



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

Insolvency and Bankruptcy News

The Quarterly Newsletter of the Insolvency and Bankruptcy Board of India July - September, 2024 | Vol. 32



AVOIDANCE TRANSACTIONS: Protecting Creditors' Interest under IBC

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“A singularly notable fact is that ₹10.2 lakh crore of underlying defaults were addressed at the pre-admission stage. This change in debtor behaviour has been a big boon for banks and other lending institutions. The Code has created an optimal incentive-disincentive mix to facilitate above-board and transparent dealings in creditor-debtor relations.”

Economic Survey, 2023-24



From Chairperson's Desk

Avoidance Transactions: Protecting Creditors' Interest under IBC

The Insolvency and Bankruptcy Code, 2016 (IBC/Code) creates an ecosystem for maximizing the value of assets of the corporate debtor (CD) and balancing the interests of all stakeholders in a time-bound manner. A significant value of insolvent entities is often locked in assets underlying avoidance transactions which are undertaken by the CD prior to the initiation of the Corporate Insolvency Resolution Process (CIRP). The resolution professional (RP) or the liquidator is obliged to file applications, in respect of avoidance transactions (preferential, undervalued, extortionate and fraudulent transactions) found by him during CIRP and liquidation processes before the Hon'ble Adjudicating Authority (AA), seeking appropriate relief permissible under the Code.

As of end of September 2024, 1,326 avoidance transaction applications involving an amount of ₹ 3.76 lakh crore have been filed with the AA. The AA, after consideration, can order for the amount to be clawed back. The IBC has led to a direct recovery of about ₹ 3.55 lakh crore due to resolution and ₹ 10,446 crore due to liquidation till September, 2024. The recovery from avoidance transactions will add to this recovery to the creditors. Till September 2024, 338 avoidance transaction applications have been settled by the AA ordering a claw back of about ₹ 7,516 crore.

While the RP/liquidator may have filed an application with the AA based on his determination, it may not always be possible for the AA to consider and dispose of the application during the tenure of the CIRP or the liquidation process. Section 26 of the Code clarifies that the filing of an avoidance application by the RP shall not affect the proceedings of CIRP. Avoidance applications and CIRP are a separate set of proceedings and avoidance applications can be continued post-completion of CIRP. The IBC provides that the resolution / liquidation process should not be held up if avoidance transaction applications are pending. During CIRP, if the decision on avoidance transactions is pending before resolution is finalised, the amount would claw back to CD for the benefit of creditors. The CIRP Regulations mandate that a resolution plan should contain the details of the party/ person who will pursue these avoidance transactions after the approval of the resolution plan, who will get the proceeds and the manner in which the proceeds, if any, from such proceedings will be distributed. Consequently, after the resolution plan is approved, the RP has no role in pursuing these transactions and creditors/ successful resolution applicant (SRA) will have to make their own arrangements to pursue them before the AA.

The UNCITRAL Legislative Guide on Insolvency Law clarifies that any assets from avoidance proceedings transferred, or their value, to be recovered would be in the collective interest of creditors. The Insolvency Law Committee (ILC) in its 2020 report, noted that in most cases it may be better suited to distribute recoveries from avoidance transactions amongst the creditors of the CD.

The amount clawed back would reflect in higher bids. In cases where decision on avoidance transactions is not available, the avoidance transactions being assets of the CD, could be permitted by the CoC to be bid by prospective resolution applicants (PRAs) in the resolution plan. In case the CoC decides to assign the

avoidance transactions to a resolution applicant (RA), the specifics of avoidance transactions should be made explicit in the Information Memorandum (IM) and Request for Resolution Plan (RFRP), allowing prospective RAs to account for the value of avoidance transactions while submitting their plan. The CoC in the resolution plan should not give the proceeds of avoidance transactions to the RA without detailing such transactions in the IM or RFRP and without transparent bidding for such transactions. Another option could be to invite bids for avoidance transactions separately after obtaining the approval of AA and the amount recovered could be appropriated by the creditors post-approval from the AA.

Since avoidance transactions involve significant sums and potentially result in large recoveries, creditors should keep these avoidance transactions to themselves and benefit from the upside.

During liquidation, section 36(3)(f) of the Code provides that the liquidation estate shall comprise of any asset or their value recovered through proceedings for avoidance of transactions. The liquidator should invite bids separately for avoidance transactions and the amount recovered would be included in the recoveries of the liquidation estate.

In Personal Guarantors (PGs) to CD proceedings, sections 164 to 167 of the Code specify the transactions made by the PG/ debtor prior to bankruptcy that the AA may set aside to swell the asset pool available to creditors. The avoidance proceedings filed in the CIRP of the CD and PG proceedings are entirely distinct. Any order of the AA in the CIRP of the CD for claw back of the amount from the PG would entitle the creditors/ SRA to file a claim before the RP/ Bankruptcy Trustee (BT) in the PG proceedings.

Avoidance transactions carried out by erstwhile promoters and directors are one of the primary causes leading to financial distress and sickness of CD, and eventually entering the IBC. It is necessary to take these transactions seriously. The CoC should review the progress of these avoidance proceedings on a monthly basis and if required, create a mechanism to pursue these transactions before the AA. Recovery from avoidance transactions would play a vital role in reducing haircuts to creditors. On a conservative scale, decision on avoidance transactions would add recovery to creditors by at least 10%. In cases where avoidance transactions are approved by the AA for prosecution, creditors should approach the Ministry of Corporate Affairs (MCA) or the Insolvency and Bankruptcy Board of India (IBBI/ Board) and file a criminal complaint under section 236 of the IBC before the Special Court established under Chapter XXVIII of the Companies Act, 2013.

To conclude, the provisions for avoidance transactions aid in maximizing the value of the CD both *ex-post* (i.e., once the CD is in insolvency) and *ex-ante*. These provisions foster good corporate governance and deter solvent entities and market participants from engaging in activities involving diversion of funds from the CD. By annulling such transactions, the Code aims to prevent the depletion of the debtor's assets and protect the interest of creditors and other stakeholders. They would act as an additional source of recovery for the creditors.

(Ravi Mital)

IBBI Updates

3rd International Research Conference on Insolvency and Bankruptcy

IBBI organised the 3rd International Research Conference on Insolvency and Bankruptcy, jointly with the Indian School of Business (ISB), Hyderabad, at the ISB campus in Hyderabad from July 2 - 3, 2024. The two-day conference was attended by over 200 participants at the campus.

The conference was inaugurated by Chief Justice (Retd.) Mr. Ramalingam Sudhakar, Hon'ble President, National Company Law Tribunal (NCLT). Mr. Paul Bannister, Head of Policy, Insolvency Services, United Kingdom delivered the keynote address in the conference. The conference offered a unique opportunity to listen to thought leaders and policy makers in the two panel discussions on '*Investment in distressed assets: The road ahead*' and '*Need for speed: Fast-tracking IBC*' that were held during the conference. The conference featured 26 research paper presentations. The research paper titled '*Effect of a creditor rights reform on contagion risk*' was awarded the best paper award.

A publication titled, '*Evolution of Indian Insolvency Ecosystem and Way Forward*', containing 7 research papers that emerged out of a collaboration between IBBI and the British High Commission under the FCDO (Foreign, Commonwealth and Development Office, United Kingdom) programme, was released during the conference.



Mr. Paul Bannister, Head of Policy, Insolvency Services, United Kingdom, July 02, 2024



Release of publication titled '*Evolution of Indian Insolvency Ecosystem and Way Forward*', July 02, 2024



Chief Justice (Retd.) Mr. Ramalingam Sudhakar, Hon'ble President, NCLT, July 02, 2024



Panel discussion on '*Investment in distressed assets: The road ahead*', July 02, 2024



Mr. Ravi Mital, Chairperson, IBBI, July 02, 2024



Panel discussion on '*Need for speed: Fast-tracking IBC*', July 03, 2024

Human Resources

Completion of tenure of Mr. Sudhaker Shukla

Mr. Sudhaker Shukla completed his tenure of five years as Whole-time Member (WTM), IBBI on September 23, 2024. The IBBI family

bid farewell to Mr. Shukla and expressed a deep sense of appreciation for his significant contributions towards building the IBBI and the implementation of the IBC. Mr. Shukla expressed his gratitude to the IBBI family for their extraordinary support in the discharge of his duties.



Farewell to Mr. Sudhaker Shukla, WTM at New Delhi, September 23, 2024

Appointment of Mr. Kulwant Singh, Executive Director

Mr. Kulwant Singh took charge as Executive Director (ED), IBBI in New Delhi on September 11, 2024. Immediately before joining the IBBI, he was serving as Director General of Audit, East Coast Railway, Bhubaneswar. Mr. Kulwant Singh is an Indian Audit and Accounts Service officer of 1999 batch. He has completed more than 25 years in various capacities in the office of C&AG of India. He was also posted as Principal Director of Audit in Embassy of India, Washington DC and Director of Audit in High Commission of India, London.



Mr. Kulwant Singh,
ED

Hindi Diwas

The IBBI celebrated *Hindi Pakhwada* from September 17, 2024 to September 30, 2024. The officers and staff were encouraged to use Hindi language in all official work. The employees participated with great enthusiasm in various activities organised by the Board during the *Pakhwada* such as Hindi *Karyashala*, Hindi *Gyan* competition and Hindi speech competition.



Celebration of Hindi Pakhwada, September, 2024

Swacchta Pakhwada

The IBBI celebrated *Swacchta Pakhwada* from September 14, 2024 to October 2, 2024. During this period, the employees were encouraged to embrace cleanliness by taking a *Swachhata* Pledge

and receiving a certificate as a token of their commitment. Additionally, the officers/ staff were made aware about the significance of maintaining a clean environment, the prohibition of single-use plastic bags within the office premises, the practice of segregating dry and wet waste, and weeding out of unnecessary documents. During this period, deep cleaning of IBBI premises and pest control measures were undertaken. Further, all officers / staff of IBBI were requested to plant a tree near their residential area.

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
22.07.2024 – 24.07.2024	IMF and Singapore Regional Training Institute	Workshop on Corporate and Household Insolvency, Singapore	4
27.08.2024	INSOL International	INSOL International Singapore Seminar, Singapore	3
28.08.2024	IBBI	Training programme on the subject 'PG to CD proceedings', New Delhi	37
16.09.2024 – 19.09.2024	IAIR	IAIR Annual Conference and Annual General Meeting 2024, Washington DC, United States	1
26.09.2024	IBBI	Training programme on the subject 'Expectations from regulators and data protection', New Delhi	50
26.09.2024 - 27.09.2024	World Bank	Forum on Asian Insolvency Reform, Singapore	2



Participation at IMF-STI Workshop on Corporate and Household Insolvency, Singapore, July 22, 2024



Participation at INSOL International Singapore Seminar, August 27, 2024



Training programme on 'PG to CD proceedings', New Delhi, August 28, 2024



Participation at IAIR Annual Conference, Washington DC, United States, September 16, 2024



Training programme on 'Expectations from regulators and data protection', New Delhi, September 26, 2024



Participation at Forum on Asian Insolvency Reform, Singapore, September 26, 2024

Legal and Regulatory Framework

Amendment to Rules

Amendment to Salary, Allowances and other Terms and Conditions of Service of Chairperson and Members Rules

The MCA notified the IBBI (Salary, Allowances and other Terms and Conditions of Service of Chairperson and Members) Amendment Rules, 2024 on September 10, 2024. The amendment Rules have:- (a) Under sub-rule (1) of rule 4 raised the consolidated salary of Chairperson from ₹ 4,50,000/- to ₹ 5,62,000/- per month; (b) Under sub-rule (2) of rule (4) raised the consolidated salary of Whole-time Members (WTMs) from ₹ 4,00,000/- to ₹ 5,00,000/- per month; and (c) made consequential changes in sub-rule (4) of rule 12 and sub-rule (3) of rule 13 as a result of the modification in the consolidated salary of Chairperson and WTMs.

Amendments to Regulations

Amendment to Information Utilities Regulations

IBBI notified the IBBI (Information Utilities) (Amendment) Regulations, 2024 on August 13, 2024. The amendment regulations provide for the following: (a) The number of days within which the debtor is required to confirm the information of default delivered to it by the Information Utility (IU) was modified from the time specified in the Technical Standards to seven days; (b) The number of days allowed to the debtor to confirm the information of default, after reminding him at least three times, was increased from three days to seven days; (c) For the purpose of delivery of information of default or reminder, the IU shall deliver the same by hand, post or electronic means at the postal or e-mail address of the debtor, as submitted in Form C of the Schedule:- (i) by an FC, which is a bank included in the second schedule of the Reserve Bank of India Act, 1934; (ii) by any other creditor, in respect of a debtor other than the CD as defined in section 3(8) of the Code; (d) As regards recording the status of authentication of information of default, in case of FCs which are banks included in the second schedule of the Reserve Bank of India Act, 1934, when a debtor disputes a part of the default amount or such dispute is in respect of only non-financial information, then the IU shall record the status of authentication as 'authenticated' in respect of the undisputed default amount; (e) An IU shall verify the key details such as e-mail address of the debtor, document showing proof of debt, latest acknowledgment of debt by the debtor and proof of default before issuance of record of default (RoD) in Form D of the Schedule under regulation 21; (f) In case a debtor disputes a part of default amount or entire default amount, such debtor shall provide the reasons for such dispute and upload the evidence for the same; and (g) In case of FCs which are banks included in the second schedule of the Reserve Bank of India Act, 1934, an IU shall issue an RoD with the status of authentication as 'disputed' for the default amount for which evidence of dispute has been received and verified, and issue an RoD with the status of authentication as 'authenticated' in respect of the balance default amount.

Amendment to Inspection and Investigation Regulations

IBBI notified the IBBI (Inspection and Investigation) (Amendment) Regulations, 2024 on August 13, 2024. The amendment regulations modify the timeline for disposal of a show-cause notice (SCN) by the Disciplinary Committee (DC) of the Board from 35 days of the

date of the issuance of the SCN to 60 days from the due date for receipt of reply to the SCN.

Amendment to CIRP Regulations

IBBI notified the IBBI (Insolvency Resolution Process for Corporate Persons) (Second Amendment) Regulations, 2024 on September 24, 2024. The amendment regulations provide for the following: (a) The choice of an insolvency professional (IP) to act as an authorised representative (AR) by an FC in a class in Form CA shall not be considered, if Form CA is received after the time stipulated in the public announcement; (b) Till the application for appointment of the AR for a class of creditors is under consideration before the AA, the IP selected as the AR of respective class of creditors, shall act as an interim representative for such class of creditors, and shall be entitled to attend the meetings of the CoC and shall have such rights and duties as that of an AR; and (c) On account of omission of regulation 12(2) in the amendment to CIRP Regulations dated September 18, 2023, consequential changes have been made in regulation 16A(1), regulation 12(3) and regulation 40A of CIRP Regulations.

