

After approval of the resolution plan with 100 percent votes, a group of homebuyers, who has been awarded decree by UPRERA prior to initiation of CIR process of the CD, preferred an appeal seeking amendment in the IM and restoration of status of their units which were shown as cancelled in the records of the CD. The issue for consideration before the NCLAT was whether the decree holders, in the interest of natural justice, could get the IM amended in order to get back their allotted status as homebuyer? The NCLAT while dismissing the appeal, observed that the homebuyers had submitted their claim and participated in the CIRP and were aware of their cancelled status. It noted that decree holders started litigating after knowing about the treatment given to them in the approved resolution plan wherein, they were given allotment against the cancelled units on payment of full amount as opposed to the initial allotment before CIRP. It was further observed that despite several opportunities to challenge their cancelled status even up to approval of such resolution plan, the decree holders failed to do so. Since the decree holders had accepted partial amount towards the satisfaction of decree passed by UPRERA prior to CIRP of the CD and that CoC in its commercial wisdom approved the resolution plan, IM cannot be allowed to be amended.

Prabhat Jain, Liquidator of Narmada Cereal Private Limited Vs. MP Industrial Development Corporation Limited & Ors. [CA(AT)(Ins) No. 697 of 2023]

The e-auction conducted several times for the sale of CD as a going concern during the liquidation process did not yield successful bidders. The scheme of compromise proposed by the ex-director under section 230 of Companies Act, 2013 (CA) failed as the sole FC did not approve the same. The liquidator of the CD, in order to manage the CD as going concern, sub-leased the plant and machinery and land allotted to it by MPIDC to a lessee for a period of eleven months upon some consideration. MP Industrial Development Corporation Limited (MPIDCL), the lessor/owner of the land, issued a notice to liquidator for the breach of the lease agreement, as the sub-lease was done without any prior approval contemplated under the terms of lease agreement. The liquidator challenged the same before AA who dismissed the IA. On appeal filed by the liquidator, the issue for consideration before NCLAT was whether section 238 of the Code would override the ability of a public body to regulate its lands in accordance with relevant statutory provisions? NCLAT while disposing the appeal observed held that mere plant and machinery can not be leased without the land over which the factory is situated. Further, it observed that in terms of section 35(1)(d) of the Code liquidator was not entitled to grant sub-leases over properties not owned by the CD and therefore section 238 of the Code cannot be interpreted in a manner that has the effect of overriding the MPIDCL's duty to enforce the relevant Rules on how public lands are to be regulated. While dismissing the appeal, it held that "*the statutory powers of a public body to regulate public lands cannot be overridden by provisions of the Code.*"

Central Transmission Utility of India Limited Vs. Summit Binani, RP of KSK Mahanadi Power Company Limited [TA(AT) No. 174 of 2021 in CA(AT)(Ins) No. 1011 of 2020]

Central Transmission Utility of India Limited (CTUIL) issued a

termination letter to CD for not opening the letter of credit as required. The RP challenged the termination by filing a petition before Central Electricity Regulatory Commission (CERC). However, the said proceedings before CERC were disposed of as infructuous, as the CD deposited cash of Rs.108.44 crores instead of opening letter of credit for complying with the pre-deposit of the said sum. Meanwhile, CIRP was initiated against CD. Post CIRP, CTUIL invoked the security deposit for adjustment towards the pre-CIRP dues. CD challenged such invocation of security before AA, which was allowed by AA. CTUIL preferred an appeal against such order of AA. Issue before NCLAT was whether a deposit lying with a third party, CERC can be adjusted by CTUIL against the pre-CIRP dues during the pendency of CIRP? NCLAT emphasized that as per section 14(1)(c) of the Code, there is prohibition for any action to foreclose, recover or enforce any security interest created by the CD. Thus, while dismissing the appeal it was held that the recovery of past dues is specifically prohibited, moreover, the specified procedure envisaged provides that the creditor must file their claims before the IRP/RP through the prescribed procedure.