Circulars

Generation of VRIN for valuation conducted by Registered Valuers (RVs) under IBC

IBBI issued a circular on August 12, 2024 requiring RVs/ Registered Valuer Entities (RVEs) to generate a unique Valuation Report Identification Number (VRIN) for each valuation report prepared by them under the IBC, before submitting the same. The RV/ RVE shall use the online module developed by IBBI for this purpose. The circular provides that the RV/ RVE shall mention the VRIN on the front page of the valuation report. A facility is also being provided on the IBBI website to allow stakeholders to verify the authenticity of the report by using VRIN. The circular shall be applicable to all the cases where the date of valuation report is on or after the date of this circular. The IPs shall not accept any valuation reports without VRIN in all such cases. The objective of this measure is to ensure authenticity of valuation reports and to have a unique reference number of the valuation reports.

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 form 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.

Guidelines

Guidelines for Committee of Creditors

IBBI issued Guidelines for CoC on August 6, 2024. Under the Code, the commercial wisdom of the CoC drives the procedures to attain the objective of value maximization of the distressed assets. The members of the CoC largely represent FCs and most of them are under regulatory oversight of financial sector regulators other than IBBI. In view of the same, to foster more effective and time bound decision making by the CoC members, these guidelines have been issued to stem the value erosion, through curtailment of procedural delays and enhancement of transparency and coordinated approach of decision making by the members of the CoC. The guidelines provide for various measures pertaining to objectivity and integrity; independence and impartiality, professional competence and participation; cooperation, supervision and timelines; confidentiality, costs; meetings of the CoC; sharing of information; and feasibility and viability of CD.

Invitation of public comments

MSME registration and disclosure framework under CIRP

IBBI issued a discussion paper on August 23, 2024 regarding MSME registration and disclosure of the same under CIRP. The MSME status of a CD has important implications for the insolvency resolution process, particularly in terms of the eligibility criteria for RAs under section 240A. However, this crucial information is not currently required to be explicitly disclosed in the IM. There have been instances where the classification of a CD as an MSME has been contested during the insolvency resolution process. This uncertainty can lead to complications and potential delays in the resolution process. In view of the same, the discussion paper proposes amendment to regulation 36 of the CIRP Regulations to provide for making disclosures about the status of the CD, being registered or not, as an MSME in accordance with the provisions of the Micro, Small and Medium Enterprises Development Act, 2006. Furthermore, in case, available documents with the RP, indicate that the CD falls within the category of MSME, in that event, he may get the Udyam Registration Certificate generated, on a case-to-case basis before making such disclosure in the IM. The proposed amendment is expected to reduce information asymmetry in the resolution process for MSMEs and encourage greater participation from potential RAs who may have otherwise been uncertain about their eligibility.

Orders

Supreme Court

BRS Ventures Investments Limited Vs. SREI Infrastructure Finance Limited & Anr. [Civil Appeal No. 4565 of 2021]

FC had granted a loan of ₹100 crore to Gujarat Hydrocarbon and Power SEZ Limited (CD), for setting up a special economic zone project (SEZ project). The said loan was secured by the corporate guarantee furnished by Assam Company India Limited (ACIL), which is the holding company of the CD. On default, CIRP was initiated by the FC against corporate guarantor i.e. ACIL. BRS Ventures Investments Limited (SRA) had paid a sum of ₹ 38.87 crore to the FC against the admitted claim of ₹ 241.27 crore in the resolution plan. Later, the FC initiated CIRP against the CD. On appeal by SRA of ACIL challenging the admission order of the CD,

NCLAT upheld the admission order against the CD. On further appeal by SRA before SC, the issue before SC was whether such application under section 7 is maintainable against the CD for the same debt and default against which CIRP has already been initiated against corporate guarantor which has resulted in successful resolution towards full and final settlement of all its dues. While dismissing the appeal, SC clarified that the approval of resolution plan for corporate guarantor extinguishes the right of FC to recover anything further from the corporate guarantor; however, principal borrower will not be discharged. SC held that the FC can still proceed against the principal borrower i.e. CD to recover the balance amount. While applying the concept of subrogation, as per section 140 of the Indian Contract Act, 1872, SC observed that *"...The subrogation will be only to the extent of the amount recovered by the creditor from the surety. Notwithstanding the subrogation to the extent of the amount paid on behalf of the corporate guarantor by the resolution applicant, the right of the financial creditor to recover the balance debt payable by the corporate debtor is in no way extinguished."*

Vijay Kumar Singhania Vs. Bank of Baroda & Anr. [Civil Appeal Diary No (s). 5768 of 2024]

The issue involved was whether an FC can file any other proof of default other than record of default with the IU for evidencing default by the CD? The SC did not interfere with the finding of the NCLAT that record of default with the IU is not the only document which can be furnished by the FC. The FC is at liberty to file evidence of record of default as contemplated by regulation 2A of CIRP Regulations read with rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016.

V.S. Palanivel Vs. P. Sriram, CS Liquidator & etc. [Civil Appeal Nos. 9059-9061 of 2022]

During liquidation, an asset of the CD was sold in the auction. On an application filed by the SRA, AA had extended the timeline for the auction purchaser to deposit the balance sale consideration due to the extraordinary circumstances of Covid-19. The suspended director filed an appeal before the NCLAT against the order of AA and sought cancellation of sale. Upon dismissed of appeal, the suspended director filed an appeal before the SC. The issue for consideration before SC was whether the timeline in clause 12 of Schedule I of the Liquidation Regulations which mandates payment of balance sale consideration coupled with interest within 90 days, is mandatory. The SC examined the provision and noted that the law provides for the consequence of non-compliance of the said provision leading to cancellation of sale. Accordingly, it held that the timeline, thus provided must be treated as mandatory. However, in the facts of the case, considering the unprecedented Covid-19 situation, and the fact that SC extended statutory timelines for all the proceedings including the liquidation processes, in the *Suo Moto WP(C) 3 of 2020*, the SC dismissed the appeal holding that the auction purchaser was entitled to the exclusion of timeline on account of lockdown period in terms of regulation 47A of the Liquidation Regulations.

State Bank of India Vs. India Power Corporation Limited [Civil Appeal No. 10424 of 2024]

An appeal was preferred against order of AA before NCLAT after 3 days beyond 30 days, with an application for condonation of such delay. This application was supported with a free copy of the order

of the AA provided under rule 50 of the National Company Law Tribunal Rules, 2016 (NCLT Rules, 2016). On the issue as to whether a free copy provided under rule 50 of the NCLT Rules, 2016 can be construed as a *"certified copy"* in terms of rule 22(2) of the National Company Law Appellate Tribunal Rules, 2016 (NCLAT Rules, 2016), for the purposes of filing of an appeal under section 61 of the IBC, there were divergent views between the two members of the NCLAT. On reference to a third member of NCLAT, it was observed that a free copy under rule 50 of NCLT Rules, 2016 cannot be treated as *'certified copy'* under rule 22(2) of NCLAT Rules, 2016. The NCLAT relied on the SC judgment in *V Nagarajan Vs SKS Ispat and Power Limited & Ors. [Civil Appeal No. 3327 of 2020]* wherein it was held that the mandate of a free copy was not to enable litigants to take *"two bites at the apple where they could compute limitation from either when the certified copy is received on the litigant's application or received as a free copy from the Registry—whichever is later"*. On further appeal, SC, distinguished the instant case with that of *V. Nagarajan's* case and in the light of facts, it held that the *"provisions of Rule 50 of the NCLT Rules place both the free certified copy as well as the certified copy which is applied for on payment of fees on the same footing. The appeal in the present case was filed within the condonable period of 15 days, which should have been condoned."* Accordingly, the appeal was allowed.

High Court

Su-Kam Power System Limited & Anr. Vs. State of Himachal Pradesh & Ors. [CW.P. No. 422 of 2024]

Himachal Pradesh (HP) State Tax Department filed a claim for pre-CIRP dues under various tax laws, including the HP VAT Act, CST Act, and HP GST Act, during liquidation. The said claim was admitted by the liquidator. During liquidation, the tax department also created a charge against the property of CD. Later, AA allowed the sale of the CD as a going concern on the basis of the acquisition plan submitted by the successful bidder which *inter-alia* contained a prayer for extinguishment of the tax claims. The successful auction purchaser being aggrieved by such creation of a charge on CD's property by HP State Tax Department preferred a writ petition before the High Court of Himachal Pradesh. The HC held that this action of creating a charge on the CD's property during liquidation had violated provision of section 33(5) of the Code. It clarified that the *"clean slate principle"* as applicable while taking over a CD under a resolution plan, also applies to an acquisition during liquidation.

Sarish Mittal & Anr. Vs. Insolvency & Bankruptcy Board of India & Ors. [CW.P. No. 19562 of 2023 & CW.P. No. 8750 of 2023]

During the CIRP of the CD, on a complaint filed before IBBI by the suspended directors, IBBI had issued SCN to RP for certain contraventions. Thereafter, the said SCN was disposed by the DC *vide* order dated 22.08.2022 whereby, the DC cautioned RP to be more careful in future while handling with the process under the Code. Suspended directors of CD challenged the DC order dated 22.08.2022 before Hon'ble High Court of Punjab and Haryana on the ground that RP should have been removed immediately and all proceedings carried out by him till date should be declared illegal and *non-est* by the Board, and further contended that such order has been passed by a single-member DC and not by a properly constituted 'Committee' in terms of section 220(1) of the Code. HC held that merely because in the opinion of the Court another

alternate punishment would be more appropriate, cannot be a ground to interfere with the discretion of disciplinary authorities. It also noted that there is no definition of “Disciplinary Committee” in the Code. While dismissing such petition, it observed that “...in order to plan effective implementation of provisions of IBC, Ministry of Corporate Affairs constituted four working groups in July 2016. First working group was entrusted with the task to ‘Recommend the design of the IBBI.’ As per its recommendation in respect to constitution of the ‘Committee,’ it is duly observed that once IBC neither explicitly permits nor prohibits the possibility of one-member Disciplinary Committee, the word ‘Committee’ used in Section 220(1) IBC can be interpreted to be inclusive of one member Committee.”

Sandeep Kumar Bhatt Vs. Insolvency & Bankruptcy Board of India & Ors. [W.P.(C) 15588 of 2023, CM APPLs. 62380 of 2023 and 65667 of 2023]

RP challenged the order of DC, whereby the registration of the RP was suspended for a period of two years, before the Hon’ble High Court of Delhi, on the ground that the order of DC was passed by only a single member committee and not by a properly constituted ‘Committee’ in terms of section 220(1) of Code. The HC emphasized that its jurisdiction under Article 226 of the Constitution is limited to reviewing the decision-making process and not re-evaluating the facts or substituting its conclusions for those of expert bodies. HC while relying on section 13(2) of the General Clauses Act, 1897. It also held that section 220 of Code only postulates that the Board shall constitute the committee and the committee can also be a one-member committee. While dismissing the writ petition, it clarified that the proviso to sub-section (1) of section 220 of the Code does not indicate that there should be always more than one member in the committee.

Uttam Value Steels Limited and Anr. Vs. Assistant Commissioner of Income Tax & Ors. [W.P. (L) No. 9420 of 2022]

Post approval of resolution plan of CD on 06.05.2020 by AA, Assistant Commissioner of Income Tax (Tax authority) issued communication under Income Tax Act, 1961 (IT Act) for initiating proceedings against the CD. Aggrieved by this action, the CD filed a writ petition before the High Court of Bombay for quashing and setting aside of the impugned proceedings including all the notices and communications received from the Tax authority. On this issue of extinguishment of the tax proceedings post approval of plan under the Code, the HC allowed the WP relying on judgment of Hon’ble Supreme Court in the matter of *Ghanshyam Mishra and Sons Private Limited Vs. Edelweiss Asset Reconstruction Company Limited*, and held that “once a resolution plan is duly approved under Section 31(1) of the IBC, the debts as provided for in the resolution plan alone shall remain payable and such position shall be binding on, among others, the Central Government and various authorities, including tax authorities.”

Rohit J. Vora Vs. Insolvency & Bankruptcy Board of India [W.P. (Lodging) No. 20352 of 2023]

DC while disposing SCN against the RP, suspended the registration for a period of one year under section 220 of the Code. RP filed a writ petition challenging such suspension being contrary to the proviso of section 220 of Code, on the basis that the DC comprised of a single whole-time member. HC observed that the proviso to sub-section (1) of section 220 of the Code merely requires that the

members of the DC should be whole-time members of the IBBI and the said proviso does not seek to provide the number of members who should constitute the DC. The constitution of the DC as regards the number of its members is provided by clause 2(1)(c) of the IBBI (Inspection and Investigation) Regulations of 2017. While dismissing the writ, it held that “...This would indicate that the Disciplinary Committee could consist of either a single whole-time member or more than one whole-time member. Restricting the sweep of the word “members” appearing in the proviso to Section 220(1) of the Code to its plural effect would result in a position that would be against the spirit of Clause 2(1)(c) of the Regulations of 2017 as the expression “member(s)” indicates that the Disciplinary Committee can comprise either of a single whole-time member or more than one whole-time member. Thus, the context in which the word “members” is used in the proviso to Section 220(1) of the Code does not limit its operation only to its plural meaning. “Members” of the Disciplinary Committee would include a singular whole-time member too, as plural would include the singular in view of Section 13(2) of the Act of 1897.”

Gateway Investment Management Services Limited Vs. Reserve Bank of India & Ors. [W.P.(C) 13278 of 2024 & CM APPL. 55477 of 2024]

One of the RAs and the petitioner herein (H1 bidder), submitted the highest bid of Rs. 109 crores payable over 12 months. However, the CoC rejected the plan of H1 bidder and voted in favour of a plan which had proposed payment of Rs. 99 crores payable within 30 days. The H1 bidder challenged the CoC’s decision before the Delhi HC on the ground that it lacked financial prudence and are in violation of guidelines for CoC issued by IBBI and further sought a direction to RBI for development of a framework under the Banking Regulation Act, 1949 for the financial institutions to act in a fair, transparent and reasonable manner while exercising decision making power in approving a resolution plan to ensure maximization of recovery. HC while disposing the writ petition, directed the unsuccessful bidder to take appropriate recourse before AA who alone shall decide such objections.

National Company Law Appellate Tribunal

Mr. Anuj Bajpai Vs. Employees’ Provident Fund Organization (EPFO) & Ors. [CA(AT)(Ins.) No. 1141 of 2023]

During CIRP, EPFO filed their claim of ₹1,24,86,750/- (i.e. section 7A - ₹34,47,599/-, section 7Q – ₹28,64,318/-, section 14B – ₹61,38,551/- and provisional cost and charges - ₹36,282/-) under the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act). The CD was subsequently directed to be liquidated. The EPFO claimed priority in payments of all dues under section 36(4)(a)(iii), whereas the liquidator stated that since CD did not maintain a separate fund, the treatment will be as per section 53 of the Code. Later, a charge was created by EPFO regarding the dues. The liquidator challenged this creation of charge before AA, which ordered to create a separate fixed deposit of ₹1,24,86,750/-. Aggrieved by the same, the liquidator approached the NCLAT on the ground that the AA failed to examine the different components of the claim filed by EPFO and has treated everything as ‘contribution’ under the EPF Act and has also failed to consider the treatment of interest under section 7Q and damages under section 14B of EPF Act as being government dues under section 53 of the Code. The NCLAT observed that an amendment was made in the

EPF Act *vide* Amendment Act, 1988, which stated that any amount due from an employer, will have 'first charge' on the assets of the CD. It relied on the Hon'ble SC's judgment in *Maharashtra State Cooperative Bank Vs. Assistant Provident Fund Commissioner & Ors.* [(2009) 10 SCC 123] and observed that there is no reason to give a restricted meaning to the phrase 'if any amount is due from an employer' and confine it to the amount determined under section 7A or the contribution payable under section 8. It held that it will also include the interest payable by the employer under section 7Q and damages levied under section 14B of EPF Act. Accordingly, it held that all these dues will not form part of the liquidation estate of a CD and will be outside of the scope of distribution under section 53 of the Code.

Sanskriti Allottee Welfare Association (Reg.) & Ors. Vs. Gaurav Katiyar & Anr. [CA (AT) (Ins.) No. 878 of 2023]

In the CIRP of CD who was carrying on construction of residential project named 'Sanskriti', RP managed the CD's operations by providing maintenance services and electricity to those homebuyers who had received possession of their respective apartments during February 2018 and January 2020. However, considering the huge accumulated outstanding electricity charges, CoC decided to increase the maintenance charges. Against such an increase, homebuyers have filed an interlocutory application (IA) before AA seeking to quash CoC's decision. AA while dismissing the application, directed homebuyers to pay the increased amount and further directed the RP not to disconnect electricity connection of the residents. However, on default by homebuyers to pay the increased electricity bill, AA modified its previous order by allowing RP to take coercive measures against the defaulting homebuyers. On an appeal filed by the homebuyers against the order of AA, the issue for consideration before NCLAT was whether payment of electricity charges being an essential service, would amount to CIRP costs and that the CD is not liable to pay the amount till the completion of the period of moratorium? NCLAT while dismissing the appeal, held that the homebuyers were precluded from filing objections on the CoC's authority to the increased bills as they had participated in CoC meetings through their AR. Further, NCLAT while upholding the AA's decision observed that "...There is no prohibition or bar imposed by the IBC towards payment of dues arising from essential services supply during CIRP period nor is there any statutory provision which stipulates that the Corporate Debtor is not liable to pay such amounts till completion of the period of moratorium."

Swan Energy Limited Vs. Chandan Prakash Jain, RP of E-Complex Private Limited & Ors. [CA (AT) (Ins.) No. 313 of 2024]

CoC approved the resolution plan of Invent Assets Securitization & Reconstruction Private Limited (SRA). Pending approval of resolution plan by AA, RBI issued a circular restricting the ARCs from commencing or carrying on any business other than that of the securitization or asset reconstruction, without prior approval of the RBI. Pursuant to this circular, the SRA being an ARC became ineligible from being the SRA. ARC filed an application before AA seeking its substitution with that of Westend Investment and Finance Consultancy Private Limited. AA while allowing the application provided liberty to the ARC to make representation before the CoC. Later, CoC with 100% votes approved the substitution of ARC by Westend Investment, as resolution applicant (RA) and thus, allowing the resolution plan with a modification of RA. Thereafter, RP

submitted the modified plan before AA, which was approved. Aggrieved by the process adopted by the RP and the CoC, another PRA filed an appeal challenging approved resolution plan. CoC and SRA challenged the contravention against them, relied upon the clause 1.1.4 (iii) & (iv) of proposed plan stating that infusion of equity can be infused by RA indirectly or directly through its subsidiary, special purpose vehicle, limited liability partnership nominee of RA into the company from its own fund. The first issue that arose before NCLAT was whether CoC had jurisdiction to substitute the SRA with another entity who was not part of the CIRP process? Second, whether CoC has jurisdiction to modify a resolution plan already approved by the CoC and pending for approval before AA? NCLAT while allowing the appeal held that the CoC has no jurisdiction to modify the resolution plan already approved by CoC, which is pending for approval before AA. It clarified that infusion of equity is entirely different from nominating other entity as SRA. Further, it held that the clause for infusion of equity in the substituted resolution plan cannot be read to mean that SRA can nominate its nominee as SRA.

Vantage Point Asset Pte. Limited Vs. Gaurav Misra, RP, Alchemist Infra Realty Ltd., [CA (AT) (Ins.) No.1495 of 2024]

The resolution plan submitted by the SRA *inter alia* sought release of charges held by the Enforcement Directorate on assets of CD. AA approved the resolution plan but denied the prayer to SRA for lifting the attachments made by Enforcement Directorate. In the appeal filed by the SRA, NCLAT relied on the judgment of the SC in the case of *Manish Kumar Vs. Union of India* [(2021) SCC1] wherein the constitutionality of section 32A of the Code was upheld and also the judgment of Bombay HC in the case of *Shiv Charan & Ors. vs. Adjudicating Authority & Anr.* [W.P. (L) No. 9943 of 2023]. The NCLAT, while allowing the appeal, held that SRA is entitled to the benefit of section 32A of the Code and no action can be taken against the properties of CD in relation to an offence committed prior to the commencement of CIRP.

Siddharth Satish Katariya (Ex-Director) Superfine Profile and Extrusions Private Limited Vs. Central Bank of India & Anr. [CA(AT)(Ins.) No. 78 of 2024]

Credit facilities were extended to the CD by the consortium of Central Bank of India and other banks (FCs) under various sanction letters and corporate guarantees in year 2015-2016. Further, additional credit facilities, including an *ad-hoc* limit and Funded Interest Term Loan (FITL) scheme, were sanctioned by consortium of banks in 2019-20. AA admitted the application of FC for initiation of insolvency proceedings filed by the FCs against CD for the outstanding amount. Suspended directors of CD challenged such order of AA before NCLAT. Issue for consideration before the NCLAT was whether the guarantees issued in 2015-2016 were still enforceable, given that there were new guarantees and additional credit facilities/ loans sanctioned in 2019-20 on pretext that the earlier guarantees had been novated (replaced) by the subsequent agreements. NCLAT observed that clause 4 of sanction letter executed on 09.09.2020 clearly mentions that all existing securities in the captioned facilities will continue to be the security for the existing facilities with the revised repayment schedule. It was further included that the said securities will also cover the fresh FITL facility. Considering the facts of the case and the terms of credit facilities, NCLAT dismissed the appeal, and held that the original guarantees from 2015 and 2016 were still binding and had been properly

invoked by the FCs.

In the matter of Mr. Vikash Gautamchand Jain RP of M/s. Kethos Tiles Private Limited [CA(AT)(Ins.) No. 1173 of 2024]

AA rejected the application filed by RP for extension of PPIRP period. RP filed an appeal against order of AA. NCLAT ruled that while the 120-day timeline for PPIRP completion is part of the statutory scheme, it should not be interpreted to mean that the AA has no jurisdiction to extend the time when sufficient cause is shown. NCLAT held that the AA has the discretion to extend the PPIRP period beyond 120 days in appropriate cases, considering that PPIRP is a beneficial provision for resolving distressed MSMEs. Consequently, it allowed extension of 60 days.

Indiabulls Asset Reconstruction Company Limited Vs. Pawan Kapoor [CA(AT)(Ins.) No.192 of 2021]

FC/Appellants had taken physical possession of personal guarantor's mortgaged property in terms of the provisions of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act) on 27.01.2021 for default committed by the CD. Meanwhile, AA vide order dated 03.02.2021 admitted section 95 application against the personal guarantor to CD and held that moratorium had commenced in relation to all the debts effective from 07.01.2021 i.e. the application date and the property to be restored to the RP. Aggrieved by AA's directions, the FC filed an appeal before NCLAT. The issue before NCLAT was whether the moratorium under section 96 of the Code would affect the right of FC in respect of a possession taken under SARFAESI Act. NCLAT observed that the issue in the matter is no longer *res integra* and that the provisions of IBC would prevail notwithstanding anything inconsistent therewith, contained in any other law for the time being in force. It relied on judgment of Delhi HC in the matter of *Sanjay Dhingra Vs IDBI Bank Limited & Ors.* [W.P. (C) No. 8131 of 2020 and CM Appl. 26390 of 2020] and held that once the interim moratorium is in existence, FC is prohibited from continuing any further actions under the SARFAESI Act regarding the property mortgaged by the PG.

Asha Chopra & Ors. Vs. Hind Motors India Limited & Ors. [CA (AT) (Ins.) No. 1425 – 1428 of 2024 & I.A. No. 5180 – 5183 of 2024]

Post liquidation order passed by the AA, the promoters/ suspended directors filed an application under section 12A for withdrawal of the process, which was rejected by AA on the ground that it is not maintainable during the liquidation process. On appeal, the NCLAT while dismissing the appeal, clarified that the CoC exist till the conclusion of the CIRP. During liquidation process, the CoC does not exist so as to take a decision on withdrawal of a CIRP application filed under sections 7, 9 or 10. It observed that “...the statutory scheme of IBC thus clearly contemplates that withdrawal of Application is permissible only during CIRP period with the approval of 90% vote shares of the CoC. The Scheme of Liquidation and the Liquidation Regulations do not contemplate any withdrawal under Section 12A.”

Commercial Tax Department Vs. Mrs. Teena Saraswat Pandey & Anr. [CA (AT) (Ins.) No. 1265 of 2022 & I.A. No. 3870, 3871, 3872, 4564 of 2022]

Madhya Pradesh Commercial Tax Department filed an appeal against the approved resolution plan proposing nil payment against a claim of ₹12.61 crore, and for not considering it as a ‘secured

creditor’ in terms of section 33 of the Madhya Pradesh Value Added Tax Act, 2002 (MPVAT Act). The issue for consideration in the appeal was whether the judgment passed by the SC in the case of *Rainbow Papers* is applicable to this case? NCLAT, while dismissing the appeal, observed that section 33 of MPVAT Act is subject to the provisions of section 530 of the Companies Act, 1956 which governs preferential payments and subordinate tax claims. Further, it noted that the *Rainbow Papers* judgment is applicable to the specific facts of that case and is not applicable to all the statutory claims. It also held that section 33 of the MPVAT Act and section 48 of the GVAT Act are not *pari materia*.

Truvisory Insolvency Professionals Private Limited Vs. Employees’ Provident Fund Organization & Ors. [CA(AT) (Ins.) No. 580 of 2023]

Pre-ICD, two regional offices of EPFO had attached 17 bank accounts of the CD for failing to pay the employer's contribution to the Provident Fund (PF). During CIRP, RP filed an application before the AA seeking to recall the said attachment of accounts for smooth functioning of CIRP. AA disposed the application holding that PF dues shall not form part of the CD's estate, and the moratorium does not apply to such statutory dues. Subsequently, during the liquidation process, an appeal was preferred against the order of AA by the liquidator on the ground that similarly placed provident funds are being treated differentially. NCLAT held that the claims of all the eight EPFO's are to be treated on par and the entire amount of claim under section 7A, 7Q and 14B of the EPF Act had to be paid to respective PF authority from the funds available in the attached bank accounts of CD. NCLAT further emphasized that if the amount available is not sufficient, same shall be met from disposal of other assets of the CD. Thereafter, the balance left, after meeting the claims of the EPFO authorities, shall form part of the liquidation estate.

SBS Holdings, Inc. Vs. Mohan Lal Jain [CA(AT)(Ins.) No. 624 of 2024]

A Memorandum of Understanding and a shareholder's agreement were executed between the group companies of SBS Holdings and the CD. Thereafter, arbitration proceedings were initiated by the promoter of CD against Global Enterprise Logistics Pte. Ltd. (Global Enterprise), one of the group companies of SBS Holdings. Meanwhile, CIRP was admitted against CD. During liquidation proceedings of the CD, an arbitral award to the tune of Rs. 9.5 Cr. was concluded in favour of Global Enterprise. SBS Holdings filed its claim before the liquidator of CD, which was rejected by the liquidator on two grounds; firstly, that such claims were filed after due date for filing claims and secondly, that no such claim existed on the liquidation commencement date as per regulation 12(2)(a) of Liquidation Regulations. SBS Holdings challenged the said rejection of claim before the AA. AA upheld the decision of the liquidator. On appeal, the issue before NCLAT was whether Liquidation Regulations, prohibits acceptance of any claim, arising after the liquidation commencement date? NCLAT emphasizing the statutory scheme provided under the Liquidation Regulations, while dismissing the appeal held that “A formula is also provided under sub-regulation (2) of Regulation 28 for distribution with regard to claim, which is to become due in future date. Regulation 28 is only Regulation, which deals with a claim, which claim is not due on the liquidation commencement date, but the claim has to be filed, by such claimant. Regulation 28 being the only Regulation, which deals

with a payment not due on the liquidation commencement date and the distribution has been provided in a manner as contained in sub-regulation (2) of Regulation 28, it is clear that no other claim is contemplated to be considered, which is not available on the liquidation commencement date. The statutory scheme delineated by Regulation 12 and Regulation 16, clearly contemplate that a claim has to be filed on the liquidation commencement date.”

Uttarakhand Power Corporation Limited Vs. M/s Shirdi Industries Limited & Anr. [CA (AT) (Ins.) No. 799, 803 and 832 of 2024]

After commencement of CIRP on 18.05.2017, an amount of ₹ 1.76 crore towards pre-ICD electricity bills was paid by the RP on 19.05.2017 and 19.06.2017. During the process, no claim was filed by Uttarakhand Power Corporation Limited (UPCL) regarding electricity dues. The resolution plan provided for payment of the pre-CIRP dues of electricity in 8 instalments beginning from June 2022. After approval of resolution plan by AA on 12.12.2017, it was communicated to UPCL that amount already paid towards electricity dues have to be adjusted against current bills for the month of Sept - Oct, 2020. UPCL disconnected the electricity of CD on account of non-payment of current bills and as a result, an application was preferred before AA which was decided against UPCL. On appeal, the NCLAT dismissed the appeal and held that payment made by the CD after commencement of insolvency proceedings cannot be appropriated towards electricity charges which have arisen prior to ICD and thus, are required to be adjusted towards current CIRP dues. NCLAT while upholding AA's decision held that “...The schedule and calendar of payment of pre-CIRP dues of the Appellant as given in the resolution plan is sacrosanct and cannot be allowed to be superseded simply because payment thereto had been voluntarily done earlier by the Corporate Debtor. If the payment of pre-CIRP dues is insisted upon being made in any manner which is not specified and factored in the resolution plan, that would amount to be an infraction of the resolution plan and cannot be countenanced.”