D.D. International Private Limited & Anr. Vs. Rajesh Kumar Agarwal Liquidator, Divine Alloys and Power Company Limited & Ors. [CA(AT)(Ins) No. 1559 of 2023]

On the issue whether the AA can forfeit 50% of the EMD towards damages in the event of failure to pay the full sale consideration by the highest bidder in the e-auction sale conducted by the liquidator, was dealt by the NCLAT. In the facts of the case, the highest bidder having paid EMD and refundable participation deposit in the e-auction conducted by the liquidator, subsequently raised concern that a piece of land on which a plant is situated, did not belong to the CD. Thereafter, the liquidator forfeited both the sums for not making the balance payment on time. The bidder filed an application before AA under section 60(5) of the Code. AA, although, observed error on the part of the liquidator in non-disclosing the status of ownership of CD over the land, observed that bidder had access to virtual data room and had even inspected the site, before participating the e-auction and thus, due diligence was required from the bidder. The NCLT ordered the forfeiture of 50% of EMD and refundable participation deposit as damages caused to CD. The highest bidder filed appeal before NCLAT. The NCLAT observed that although the virtual data room was provided to bidder, exact details of the property put for sale were not disclosed to the bidder. It held that there is no procedure for imposing damages; for the sake of argument, even if it is presumed that AA has jurisdiction to impose damages, the Tribunal is firstly required to quantify the damages caused to CD and how the said damages can be compensated. While allowing the appeal, it held that forfeiting the deposit amounts towards damages is arbitrary and directed the liquidator to return the deposited amounts.

NCC Limited Vs. Golden Jubilee Hotels Private Limited & Ors. [CA(AT)(Ins) No. 426, 430, 432 & 710 of 2020]

The appeals were filed by some OCs challenging the approved resolution plan of Golden Jubilee Hotels Pvt. Ltd-CD on the grounds that the plan was discriminatory, as it provided full payments to certain OCs who were categorized as "Special Operational Creditors" (SOC), while other OCs received nothing. The SOC comprising of Telangana State Tourism Corporation Limited (TSTCL)

and Shilparamam Arts, Crafts & Cultural Society were deemed critical to the CD's survival due to their role as lessors of the land on which the hotel was constructed. The key issues in this case were whether sub-classification within the category of OCs is permissible under the Code and whether differential treatment among creditors within the same class is justified.

The NCLAT ruled in favour of the resolution plan, emphasizing the paramountcy of the CoC's commercial wisdom. It stated that sub-classification is permissible as long as it is based on reasonable criteria, such as the criticality of certain creditors to the CD's survival. Payments to SOC were upheld, as their role in sustaining the CD's operations justified their prioritization. It clarified that the Code requires fairness and equity in creditor treatment but does not mandate equality or proportionate distribution. The resolution plan provided nil payment to most OCs, as the same is justified by the nil liquidation value in terms of section 53 of the Code. FCs faced significant haircuts, recovering only 40% of their claims. However, the plan ensured payments to SOC to maintain essential assets for the debtor's operations. In a broader observation, the tribunal suggested revising the waterfall mechanism to allow smaller OCs to receive a minimum recovery, emphasizing the need for legislative amendments to address systemic inequities.

Straw Commodities LLP Vs. Anram Agro Trading Private Limited [CA(AT)(Ins) No. 2292 of 2024]

The AA, on the basis of various communications between the parties on WhatsApp concluded that there were pre-existing disputes and dismissed the OC's application. The OC filed an appeal before NCLAT. The issue for consideration is whether there were pre-existing disputes between the parties. The NCLAT observed that although the CD has not responded to the notice issued under section 8 of the Code, there were pre-existing disputes between the parties as evidenced by the conversation between the OC and CD through WhatsApp. The NCLAT has not considered the submission of the OC that these messages have to meet with provision of section 65B of Indian Evidence Act. It observed that the OC has not denied the conversation between the parties in the grounds of appeal. NCLAT while dismissing the appeal of OC held that there were pre-existing disputes between parties and noted that WhatsApp is a common mode of communication.