National Company Law Tribunal

Variant Commercial Private Limited Vs. Indian Mining Works Private Limited [I.A. (IB) No. 1132 of 2022 In CP(IB) No. 1852 of 2019]

In the CIRP of Indian Mining Works Private Limited (CD), the resolution plan of Elite Enterprises (SRA) was approved by CoC with 100% majority and was filed before AA, for its approval. AA, while relying on SC decision in *Rainbow Papers* case rejected the resolution plan and noted that CGST is an actual creditor in terms of section 82 of the CGST Act. It observed that allocation of Nil amount towards OC's total admitted claim of Rs. 96.52 cr. in the resolution plan, is not in consonance with the fair and equitable distribution to the creditors as contemplated in Explanation I of section 30(2)(b) of the Code.

Nitin Batra & Ors. Vs. M/s. Anand Infoedge Private Limited & Ors. [IA 293 and 2497 of 2024 in C.P. (IB) 682 of 2021]

Allottees of Festival City Project (real estate project) filed a section 7 application against M/s. Anand Infoedge Private Limited (CD - 1), M/s. Mist Avenue Private Limited (CD - 2), and M/s. Mist Direct Sales Private Limited (CD-3) for the default committed by these CDs in delivering the units. AA considered the fact that CDs have

consistently failed to fulfil their obligations to complete the project. The report of the CAG and the statutory auditors further underscore the CD's financial instability due to substantial accumulated losses and frozen bank accounts. Thus, these factors collectively indicate mismanagement and incompetence in managing the project along with severe breach of trust leading to the project's failure. AA, while initiating the CIRP against the CDs, along with the appointment of IRP, also appointed a senior retired IAS officer as 'monitor' for 6 months to coordinate with NOIDA and other government agencies.

IBBI

Disciplinary Orders

During the quarter, the DC of the IBBI disposed of 23 SCNs issued to the IPs and one SCN issued to an RV for contravention of the provisions of law by passing suitable orders.

Corporate Processes

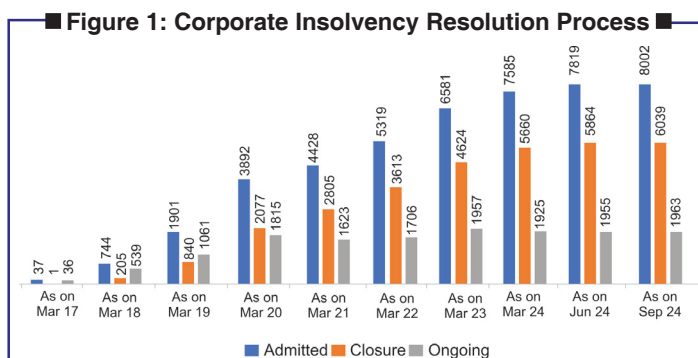
The data provided in this section regarding corporate processes is provisional, as it is getting revised on a continuous basis depending on the flow of updated information as received from IPs or the information in respect of process changes. For example, a process may ultimately yield an order for liquidation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

Insolvency Resolution

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 September, 2024 are given in Table 1 and Figures 1-2. Sectoral distribution of CDs under CIRP is presented in Figures 3-6.

Table 1: Details of CIRP cases as on September 30, 2024

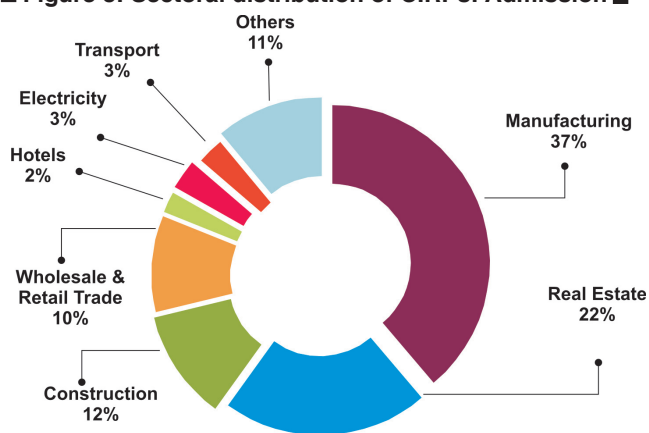
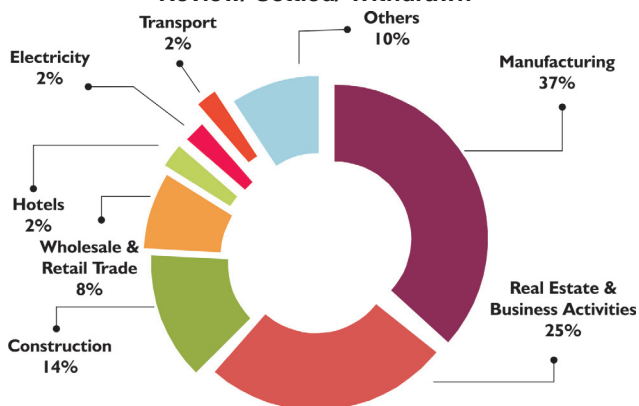
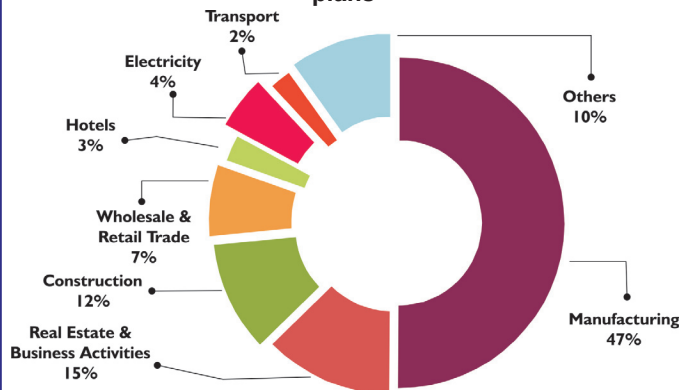
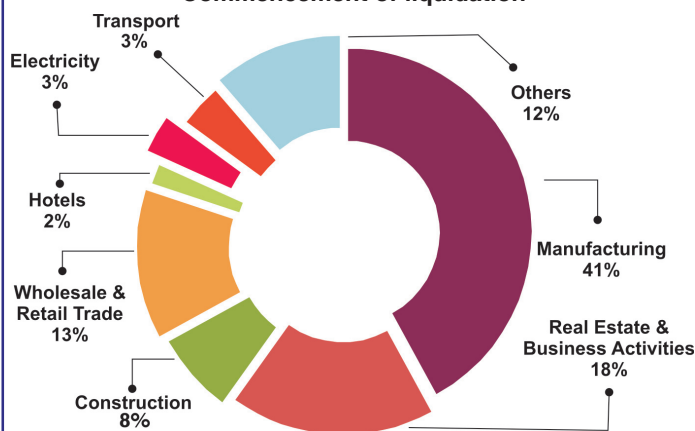
CIRP cases	Number
Admitted	8002
Withdrawn under section 12A	1120
Closed on appeal or review or settled	1221
Resolution plans approved	1068
Liquidation orders passed	2630
Ongoing CIRP cases	1963



Note: These CIRPs are in respect of 7639 CDs.

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.

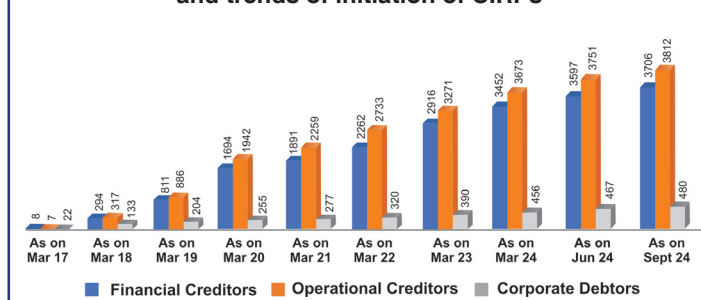
Figure 2: Mode of closure of CIRPs**Figure 3: Sectoral distribution of CIRPs: Admission****Figure 4: Sectoral distribution of CIRPs: Appeal/ Review/ Settled/ Withdrawn****Figure 5: Sectoral distribution of CIRPs: Resolution plans****Figure 6: Sectoral distribution of CIRPs: Commencement of liquidation**

The distribution of stakeholder-wise initiation of CIRPs is presented in Table 2 and Figure 7. OCs triggered 47.66% of the CIRPs, followed by about 46.34% by FCs and remaining by the CDs. It is observed that about 80% of CIRPs having an underlying default of less than ₹ 1 crore, were initiated on applications by OCs while about 80% of CIRPs having an underlying default of more than ₹ 10 crore were initiated on applications by FCs. The share of CIRPs initiated by CDs is declining over time.

Table 2: 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	402	66	1004
April - Jun, 2024	145	78	11	234
July - Sept, 2024	109	61	13	183
Total	3706	3812	480	7998

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

Figure 7: Stakeholder-wise distribution and trends of initiation of CIRPs

The outcome of CIRPs, initiated stakeholder-wise, as on September 30, 2024 is presented in Table 3. Of the OC initiated CIRPs that were closed, around 53% were closed on appeal, review, or withdrawal. Such closures accounted for more than 70% of all closures by appeal, review, or withdrawal.

Table 3: Outcome of CIRPs, initiated Stakeholder-wise, as on September 30, 2024

Outcome	Description	CIRPs initiated by/for				
		FCs	OCs	CDs	FISPs	Total
Status of CIRPs	Closure by Appeal/Review/Settled	374	837	10	0	1221
	Closure by Withdrawal u/s 12A	328	784	8	0	1120
	Closure by Approval of Resolution Plan	633	353	78	4	1068
	Closure by Commencement of Liquidation	1224	1132	274	0	2630
	Ongoing	1147	706	110	0	1963
	Total	3706	3812	480	4	8002
CIRPs yielding Resolution Plans	Realisation by Creditors as % of Liquidation Value	174.2	129.7	146.3	134.9	161.1
	Realisation by Creditors as % of their Claims	30.9	25.0	18.1	41.4	31.0
	Average Time taken for Closure of CIRP	704	714	572	677	698
CIRPs yielding Liquidations	Liquidation Value as % of Claims	5.5	8.9	8.4	-	6.3
	Average Time taken for Closure of CIRP	508	504	442	-	499

Resolution Plans

Till FY 2023-24, 947 CIRPs had yielded resolution plans. The creditors realised ₹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 ₹2.08 lakh crore against the total claims of the creditors worth ₹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 June, 2024, 1005 CIRPs had yielded resolution plans. The creditors realised ₹3.40 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 ₹3.25 lakh crore and ₹2.11 lakh crore, respectively, as against the total claims of the creditors worth ₹10.60 lakh crore. The realisation to the creditors was 32.06% and 161.17% as against their admitted claims and liquidation value, respectively.

During the quarter July-September, 2024, 12 more CIRPs was reported as yielding resolution plan, pertaining to the prior period, as presented in Part A of Table 4. 54 CIRPs yielded resolution plans during the quarter July-September, 2024, the details of which are presented in Part B of Table 4. Three 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 1068 till September, 2024.

Till September, 2024, the creditors have realised ₹3.55 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 ₹3.38 lakh crore and ₹2.20 lakh crore, respectively, as against the total claims of the creditors worth ₹11.44 lakh crore. The creditors have realised 161.11% of the liquidation value and 86.13% of the fair value (based on 964 cases where fair value has been estimated). The haircut for creditors relative to the fair value of assets was around 14%, 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 RAs, and recovery from avoidance applications.

Table 4: CIRPs Yielding Resolution Plans

Sl.	Name of CD	Defunct (Yes / No)	Date of Commencement of CIRP	Date of Approval of Resolution Plan	CIRP initiated by	Amount (in ₹ crore)				Realisable Value as % of		
						Total Admitted Claims	Liquid- ation Value	Fair Value	Total Realisable Value	Admit- ted Claims	Liquid - ation Value	Fair Value
Part A: Reported for Prior Period (Till June, 2024)												
1	Xi Energy Limited	Yes	27.03.2023	19.04.2024	FC	5403.02	0.00	0.02	2.20	0.04	-	-
2	Pancard Clubs Limited	No	09.09.2022	25.04.2024	FC	8933.92	346.51	459.66	697.32	7.81	201.24	151.70
3	I C Textiles Limited	Yes	14.03.2022	03.05.2024	FC	3364.52	32.60	49.84	34.55	1.03	105.98	69.32
4	Sparkspell Homes Private Limited	No	28.08.2019	16.05.2024	FC	12.79	1.00	2.00	9.85	76.99	984.84	492.42
5	Shri Vishnu Overseas Pvt Ltd	Yes	04.11.2022	31.05.2024	FC	337.73	16.89	20.93	27.75	8.22	164.33	132.62
6	Duxton Hills Builder Private Limited	Yes	02.08.2023	31.05.2024	FC	1.86	0.38	0.40	0.28	15.21	73.87	71.45
7	Ceasan Glass Private Limited	No	24.12.2021	06.06.2024	OC	64.06	9.66	12.14	10.77	16.81	111.46	88.73
8	Era Infra Engineering Limited	No	08.05.2018	11.06.2024	FC	21946.38	199.26	405.35	2091.20	9.53	1049.51	515.90
9	Manju J Homes India Limited	NA	02.09.2019	11.06.2024	OC	NA	NA	NA	NA	NA	NA	NA
10	Apollo Polyvinyl Private Limited	Yes	24.04.2023	24.06.2024	FC	119.45	23.22	28.64	28.82	24.13	124.13	100.62
11	Valecha Engineering Limited	NA	21.10.2022	25.06.2024	FC	NA	NA	NA	NA	NA	NA	NA
12	Fermos Engineering Private Limited	Yes	09.09.2023	26.06.2024	FC	5.89	0.02	0.02	0.00	0.00	0.00	0.00
Part B: For July - September, 2024												
1	Drish Shoes Limited	No	12.05.2022	01.07.2024	OC	149.08	59.32	82.05	60.70	40.72	102.33	73.98
2	S R Industries Ltd	No	21.12.2021	01.07.2024	FC	54.64	9.64	14.45	11.00	20.14	114.10	76.17
3	Global Energy Private Limited	No	02.12.2019	03.07.2024	OC	147.10	4.65	6.15	20.29	13.80	436.32	330.22
4	Clarion Townships Private Limited	No	03.05.2021	04.07.2024	FC	79.21	26.28	38.38	34.88	44.03	132.75	90.89
5	Linaks Micro Electronics Limited		22.04.2022	04.07.2024								
6	Alchemist Infra Realty Limited	Yes	23.03.2022	04.07.2024	FC	947.42	302.32	380.93	453.07	47.82	149.86	118.94

7	Swastik Tungsten Private Limited	No	23.12.2021	08.07.2024	OC	27.17	3.19	4.33	5.85	21.53	183.28	135.12
8	Bulland Buildtech Private Limited	No	22.03.2021	09.07.2024	FC	302.81	16.54	20.98	203.88	67.33	1232.76	971.69
9	B&A Best Health Care Private Limited	Yes	13.09.2022	11.07.2024	FC	10.19	4.95	8.04	4.84	47.53	97.85	60.26
10	Asya Infosoft Limited	Yes	17.05.2023	11.07.2024	FC	17.61	0.14	0.16	3.69	20.98	2547.85	2294.63
11	Sristi Hospitality Private Limited	No	27.02.2023	12.07.2024	FC	32.41	29.76	39.65	32.41	100.00	108.92	81.75
12	Marappan Textiles Private Limited	No	12.06.2023	12.07.2024	OC	34.63	13.56	16.96	14.27	41.19	105.16	84.13
13	Swapnil Promoters And Developers Pvt Ltd	Yes	04.07.2023	12.07.2024	FC	47.42	4.56	5.35	1.00	2.11	21.95	18.68
14	Leading Hotels Limited	No	25.06.2021	15.07.2024	FC	365.71	156.38	195.40	217.35	59.43	138.99	111.23
15	Sheltrex Developers Private Limited	Yes	10.12.2019	16.07.2024	FC	260.58	29.77	40.08	21.01	8.06	70.57	52.42
16	Sumeet Industries Limited	No	20.12.2022	16.07.2024	FC	731.10	315.77	448.79	233.00	31.87	73.79	51.92
17	Satra Properties (India) Limited	No	03.08.2020	26.07.2024	FC	386.73	77.06	97.65	68.59	17.74	89.01	70.25
18	Nagai Power Private Limited	Yes	09.01.2023	29.07.2024	FC	1594.33	201.54	360.85	315.90	19.81	156.74	87.54
19	Sarvottam Realcon Private Limited	Yes	09.07.2021	30.07.2024	FC	247.88	105.68	136.54	109.10	44.01	103.24	79.91
20	Prime Infrapark Private Limited	Yes	12.08.2022	30.07.2024	OC	382.95	0.00	0.00	37.55	9.81	-	-
21	Topworth Infra Private Limited	No	13.11.2019	31.07.2024	OC	333.65	3.80	4.28	4.31	1.29	113.33	100.70
22	Frugal Developers Private Limited	Yes	03.07.2023	01.08.2024	FC	1.96	0.32	0.32	0.18	9.23	56.78	56.50
23	Kotson'S Private Limited	No	09.06.2023	02.08.2024	FC	179.58	44.69	60.62	52.07	28.99	116.51	85.89
24	Simplex Projects Ltd	No	27.04.2022	06.08.2024	FC	2051.86	35.54	51.98	228.85	11.15	643.93	440.23
25	Khatema Fibres Limited	No	13.10.2023	06.08.2024	FC	1230.08	118.09	166.13	72.38	5.88	61.29	43.57
26	Kiran Global Chem Limited	No	27.04.2021	09.08.2024	FC	267.46	176.82	225.08	67.50	25.24	38.17	29.99
27	Nirmal Lifestyle Realty Private Limited	Yes	06.12.2021	09.08.2024	FC	776.20	325.05	405.59	273.00	35.17	83.99	67.31
28	Aditya Vidyut Appliances Limited	No	11.09.2019	12.08.2024	OC	426.23	34.03	62.15	70.18	16.47	206.23	112.93
29	Aditya Fabrication Private Limited	NA	15.05.2020	12.08.2024	FC	NA	NA	NA	NA	NA	NA	NA
30	Maha Associated Hotels Private Limited	No	20.09.2018	13.08.2024	OC	98.11	4.84	6.94	11.51	11.73	237.86	165.89
31	Sks Power Generation (Chhattisgarh) Limited	No	29.04.2022	13.08.2024	FC	2697.54	1768.50	2769.50	1966.89	72.91	111.22	71.02
32	High Ground Enterprise Limited	Yes	17.02.2023	13.08.2024	FC	154.12	1.98	2.39	3.00	1.95	151.84	125.47
33	Samson And Sons Builders And Developers Pvt Ltd	NA	03.11.2021	14.08.2024	OC	NA	NA	NA	NA	NA	NA	NA
34	Asten Realtors Private Limited	No	25.01.2023	14.08.2024	FC	339.72	114.05	148.16	185.80	54.69	162.90	125.40
35	Hogar Controls India Private Limited	No	16.02.2024	14.08.2024	OC	24.67	9.56	15.69	9.03	36.61	94.47	57.56
36	Lanco Amarkantak Power Limited	No	05.09.2019	21.08.2024	FC	15633.57	2241.15	3631.95	4101.00	26.23	182.99	112.91
37	Monarch Brookefields Llp	Yes	27.09.2019	27.08.2024	FC	139.96	8.90	13.13	12.00	8.57	134.83	91.39
38	Nik. San Engineering Company Limited	NA	03.11.2022	29.08.2024	OC	NA	NA	NA	NA	NA	NA	NA
39	Coastal Energen Private Limited	No	04.02.2022	30.08.2024	FC	12247.55	2410.33	3175.48	3335.52	27.23	138.38	105.04
40	Hemarus Therapeutics Limited	No	07.11.2023	30.08.2024	OC	0.58	0.00	0.00	0.58	100.00	NA	NA
41	Anuradha Real Estate Developers Pvt Ltd	No	11.08.2021	02.09.2024	FC	80.99	48.57	63.13	52.30	64.57	107.69	82.85
42	Greatwall Corporate Services Private Limited	No	15.03.2022	02.09.2024	FC	78.11	5.88	8.82	11.65	14.92	198.13	132.03
43	Best News Company Private Limited	Yes	17.05.2023	04.09.2024	FC	74.08	1.70	1.70	1.95	2.63	114.66	114.66
44	City Mall Developers Private Limited	No	08.03.2022	05.09.2024	CD	521.09	29.49	40.43	29.85	5.73	101.22	73.83
45	Perfect Engine Components Private Limited	No	25.04.2023	05.09.2024	FC	376.46	18.36	24.77	17.07	4.53	92.96	68.92
46	Kvr Industries Private Limited	No	18.02.2022	06.09.2024	FC	57.62	17.56	24.91	25.25	43.82	143.82	101.36
47	Madhu Aluminium Private Limited	Yes	02.11.2023	11.09.2024	FC	4.78	3.84	4.98	4.15	86.79	107.99	83.33
48	Unitech Machines Limited	No	01.03.2019	13.09.2024	FC	256.79	30.38	43.66	61.62	24.00	202.84	141.14
49	Abhirama Steels Limited	No	16.11.2021	17.09.2024	OC	47.56	7.36	10.66	13.78	28.98	187.23	129.32
50	Mb Malls Private Limited	Yes	03.08.2022	20.09.2024	FC	227.93	56.62	77.23	72.02	31.60	127.19	93.26
51	Mvr Shipping Services Private Limited	Yes	22.11.2023	20.09.2024	FC	5.72	0.32	0.39	0.21	3.74	67.31	55.42
52	Shamik Enterprises Private Limited	No	03.02.2022	23.09.2024	FC	118.84	3.60	17.08	13.79	11.60	382.65	80.70
53	Autopal Industries Limited	Yes	16.08.2022	23.09.2024	OC	9.48	0.19	0.27	0.74	7.82	388.48	280.00
54	Varun Media Private Limited	NA	14.07.2023	25.09.2024	FC	NA	NA	NA	NA	NA	NA	NA
Total (July - September, 2024)						44281.29	8882.63	12954.13	12546.57	28.33	141.25	96.85
Total (Till September, 2024)						1144743.76	220580.66	338647.60	355374.74	31.04	161.11	86.13*

Notes:

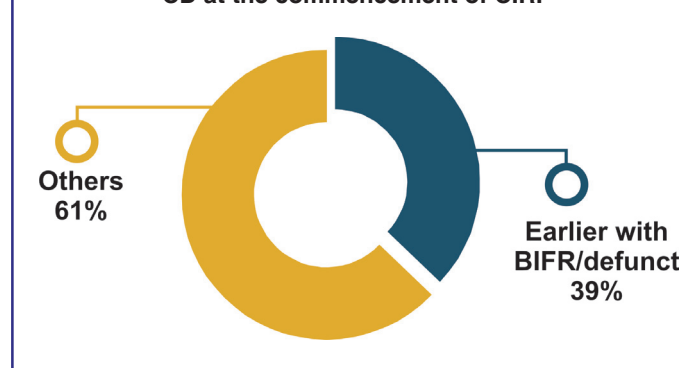
1. In 1068 resolved CDs, 200 applications in respect of avoidance transactions to the tune of ₹1.13 lakh crore have been pending before AA.
2. CIRPs in 31 matters which yielded resolution plans and were reported earlier in this table have since moved into liquidation. The CIRPs have restarted in 24 cases and CIRPs in 2 matters, where liquidation orders were passed earlier, have yielded resolution plans.
3. 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 964 cases where fair value has been estimated

NA: Not available

About 40% of the CIRPs (418 out of 1069 for which data are available), which yielded resolution plans, were earlier with BIFR and/or defunct (Figure 8). In these CDs, the claimants have realised 18.96% of their admitted claims and 150.33% of liquidation value.

Figure 8: CIRPs yielded resolutions: State of CD at the commencement of CIRP



Note: Data awaited in 9 cases.

Withdrawals under Section 12A

Till September, 2024, a total of 1120 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 ₹10 crore.

Figure 9: Reasons for Withdrawal of CIRPs

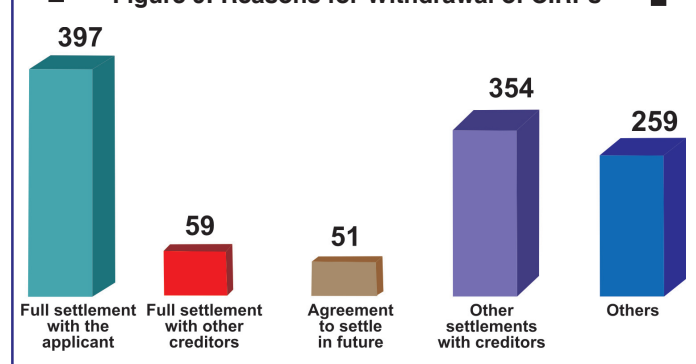
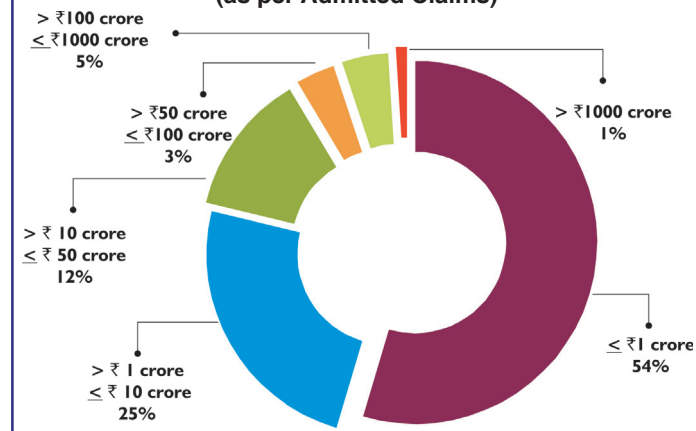


Figure 10: Distribution of CIRPs Withdrawn (as per Admitted Claims)



Liquidation

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 June, 2024, 2547 CIRPs had yielded orders for liquidation, of which the final reports were submitted in 1072 cases. During the quarter July - September, 2024, 5 more CIRPs were reported as yielding orders for liquidation, pertaining to the prior period. Further, 79 CIRPs ended in orders for liquidation during the current quarter. Ten CDs which had earlier yielded order of liquidation have since yielded resolution plan, taking the total CIRPs ending in liquidation to 2630. Of these, final reports have been submitted in 1113 cases.

There are 1517 ongoing liquidation processes, whose status as on September 30, 2024 is presented in Figure 11. The details of the mode of closure of liquidation process are presented in Table 5. The details of liquidation processes closed during the quarter July - September, 2024 are presented in Table 6.

Figure 11: Timeline: Ongoing Liquidations

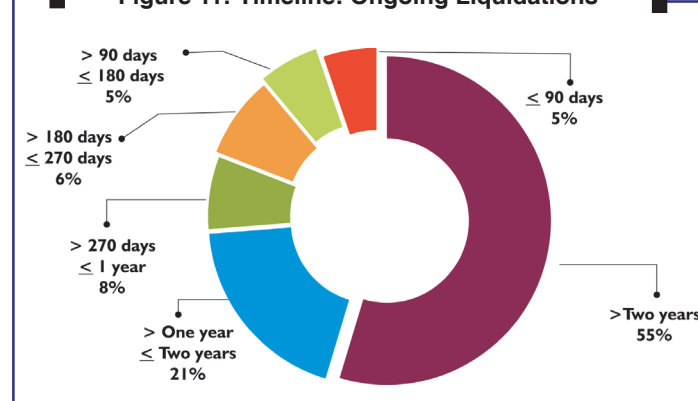


Table 5: Mode of Closure of Liquidation Processes

Status of Liquidation	Till June, 2024	July-Sept, 2024	Total as on Sept 30, 2024
Initiated	2551	79	2630*
Final Report submitted	1090	23	1113
Closed by Dissolution	650	28	678
Closed by Going Concern Sale	70	9	79
Closed by Compromise/Arrangement	12	0	12
Ongoing processes	1421	NA	1517
Total Closed cases (A+B+C)	732	37	769
Total Admitted Claims (In ₹crore)	223801.94	8659.17	232461.11
Liquidation Value (In ₹crore)	7757.33	905.64	8662.97
Total Realisation (In ₹crore)	7226.05	382.77	7608.82

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

Table 6: Details of Closed Liquidations

(Amount in ₹crore)