F.4 National Company Law Tribunal

UCO Bank Vs. Subrata Das [CP(IB) No. 286 of 2024]

FC filed an application against the PG to CD under section 95 of IBC, while no CIRP was initiated against the CD. AA dealt with the following issues: (i) Whether proceedings filed against PG under section 95 of the Code is maintainable even when no CIRP proceedings have been initiated against the CD (ii) Whether application filed under section 95(1) of the Code would be maintainable before NCLT, or should the creditor approach the DRT for relief? The AA considered various judgments of SC, HC and NCLAT on the issue and observed that proceedings under section 94 / 95 of the Code before NCLT will commence when there is a CIRP initiated or pending against the CD; and in the absence of CIRP "initiated" or "pending" or "concluded" against CD, an application under section 95 to initiate IRP against a PG to a CD will not be maintainable before the NCLT. The recovery proceedings will lie only before the DRT having territorial jurisdiction.

G. Building Ecosystem

G.1 IP Workshops

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 several Workshops for the IPs during the quarter through online mode. The details of the workshops conducted till December 31, 2024, is given in Table 34.

Table 34: Capacity Building Programmes for IPs till December 31, 2024

Year / Period	Workshops	Webinars	Roundtables	Trainings	Total
2016-17	1	-	8	-	9
2017-18	6	-	44	-	50
2018-19	7	-	22	-	29
2019-20	15	1	22	-	38
2020-21	9	29	18	2	58
2021-22	14	21	12	3	50
2022-23	18	6	6	6	36
2023-24	29	17	5	1	52
Apr-Jun, 2024	7	3	2	-	12
July-Sept, 2024	7	-	-	-	7
Oct-Dec, 2024	4	-	-	-	4
Total	117	77	139	12	345

G.2 Advocacy and Awareness

Workshop for Committee of Creditors

IBBI had launched a series of Workshops, for senior officers of the major scheduled commercial banks (financial creditors), to develop an understanding of the role of and expectations from the CoC under the Code and to ensure that the CoC discharges its statutory duties and responsibilities with utmost care and diligence. One such Workshop was organised with the officers of Indian Overseas Bank on October 10, 2024 through online mode. The Workshop was inaugurated by Mr. Kulwant Singh, ED, IBBI. The eminent speakers for the sessions included Ms. Namisha Singh, Manager, IBBI and Mr. Sanjeev Pandey, Part-time Advisor, CAFRAL, Retired DGM & Head of NCLT Division, State Bank of India.

Capacity Building Workshop on NCLT/IT issues for the officers posted in the O/o CCIT-2, New Delhi

IBBI conducted a comprehensive capacity-building workshop for the officers stationed at CCIT-2, New Delhi, on November 6, 2024. The workshop aimed to enhance the professional expertise, operational efficiency, and domain-specific knowledge of the participants, fostering a deeper understanding of insolvency and bankruptcy processes. This initiative reflects IBBI's commitment to promoting excellence and continuous learning among its stakeholders.

IBBI organises training programme for Indian Corporate Law Service Trainee Officers.

IBBI organised a three-day training programme for Indian Corporate Law Service (ICLS) trainee officers, of the 2023 batch from December 26 -30, 2024. Mr. Ravinder Maini, Executive Director, IBBI inaugurated the training session. The objective of the training programme was to provide trainee officers with up-to-date insights, methodologies, and practical approaches necessary for effectively managing the intricacies of insolvency and bankruptcy proceedings. The expert faculty imparted a thorough understanding of the IBC, including its nuances and practical application, to the officers.



ICLS Officer Training Programme, December 30, 2024

G.3 Other Programmes

The IBBI in association with various stakeholders, organised advocacy and awareness programmes as presented in Table 35.

Table 35: Advocacy and Awareness Programmes, October – December, 2024

Sl.	Date	Particulars	Topic	In association with
1	October 18, 2024	Valuation Day programme	Valuation under the Insolvency and Bankruptcy Code	ICAI RVO and IOVRVF
2	December 5-7, 2024	55-Indian Valuer Congress-IOVRVF	Empowering Valuers: Upholding Integrity	IOVRVF

Senior officers of IBBI participated as guests and faculty in several programmes during the quarter, the details of which are presented in Table 36.