Sl.	Name of the Corporate Person	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 June, 2024)							
1	Lotus Auto Engineering Limited\$	01.06.2020	592.16	51.27	38.21	34.90	07.09.2022
2	Sesha Salla Power and Engineering Private Limited\$	09.06.2022	59.74	1.99	3.55	2.91	07.06.2023
3	Tip Top Furniture Pvt Ltd\$	08.02.2023	133.19	11.23	16.69	12.94	13.10.2023
4	Bhuvée Stenovate Private Limited\$	07.02.2020	2078.20	560.90	68.05	67.38	17.10.2023
5	Athena Energy Ventures Private Limited\$	21.07.2022	16090.73	0.00	0.48	0.00	20.12.2023
6	Digital Micron Roto Print Private Limited\$	25.08.2022	30.07	2.73	3.13	2.67	01.02.2024
7	P. L. Vehicals Private Limited\$	25.08.2023	4.13	0.07	0.14	0.14	05.03.2024
8	Sri Lakshminarasimha Oil Mills Pvt. Ltd. \$	13.05.2021	149.06	10.71	12.14	11.64	18.04.2024
9	Kumar's Cotex Limited\$	17.02.2023	2773.83	10.11	11.18	10.37	24.04.2024
10	Kaveri Gas Power Private Limited\$	09.12.2022	229.97	3.00	3.87	2.32	10.05.2024
11	Shresht Industries Private Limited	08.12.2023	341.16	12.14	14.74	12.67	06.06.2024
12	C L Engineering Equipment (India) Private Limited	10.02.2023	23.99	0.00	0.00	0.00	26.06.2024
13	Smilecare Multi Speciality Hospitals Private Limited\$	10.05.2021	9.59	1.38	1.53	1.27	26.06.2024
14	Amazon Enterprises Private Limited	14.06.2019	15.26	2.65	0.00	0.00	26.06.2024
15	Gambs India Pvt Ltd\$	21.03.2023	62.09	65.73	77.50	73.95	27.06.2024
16	Azhimuthu Software India Private Limited	22.07.2022	0.15	0.01	0.01	0.00	28.06.2024
Part B: For July - September, 2024							
1	Prudential Hotels Private Limited	21.09.2022	4.50	0.08	0.08	0.00	02.07.2024
2	Shree Gajapati Paints Pvt. Ltd.	18.03.2021	3.19	2.37	1.92	1.66	02.07.2024
3	Mallick Projects Private Limited	02.07.2024	-	-	-	-	02.07.2024
4	Pellet Energy Systems Private Limited	26.08.2022	89.25	13.43	27.24	25.25	03.07.2024
5	Kanoovi Foods Private Limited\$	13.01.2021	24.36	2.72	2.71	2.23	03.07.2024
6	Kohinoor Paper and News Print Private Limited\$	12.07.2021	1,144.31	37.13	53.63	48.28	05.07.2024
7	S.B. Ispat (India) Private Limited	18.11.2022	16.66	0.01	-	-	05.07.2024
8	Male Square Retails Private Limited	01.11.2022	1.96	0.00	0.00	-	05.07.2024
9	Samtex Desinz Private Limited	11.04.2023	6.65	0.08	0.08	-	08.07.2024
10	Acasia Tele Services Private Limited	11.02.2019	262.09	0.51	0.47	0.28	08.07.2024
11	Victory Inftratech Private Limited	08.12.2021	122.24	-	-	-	08.07.2024
12	Rosewood Trexim Private Limited	30.01.2023	6.83	-	-	-	08.07.2024
13	Royal Pressing and Components Private Limited	13.02.2020	0.23	-	-	-	09.07.2024
14	Ad Mart Private Limited	28.04.2022	1.40	-	-	-	09.07.2024
15	Arm Winsys Tech Private Limited	16.03.2022	2.82	1.06	1.70	1.38	11.07.2024
16	MPL Cars Private Limited	27.01.2021	45.54	0.29	0.29	-	12.07.2024
17	Pier One Constructions Private Limited	04.07.2018	7.88	-	-	-	18.07.2024
18	Base Electrical and Electronic Solutions Private Limited	01.05.2023	-	-	-	-	26.07.2024
19	VVR Innovate Materials Pvt. Ltd.	10.02.2023	0.22	0.00	0.00	-	30.07.2024
20	Biotropics Pharma Private Limited	26.10.2018	19.94	2.25	2.97	2.32	30.07.2024
21	Arient Scientific Private Limited	21.02.2019	0.50	0.20	0.20	0.20	31.07.2024
22	Lindsay International Private Limited	27.06.2023	8.65	3.26	3.30	2.78	01.08.2024
23	Jote Sriram Himghar Private Limited	15.11.2021	17.87	3.92	3.73	3.33	02.08.2024
24	KN Interior Designs And Engineering Private Limited	19.09.2022	5.51	0.25	0.23	0.12	08.08.2024
25	Monorex Private Limited	18.02.2020	3.94	-	-	-	08.08.2024
26	Princi Proteins Private Limited	26.04.2023	14.44	-	-	-	12.08.2024
27	Anjali Waterford Hospitality and Infra Limited	13.05.2022	2.45	3.00	3.00	2.69	13.08.2024
28	MTM Trading Private Limited	17.08.2021	113.12	14.52	2.30	2.15	20.08.2024
29	BS Limited\$	17.10.2019	2,202.97	139.66	124.06	120.92	21.08.2024
30	Reaselack Polymers Pvt. Limited\$	13.10.2023	10.99	1.80	1.51	1.21	02.09.2024
31	Shree Rangham Ispat Private Limited\$	29.09.2023	64.11	9.15	15.96	-	06.09.2024
32	Sree Naidu Beverages Private Limited\$	13.04.2022	29.56	2.61	1.17	0.42	12.09.2024
33	Rabirun Vinimay Private Limited\$	05.03.2020	3,873.13	649.46	104.75	90.61	13.09.2024
34	Duckbill Drugs Pvt. Ltd. \$	13.04.2021	15.31	1.62	5.93	5.28	13.09.2024
35	Deleo Construction Private Limited	08.02.2019	0.90	-	-	-	13.09.2024
36	Kanakadhara Ventures Pvt. Ltd. \$	13.08.2021	475.93	16.27	25.55	23.76	17.09.2024
37	Icon Commodities Private Limited\$	03.12.2021	59.77	-	-	-	29.09.2024
	Total (July - September, 2024)		8,659.17	905.64	382.77	334.86	NA
	Total (Till September, 2024)		232461.11	8662.97	7608.82	6959.52	NA

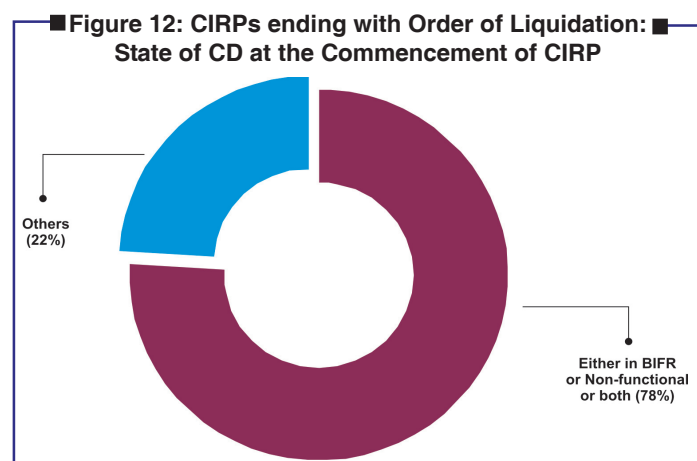
Note: '-' means no value; *Claims pertain to CIRP period

0 means an amount below two decimals

\$ indicates sale as going concern

NA means Not Applicable

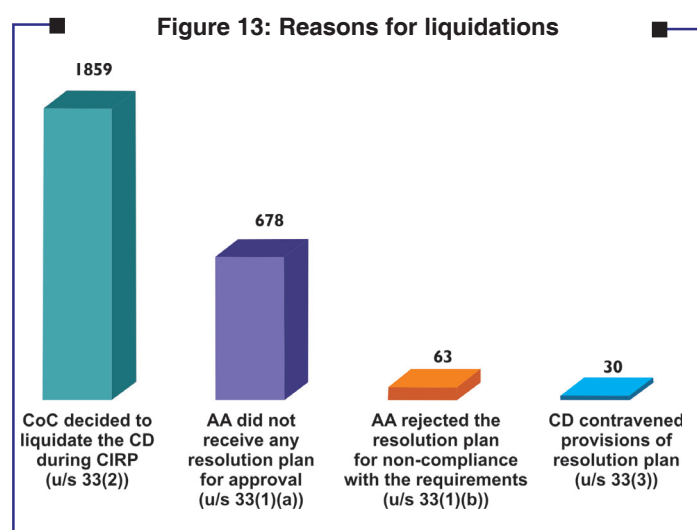
Around 78% of the CIRPs ending in liquidation (2035 out of 2610 for which data are available) were earlier with BIFR and/or defunct (Figure 12). The economic value in most of these CDs had almost completely eroded even before they were admitted into CIRP. These CDs had assets, on average, valued at 6.3% of the outstanding debt amount.



Notes:

1. There were 149 CIRPs, where CDs were in BIFR or non-functional but had resolution value higher than liquidation value.
2. Includes cases where no resolution plans were received and cases where liquidation value is zero or not estimated.
3. Data of 20 CIRPs is awaited.

The AA passes an order for liquidation under four circumstances. As on September, 2024, 2630 orders for commencement of liquidation have been passed. The details of liquidation in these circumstances are presented in Figure 13.



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 2185 liquidations, for which data are available, are presented in Table 7.

Table 7: Claims in Liquidation Process

(Amount in ₹crore)

Stakeholders under Section	Number of Claimants	Amount of Claims Admitted	Liquidation Value	Amount Realised	Amount Distributed
1113 Liquidations where Final Report Submitted*					
52	91	10708.98	668.91	661.93	650.60
53 (1) (a)	NA	NA	11921.32	9784.26	1136.45
53 (1) (b)	8859	211309.79			8197.80
53 (1) (c)	8387	228.03			14.17
53 (1) (d)	1805	72324.58			229.06
53 (1) (e)	1385	13002.49			37.82
53 (1) (f)	23337	15958.56			145.03
53 (1) (g)	5	7.41			0
53 (1) (h)	255	1508.24			21.66
Total (A)	44124	325048.08	12590.23	10445.56#	10432.59
Ongoing 1072 Liquidations**					
53 (1) (a)	NA	NA	49790.78***	NA	NA
53 (1) (b)	41841	681859.54			
53 (1) (c)	32199	1431.35			
53 (1) (d)	11965	131113.88			
53 (1) (e)	2820	36817.32			
53 (1) (f)	1969273	90618.20			
53 (1) (g)	71	594.82			
53 (1) (h)	105556	2708.34			
Total (B)	2163725	945143.45			
Grand Total (A+B)	2207849	1270191.53	62381.01	NA	NA

*Data reconciliation pending in 144 cases

Inclusive of unclaimed proceeds of ₹12.97 crore under liquidation.

** Data for other ongoing liquidations is awaited.

***Out of 1517 ongoing cases, liquidation value of only 1367 CDs is available. Liquidation value of 904 CDs taken during liquidation process is ₹41,782.96 crore and liquidation value of rest of the 463 CDs captured during CIRP is ₹8007.82 crore.

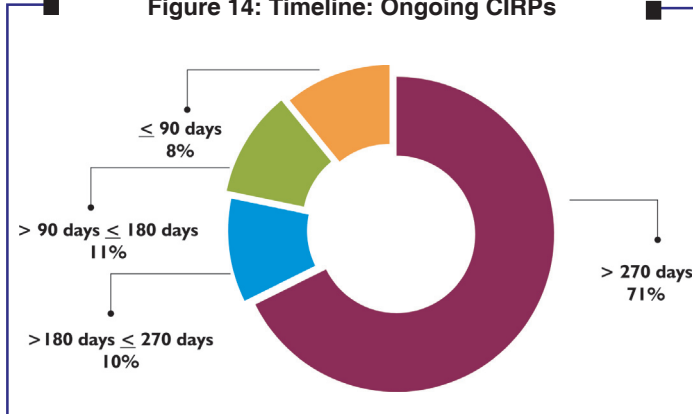
Sale as Going Concern

Till March, 2024, 51 CDs were closed by sale as a going concern under liquidation process. The number of cases closed by sale as a going concern reached 55 till June, 2024. 24 cases of sale as going concern have been reported during the quarter July – September, 2024, taking the total number of closures through the said mode to 79 till September, 2024. These 79 CDs had claims amounting to ₹142185.50 crore, as against the liquidation value of ₹4678.21 crore. The liquidators in these cases realized ₹3674.14 crore and companies were rescued.

Timeline of ongoing CIRPs

The status of ongoing CIRPs as of September, 2024 in terms of time taken is presented in Figure 14.

Figure 14: Timeline: Ongoing CIRPs



Large Cases (Admitted Claims > ₹1,000 crore)

Of the 1068 CDs rescued under the Code as on September 30, 2024, 164 had admitted claims of more than ₹1,000 crore. The realisable value of the assets available with these 164 CDs, when they entered the CIRP, was only ₹1.90 lakh crore, though they owed ₹9.97 lakh crore to the creditors. Till September 30, 2024, realisation by the claimants under resolution plans in comparison to liquidation value is 167.43%, while the realisation by them in comparison to their claims is 31.91%. 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 8.

Table 8: Details of Large Cases as on September 30, 2024

(Amount in ₹lakh crore)

CIRP cases (Admitted Claims > ₹ 1,000 crore)		Till Jun 2024	Jul - Sept 2024	Total as on Sept 30, 2024
Resolution plans approved	No. of Cases	158	6	164
	Admitted Claims	9.62	0.35	9.97
	Liquidation Value	1.83	0.07	1.90
	Realisable Value	3.08	0.10	3.18
	Realisable Value as % of Admitted Claims	32.05	28.26	31.91
	Realisable Value as % of Liquidation Value	168.15	147.90	167.43

Of 2630 CDs ending up with orders for liquidation, 211 had admitted claims of more than ₹1,000 crore. These CDs had an aggregate claim of ₹9.51 lakh crore. However, they had assets, on the ground, valued only at ₹0.45 lakh crore.

Avoidance Transactions

The Code read with Regulations require the RPs and Liquidators to file applications for avoidance of transactions, with the AA seeking appropriate directions. 1326 applications seeking avoidance of transactions have been filed with the AA till September 30, 2024 as presented in Table 9.

Table 9: 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 ordered to be clawed back
1	Preferential	201	29881.92	74	1373.65	38.27
2	Undervalued	37	1817.37	5	362.42	5.77
3	Fraudulent	372	115308.93	71	5127.63	1319.22
4	Extortionate	4	75.65	1	0.09	-
5	Combination	712	229286.92	187	51655.91	6152.87*
Total		1326	376370.79	338	58519.71	7516.13

*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 ₹5500 crore.

Resolution of FiSPs

CIRPs of three 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 10.

Table 10: 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					National Asset Reconstruction Company Ltd.
4	Reliance Capital Ltd	26088.97	9661.00	37.03%	73.42%	IndusInd International Holdings Ltd.

Voluntary Liquidation

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

Till March, 2024, 1897 corporate persons initiated voluntary liquidation of which final reports were submitted in 1399 cases and 34 cases were withdrawn. Till June, 2024 1942 corporate persons initiated voluntary liquidation of which final reports were submitted in 1475 cases and 38 cases were withdrawn.

At the end of September, 2024, 2043 corporate persons initiated voluntary liquidation, of which final reports have been submitted in 1533 cases. Further, 40 processes have been withdrawn by September 30, 2024. The details of commencement of voluntary

liquidations are presented in Figure 15. The status of 470 ongoing voluntary liquidations is presented in Figure 16.

Figure 15: Commencement of Voluntary Liquidations

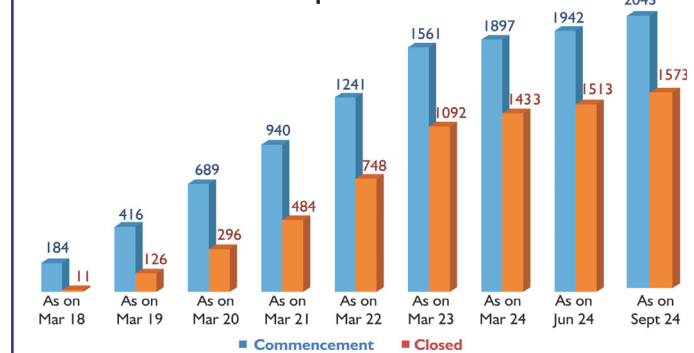
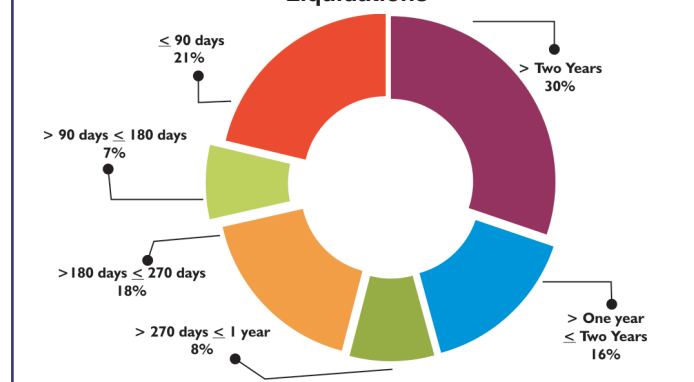
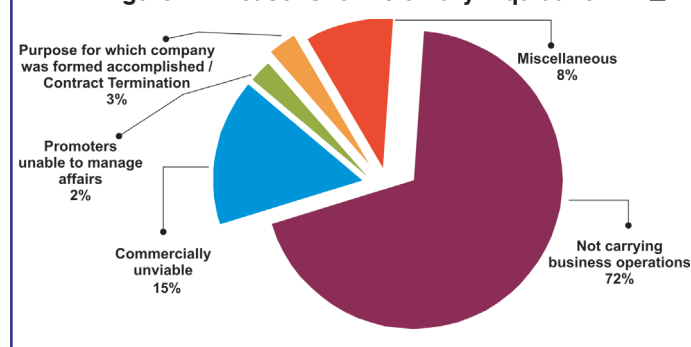


Figure 16: Timeline of ongoing Voluntary Liquidations



Of the 2003 corporate persons that initiated voluntary liquidations (excluding withdrawals) till September 30, 2024, the reasons for these initiations are available for 2000 cases, which are presented in Figure 17. Most of these corporate persons are small entities. 1266 of them have paid-up equity capital of less than or equal to ₹1 crore. Only 284 of them have paid-up capital exceeding ₹5 crore. The corporate persons, for which details are available, have an aggregate paid-up capital of ₹15,166 crore (Table 11).

Figure 17: Reasons for Voluntary Liquidation



*Information related to reason for voluntary liquidation has been updated on the basis of submissions made by the liquidator in the Voluntary Liquidation Forms

Table 11: Details of Voluntary Liquidations (Excluding Withdrawals)

Details of	No. of Liquidations	Amount (in ₹ crore)				
		Paid-up capital*	Assets	Out-standing debt	Amount paid to creditors	Surplus
Liquidations for which Final Reports submitted**	1533	8722	11106	225	225	10561
Ongoing Liquidations	470	6444	3333#	***		
Total	2003	15166	14,439	***		

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 379 cases are available.

It was reported in the last newsletter that dissolution orders were passed in respect of 1008 voluntary liquidations. Dissolution orders in respect of 17 more voluntary liquidations, which were issued during the earlier period, were reported later. During the quarter July – September, 2024, dissolutions orders in respect of 74 voluntary liquidations were issued taking the total dissolutions to 1099. These 1099 corporate persons owed ₹106.67 crore to creditors and through voluntary liquidation process, they were paid full amount.

Table 12: Realisations under Voluntary Liquidations

Sl.	Name of Corporate Person	Date of Commence-ment	Date of Dissolution	Amount (In ₹ crore)				
				Realisation of Assets	Due to Creditors	Paid to Creditors	Liquidation Expenses	Surplus
Part A: For Prior Period (Till June, 2024)								
1	Sshr Properties India Private Limited	28.06.2019	01.10.2021	0.12	-	-	0.03	0.09
2	Hem Embroideries Private Limited	18.01.2021	23.02.2022	0.32	0.01	0.01	0.01	0.31
3	Abhishek K Kaiho Private Limited	17.12.2019	23.03.2022	0.09	-	-	0.01	0.08
4	A.Berger Precision India Private Limited	06.11.2020	23.03.2022	0.95	-	-	0.04	0.91
5	News Link Services (India) Private Limited	08.01.2019	27.07.2022	0.01	-	-	0	0.01
6	Headroom Financial Technology Services Private Limited	28.06.2021	02.09.2022	0.84	-	-	0.01	0.83
7	Boss Plastics Private Limited	11.03.2019	16.12.2022	0.23	-	-	0.02	0.22
8	Proalpha Systematic Capital Advisors Private Limited	22.06.2020	06.01.2023	1.10	-	-	0.10	1.00
9	Broad Vision Systems India Private Limited	16.11.2021	04.07.2023	0.23	0.19	0.19	0.04	-
10	Gamingmonk Entertainment Private Limited	26.10.2021	16.05.2024	0.01	-	-	0.01	-
11	Avani Mining Private Limited	04.04.2019	28.05.2024	3.88	-	-	0.03	3.85
12	Bktb Infosolutions Private Limited	20.06.2019	08.06.2024	3.07	0.21	0.21	0.78	2.08

Sl.	Name of Corporate Person	Date of Commence-ment	Date of Dissolution	Amount (In ₹ crore)				
				Realisation of Assets	Due to Creditors	Paid to Creditors	Liquidation Expenses	Surplus
13	Liverpool School Of Tropical Medicine India Private Limited	24.01.2022	13.06.2024	0.03	-	-	0.03	-
14	Norden Tankers and Bulkera India LLP	27.03.2021	21.06.2024	0.87	-	-	0.61	0.26
15	Zoe Jewels Private Limited	17.06.2022	28.06.2024	1.60	-	-	0.12	1.48
16	Everest Gold Loans Private Limited	24.06.2023	28.06.2024	2.36	0	0	0.03	2.33
17	Samrat Rubbers Private Limited	20.11.2023	28.06.2024	2.34	-	-	0.04	2.29
Part B: For July - September, 2024								
1	Nu-Foam Rubber Industries Private Limited	22.03.2021	02.07.2024	6.55	-	-	0.03	6.52
2	Dss Healthcare Private Limited	20.04.2021	03.07.2024	2.89	0.01	0.01	0.06	2.82
3	Goldilocks India Private Limited	30.09.2022	04.07.2024	3.63	0.08	0.08	0.67	2.87
4	Bigzetta Systems Private Limited	03.11.2022	05.07.2024	0.03	0	0	0.03	-
5	Eplanet Advisors Private Limited	11.04.2022	05.07.2024	0.09	-	-	0.09	-
6	July New Media Solutions and Technologies Private Limited	17.11.2022	05.07.2024	0.39	-	-	0.03	0.36
7	Pinkcity Electronics Private Limited	05.12.2022	05.07.2024	1.36	-	-	0.08	1.28
8	Rscd Telecommunications India Private Limited	12.08.2020	08.07.2024	0.06	-	-	0.05	0.01
9	Om Auto Technocraft Private Limited	05.04.2023	08.07.2024	0.26	-	-	0.04	0.22
10	Dbl Kidskart Online Private Limited	14.08.2023	09.07.2024	0.01	-	-	0.01	0
11	Fujirebio India Private Limited	21.01.2021	09.07.2024	11.39	0.04	0.04	2.76	8.59
12	Vitreoshealth (India) Private Limited	26.12.2022	09.07.2024	0.07	0.01	0.01	0.03	0.03
13	Masa Concrete Plants India Private Limited	22.12.2021	10.07.2024	0.46	0.02	0.02	0.44	0
14	Accusoft Technologies Private Limited	21.06.2023	10.07.2024	2.80	-	-	0.58	2.22
15	Solar Om Global Services India Private Limited	30.01.2023	11.07.2024	0.53	-	-	0.06	0.46
16	Systems Technology Group (India) Private Limited	21.03.2022	12.07.2024	-	-	-	-	-
17	Cloupia Software Solutions Private Limited	03.02.2020	12.07.2024	0.14	-	-	0.07	0.07
18	Varma Brokerages Private Limited	11.10.2021	15.07.2024	7.19	-	-	0.10	7.09
19	Movenpick Hotels and Resorts Management (India) Private Limited	01.08.2023	22.07.2024	0.53	-	-	0.26	0.27
20	Jas-Lok Chanrai Medical Private Limited	01.02.2020	24.07.2024	1.04	-	-	0.03	1.02
21	WI Ross (India) Private Limited	25.07.2019	24.07.2024	2.63	-	-	0.43	2.20
22	Itm Fabrication Industries Limited	18.05.2023	24.07.2024	0.85	0.01	0.01	0.02	0.82
23	Atlas Converting Equipment (India) Private Limited	22.05.2023	26.07.2024	0.53	-	-	0.11	0.42
24	Evergo Stocks(India)Private Limited	25.08.2023	26.07.2024	0.43	-	-	0.02	0.41
25	Bromex Private Limited	16.09.2023	26.07.2024	1.26	-	-	0.02	1.25
26	Sambandam Dairy Farm Private Limited	25.02.2023	26.07.2024	2.25	-	-	0.22	2.03
27	Reconstructive Surgery India	28.09.2023	29.07.2024	0.05	0.03	0.03	0.02	0
28	Avolin Software India Private Limited	25.01.2022	30.07.2024	3.90	-	-	0.06	3.84
29	Vag Exports Private Limited	10.11.2022	30.07.2024	196.08	10.24	10.24	2.95	182.90
30	Fat Sparrow Technology Private Limited	11.11.2023	31.07.2024	0.52	-	-	0.05	0.48
31	Vkaao Entertainment Private Limited	31.05.2023	01.08.2024	0.19	-	-	0.05	0.14
32	Fortigo Network Finance Private Limited	07.03.2022	02.08.2024	1.65	-	-	0.07	1.59
33	Eurostar Clothing Private Limited	18.12.2019	02.08.2024	0.09	-	-	0.02	0.07
34	Nesco Hospitality Private Limited	17.01.2022	02.08.2024	2.95	0.05	0.05	0.06	2.84
35	Allround Development Private Limited	17.12.2022	02.08.2024	9.34	0.14	0.14	0.24	8.95
36	Ashokmithra Capitals Private Limited	26.04.2022	02.08.2024	2.28	-	-	0.03	2.25
37	Namki Technologies Private Limited	25.04.2023	02.08.2024	0.68	0	0	0.05	0.63
38	Security Compass Consulting & Training Services Private Limited	06.04.2023	06.08.2024	0.17	-	-	0.10	0.08
39	Cytec India Specialty Chemicals & Materials Private Limited	24.02.2023	06.08.2024	3.16	-	-	0.45	2.71
40	Decimal Wealth Partners Private Limited	17.02.2023	07.08.2024	6.67	-	-	0.10	6.57
41	Portman Advisory Private Limited	22.02.2023	07.08.2024	0.88	-	-	0.07	0.81
42	Xora Software Systems Private Limited	07.09.2021	08.08.2024	0.46	-	-	0.10	0.36
43	Kcmt Machinery India Private Limited	25.11.2019	08.08.2024	0.02	0.01	0.01	0	-
44	Sathi Sai Finance and Investments Ltd.	29.03.2021	08.08.2024	0.98	-	-	0.08	0.91
45	Solize India Private Limited	04.07.2018	12.08.2024	0.38	-	-	0.01	0.38
46	Aucnet Sanrad India Private Limited	22.12.2020	12.08.2024	0.90	-	-	0.61	0.29

Sl.	Name of Corporate Person	Date of Commence-ment	Date of Dissolution	Amount (In ₹ crore)				
				Realisation of Assets	Due to Creditors	Paid to Creditors	Liquidation Expenses	Surplus
47	Lohia Sales and Services Limited	24.03.2022	13.08.2024	0.49	-	-	0.03	0.46
48	Pacnet Global Communications (India) Private Limited	25.08.2023	13.08.2024	0.38	-	-	0.01	0.37
49	Cvs Strategic Resources Private Limited	31.01.2023	20.08.2024	0.48	-	-	0.03	0.45
50	Keren Polyplast India Limited	29.07.2023	20.08.2024	1.14	0.04	0.04	0.02	1.09
51	Sanyo Lsi Technology India Private Limited	22.06.2023	20.08.2024	26.72	0.01	0.01	0.23	26.48
52	Algiz Consultancy Services Private Limited	28.03.2020	21.08.2024	1.01	0.86	0.86	0.15	-
53	Ceean Commerce Pvt.Ltd.	22.05.2023	21.08.2024	0.28	0.27	0.27	0.01	-
54	Eca Trading Services Limited	22.12.2021	21.08.2024	17.84	-	-	0.23	17.61
55	J. P. Morgan Advisors India Private Limited	25.02.2021	21.08.2024	368.08	-	-	1.88	366.19
56	Sekisui Chemical India Private Limited	24.03.2022	22.08.2024	1.56	-	-	0.02	1.53
57	3Tier R&D India Private Limited	22.03.2021	23.08.2024	1.89	0.86	0.86	0.25	0.78
58	Bookyourgym Fitness Private Limited	20.11.2020	23.08.2024	1.89	1.72	1.72	0.17	-
59	Fekari Infrastructure Private Limited	16.12.2023	28.08.2024	7.88	-	-	0.02	7.86
60	Concord Enterprises Private Limited	11.10.2022	28.08.2024	0.48	-	-	0.07	0.41
61	Fishtail Design Automation (India) Private Limited	30.09.2023	30.08.2024	0.38	0.08	0.08	0.06	0.24
62	Rejeuvine Enterprises Private Limited	28.02.2023	02.09.2024	17.24	-	-	0.22	17.02
63	Kspl Shipyard Private Limited	02.02.2024	03.09.2024	0.64	-	-	0.04	0.60
64	Nine Nines Lifestyle Private Limited	18.03.2023	03.09.2024	4.26	-	-	0.09	4.17
65	Flipkart Farmermart Private Limited	19.03.2021	04.09.2024	379.29	-	-	2.55	376.74
66	Protonn Interactive Private Limited	24.03.2023	04.09.2024	0.03	0	0	0.03	-
67	Axeman Tech Private Limited	18.08.2023	04.09.2024	7.20	-	-	0.05	7.15
68	Niveza Wealth Management Private Limited	02.09.2023	06.09.2024	12.69	0.06	0.06	0.34	12.28
69	Amaravati Development Partners Private Limited	19.01.2021	09.09.2024	116.68	-	-	0.41	116.28
70	Kellys Benefit Nidhi Limited	28.04.2023	12.09.2024	2.33	0.04	0.04	0.08	2.21
71	Diti Metal Forming Private Limited	23.12.2022	13.09.2024	0.76	0	0	0.15	0.60
72	Formosa Industries Limited	20.10.2020	18.09.2024	0.02	-	-	0.02	-
73	Satya Protech Private Limited	10.07.2020	23.09.2024	0.86	0.03	0.03	0.02	0.80
74	Lgc Science and Standards (India) Private Limited	13.12.2021	30.09.2024	0.11	-	-	0.03	0.07
Total (July-September, 2024)				1251.34	14.62	14.62	18.55	1218.17
Total (Till September, 2024)				9685.64	106.67	106.67	206.05	9372.94

0' means an amount below two decimals; '-' means no value

Data awaited

Time For Conclusion of Processes

The average time taken for completion of various processes is presented in Table 13.