Table 36: Participation of Senior Officers in Programmes

Sl.	Date	Organiser	Subject	Participation
1	18.10.2024	ICAI RVO and IOVRVF	Valuation Day, 2024	Mr. B. Sankaranarayanan, GM
2	26.11.2024	IIIP	Foundation Day Conference	Mr. B. Sankaranarayanan, GM
3.	29.11.2024	IPAICAI	8- Foundation Day	Mr. B. Sankaranarayanan, GM

List of Abbreviations

AA	Adjudicating Authority	IU/IUs	Information Utility/Utilities
AFA	Authorisation for Assignment	JLF	Joint Lender Forum
AMCC	Annual Mine Closure Costs	LCD	Liquidation Commencement Date
AR	Authorised Representative	Liquidation Regulation	IBBI (Liquidation Process) Regulations, 2016
BCCI	The Board of Control for Cricket in India	MCA	Ministry of Corporate Affairs
BIFR	Board for Industrial and Financial Reconstruction	MD	Managing Director
CD	Corporate Debtor	MPIDCL	MP Industrial Development Corporation Limited
CEO	Chief Executive Officer	MSME	Micro, Small and Medium Enterprise
CERC	Central Electricity Regulatory Commission	NCLAT	National Company Law Appellate Tribunal
CIRP	Corporate Insolvency Resolution Process	NCLT	National Company Law Tribunal
CIRP Regulations	IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016	NeSL	National e- Governance Services Limited
CoC	Committee of Creditors	NITI Aayog	National Institution for Transforming India
CPE	Continuing Professional Education	OC/OCs	Operational Creditor/ Creditors
CPGRAMS	Centralised Public Grievance Redress and Monitoring System	OTS	One-Time Settlement
DRP	Debt Realignment Plan	Panel Guidelines	Insolvency Professionals to act as Interim Resolution Professionals, Liquidators, Resolution Professionals and Bankruptcy Trustees (Recommendation) Guidelines, 2024
CTUIL	Central Transmission Utility of India Limited	PBG	Performance Bank Guarantee
DRT	Debt Recovery Tribunal	PG/PGs	Personal Guarantor/Guarantors
ED	Executive Director	PGIP	Post Graduate Insolvency Programme
EMD	Earnest Money Deposit	PIRP	Personal Insolvency Resolution Process
FC/FCs	Financial Creditor / Creditors	PMLA	The Prevention of Money Laundering Act, 2002
FiSP/FiSPs	Financial Service Provider/ Financial Service Providers	PMO	Prime Minister's Office
GTCL	GLAS Trust Company LLC	PPIRP	Pre-Packaged Insolvency Resolution Process
HC	High Court	PRA	Prospective Resolution Applicant
IBA	Indian Banks' Association	RBI	Reserve Bank of India
IBBI / Board	Insolvency and Bankruptcy Board of India	RERA	Real Estate Regulatory Authority
IBC / Code	Insolvency and Bankruptcy Code, 2016	RoD	Record of Default
ICAI	Institute of Chartered Accountants of India	RP/RPs	Resolution Professional/Professionals
ICAI RVO	ICAI Registered Valuers Organisation	RV/RVs	Registered Valuer/Registered Valuers
ICD	Insolvency Commencement Date	RVO/RVOs	Registered Valuer Organisation/Registered Valuer Organisations
ICLS	Indian Corporate Law Service	SC	Supreme Court of India
ICMAI	Institute of Cost and Management Accountants of India	SCN	Show Cause Notice
ICSI	Institute of Company Secretaries of India	SCRA	Securities Contracts (Regulation) Act, 1956
ICSI IIP	ICSI Institute of Insolvency Professionals	SEBI	Securities and Exchange Board of India Act, 1992
IIIP ICAI	Indian Institute of Insolvency Professionals of ICAI	SRA	Successful Resolution Applicant
IIM	Indian Institute of Management	TSTCL	Telangana State Tourism Corporation Limited
IP/IPs	Insolvency Professional/ Professionals	UPRERA	Uttar Pradesh Real Estate Regulatory Authority
IPA/IPAs	Insolvency Professional Agency/ Agencies	Valuation Rules	The Companies (Registered Valuers and Valuation) Rules, 2017
IPA ICAI	Insolvency Professional Agency of Institute of Cost Accountants of India	WP	Writ Petition
IPE/IPEs	Insolvency Professional Entity/Entities	WTM	Whole Time Member
IRP/IRPs	Interim Resolution Professional/Professionals		
ITD	Income Tax Department		

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