Table 13: Average Time for Approval of Resolution Plans/Orders for Liquidation

										Time (In days)
Sl.	Average time	As on March, 2023			As on March, 2024			April-September, 2024		
		No. of Processes covered	Time (in days)		No. of Processes covered	Time (in days)		No. of Processes covered	Time (in days)	
			Including excluded time	Excluding excluded time		Including excluded time	Excluding excluded time		Including excluded time	Excluding excluded time
CIRPs										
1	From ICD to approval of resolution plans by AA	674	611	507	944	679	567	124	841	691
2	From ICD to order for Liquidation by AA	2028	455	NA	2470	493	NA	160	686	NA
Liquidations										
3	From LCD to submission of final report under Liquidation	756	563	NA	1056	605	NA	57	964	NA
4	From LCD to submission of final report under Voluntary Liquidation	1070	408	NA	1399	411	NA	134	392	NA
5	From LCD to order for dissolution under Liquidation	435	624	NA	685	734	NA	84	1051	NA
6	From LCD to order for dissolution under Voluntary Liquidation	652	668	NA	958	724	NA	141	850	NA

Corporate Liquidation Accounts

The Regulations require a Liquidator to deposit the amount of unclaimed dividends, if any, and undistributed proceeds, if any, in a liquidation process along with any income earned thereon into the corporate liquidation account before he submits an application for dissolution of the corporate person. It also provides a process for a stakeholder to seek withdrawal from the said account. Similar provisions exist for voluntary liquidation processes. The details of these accounts at the end of September, 2024 are presented in Table 14.

Table 14: Corporate Liquidation Accounts as on September 30, 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
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

Pre-Packaged Insolvency Resolution Process

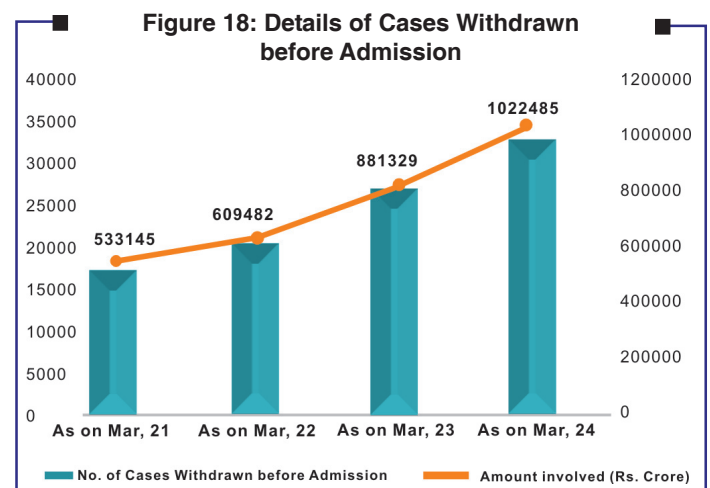
The Central Government enacted the Insolvency and Bankruptcy Code (Amendment) Act, 2021 on August 11, 2021 which was deemed to have come into force on April 4, 2021 introducing the Pre-packaged Insolvency Resolution Process (PPIRP) for corporate MSMEs. On April 9, 2021, the Central Government notified 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 September, 2024, out of which one has been withdrawn and resolution plans has 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 September 30, 2024

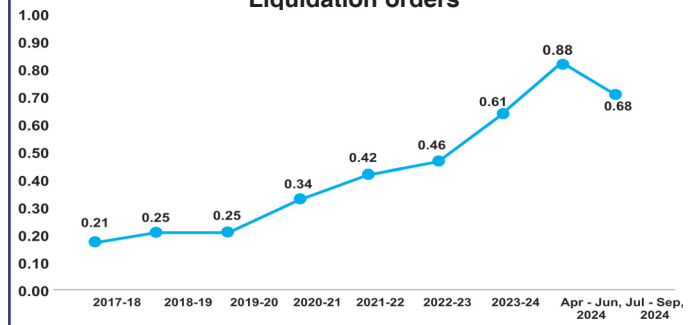
Sl.	Name of the CD	Date of admission	Name of the NCLT Bench
1.	Mudraa Lifespaces Private Limited	06.12.2023	Mumbai
2.	Kethos Tiles Private Limited	04.01.2024	Ahmedabad
3.	Shreemati Fashions Private Limited	05.01.2024	Kolkata
4.	Kratos Energy & Infrastructure Limited	01.02.2024	Mumbai
5.	Garodia Chemicals Limited	16.04.2024	Mumbai
6.	Kvir Towers Private Limited	20.02.2024	New Delhi
7.	Rg Residency Private Limited	20.02.2024	New Delhi

Other Outcomes

- (a) A distressed asset has a life cycle. Its value gradually declines with time if distress is not addressed. The credible threat of the Code, that a CD may change hands, has changed the behaviour of debtors. Thousands of debtors are resolving distress in early stages of distress. They are resolving when default is imminent, on receipt of a notice for repayment but before filing an application, after filing application but before its admission, and even after admission of the application, and making best effort to avoid consequences of resolution process. Most companies are rescued at these stages. Till March, 2024, 28,818 applications for initiation of CIRPs of CDs having underlying default of ₹10.22 lakh crore were withdrawn before their admission (Figure 18).



- (b) 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 19 below highlights the ratio of number of cases ending with resolution vis-à-vis cases in which liquidation is ordered till July – September, 2024.

Figure 19: Ratio of Resolution and Liquidation orders**Summary of Outcomes**

- (a) The Code has rescued 3409 CDs (1068 through resolution plans, 1221 through appeal or review or settlement and 1120 through withdrawal) till September, 2024. It has referred 2630 CDs for liquidation. The resolved CDs resulted in realisation of more than 31% as against the admitted claims and more than 161% as against the liquidation value. Resolution plans on average are yielding 86.13% of fair value of the CDs. Till September, 2024, 1113 CDs have been completely liquidated. These 1113 CDs together had outstanding claims of ₹3.25 lakh crore, but the assets valued at ₹ 0.13 lakh crore. The liquidation of these companies resulted in 87% realisation as against the liquidation value.
- (b) The Code endeavours to close the various processes at the earliest. The 1068 CIRPs, which have yielded resolution plans by the end of September, 2024 took on average 582 days (after excluding the time excluded by the AA) for conclusion of process, while incurring an average cost of 1.37% of liquidation value and 0.83% of resolution value. Similarly, the 2630 CIRPs, which ended up in orders for liquidation, took on average 505 days for conclusion. Further, 1113 liquidation processes, which have closed by submission of final reports took on average 624 days for closure. Similarly, 1533 voluntary liquidation processes, which have closed by submission of final reports, took on average 409 days for closure.

Individual Processes**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), 3539 applications have since been filed as of September 30, 2024, for initiation of personal insolvency resolution process (PIRP) of PGs to CDs. Out of them, 518 applications have been filed by the debtors and 3021 applications by the creditors under sections 94 and 95 of the Code, respectively. Among them 50 have been filed before different benches of Debt Recovery Tribunal (DRT) and 3489 have been filed before different benches of NCLT (Table 16).

Table 16: 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	253	40111.58	280	42604.56	274	6
2021 - 22	87	3545.82	952	69108.16	1039	72653.98	1024	15
2022 - 23	81	10547.37	886	39415.19	967	49962.56	966	1
2023 - 24	243	4994.07	547	26124.28	790	31118.35	763	27
Apr - Jun, 2024	39	1658.25	205	11791.57	244	13449.82	244	0
July – Sept, 2024	37	738.66	155	14696.13	192	15434.79	192	0
Total	518	25804.72	3021	204546.73	3539	230351.45	3489	50

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

Debt data not available in 616 cases.

Of the 3539 applications, 118 applications have been withdrawn/ rejected/ dismissed before the appointment of RP and RPs have been appointed in 1722 cases. After the appointment of RP, 124 cases have been withdrawn/ rejected/ dismissed and 597 cases have been admitted. The details are given in Table 17.

Table 17: 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	280	6	1	35	2	1	13
2021 - 22	1039	15	15	461	0	7	35
2022 - 23	967	19	30	552	14	25	213
2023 - 24	790	11	18	542	18	16	172
Apr - Jun, 2024	244	0	2	95	1	26	92
July - Sept, 2024	192	1	0	35	1	13	72
Total	3539	52	66	1722	36	88	597

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

Out of the 597 admitted PIRPs, 163 have been closed. Of these, 12 have been withdrawn; 125 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 ₹ 102.78 crore, which is 2.16% of their admitted claims.

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, 56 bankruptcy applications have since been filed as of September, 2024. Out of them, one application is filed by the debtor and 55 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 55 applications have been filed before different benches of NCLT.

Service Providers

Insolvency Professionals

An individual, who is enrolled with an IPA as a professional member and has the required qualification and experience and passed the Limited Insolvency Examination, is registered as an IP. 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 register 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 September 30, 2024 and AFAs held by them, IPA-wise, are presented in Table 18.

Table 18: Registered IPs and AFAs as on September 30, 2024

City / Region	Registered IPs				IPs having AFA			
	IIP ICAI	ICSI IIP	IPA of ICMAI	Total	IIP ICAI	ICSI IIP	IPA of ICMAI	Total
New Delhi	506	296	97	899	257	151	50	458
Rest of Northern Region	519	218	82	819	234	110	33	377
Mumbai	444	157	42	643	225	81	21	327
Rest of Western Region	379	139	53	571	214	73	21	308
Chennai	157	91	22	270	70	40	12	122
Rest of Southern Region	457	237	92	786	196	118	56	370
Kolkata	243	42	26	311	137	23	15	175
Rest of Eastern Region	80	34	12	126	35	18	5	58
Total (Individual)	2785	1214	426	4425	1368	614	213	2195
Total (IPE as IP)	47	14	22	83	42	10	20	72
Grand Total	2832	1228	448	4508	1410	624	233	2267

Of the 4508 IPs registered till date, registrations of 11 IPs have been cancelled through disciplinary action, and registrations of 2 have been cancelled on failing to fulfil the requirement of fit and proper person status. As per information available, 33 IPs have passed away. The registrations and cancellations of registrations IPs, quarter wise, till September 30, 2024 are presented in Table 19.

Table 19: Registration and Cancellation of Registration of IPs

Year / Quarter	Registered at the beginning of the period	Registered during the period	Cancelled during the period on account of			Registered at the end of the period
			Disciplinary Process	Failing to fulfil the continuing requirement of 'fit and proper person' status	Death	
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
Total (Individual)	NA	4471	11	2	33	4425
Total (IPE as IP)	NA	83	0	0	0	83
Grand Total	NA	4554	11	2	33	4508

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 the 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 45 registrations based on this qualification, until September 30, 2024.

Table 20 presents distribution of IPs as per their eligibility (an IP may be a member of more than one Institute) as on September 30, 2024. Of the 4425 IPs (individual) as on September 30, 2024, 457 IPs (constituting about ten per cent of the total registered IPs) are female.

Table 20: Distribution of IPs as per their Eligibility as on September 30, 2024

Eligibility	No. of IPs (Individual)		
	Male	Female	Total
Member of ICAI	2196	222	2418
Member of ICSI	600	138	738
Member of ICMAI	185	19	204
Member of Bar Council	237	36	273
Managerial Experience	711	36	747
PGIP Qualified	39	6	45
Total	3968	457	4425

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 21 presents the age profile of the IPs registered as on September 30, 2024.

Table 21: Age Profile of IPs (individual) as on September 30, 2024

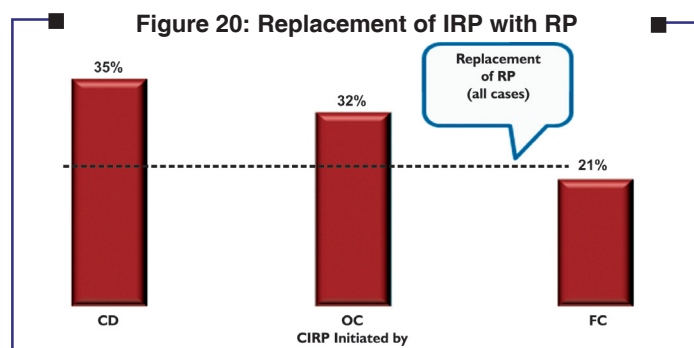
Age Group (in Years)	Registered IPs				IPs having AFA#			
	IIIP ICAI	ICSI IIP	IPA of ICMAI	Total	IIIP ICAI	ICSI IIP	IPA of ICMAI	Total
≤ 30	17	6	1	24	13	3	0	16
> 30 ≤ 40	185	67	13	265	113	41	6	160
> 40 ≤ 50	948	340	52	1340	481	181	24	686
> 50 ≤ 60	839	368	109	1316	417	205	58	680
> 60 ≤ 70	707	349	208	1264	344	184	125	653
> 70 ≤ 80	84	77	40	201	NA	NA	NA	NA
> 80 ≤ 90	4	6	3	13	NA	NA	NA	NA
> 90	1	1	0	2	NA	NA	NA	NA
Total	2785	1214	426	4425	1368	614	213	2195

Excluding 1058 AFAs which are expired / not renewed.

NA: Not Applicable.

Replacement of IRP with RP

Section 22(2) of the Code provides that the CoC may, in its first meeting, by a majority vote of not less than 66% of the voting share of the FCs, either resolve to appoint the IRP as the RP or to replace the IRP by another IP to function as the RP. Under section 22(4) of the Code, the AA shall forward the name of the RP, proposed by the CoC, under section 22(3)(b) of the Code, to IBBI for its confirmation and shall make such appointment after such confirmation. However, to save time in such reference, a database of all the IPs registered with the IBBI has been shared with the AA, disclosing whether any disciplinary proceeding is pending against any of them and the status of their AFAs. While the database is currently being used by various Benches of the AA, in a few cases, the IBBI receives references from the AA and promptly responds to it. Till September 30, 2024, as per updates available, a total of 1639 IRPs have been replaced with RPs, as shown in Figure 20. 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.



Insolvency Professional Entities

During the quarter under review, two IPEs were recognised and two were derecognised. As on September 30, 2024, there were 123 IPEs (Table 22).

Table 22: IPEs as on September 30, 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
Total	171	48	123

Insolvency Professional Agencies

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

As on September 30, 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 23 presents the details of activities by the IPAs. Table 24 gives detail of number of continuing professional education (CPE) hours earned by IPs.

Table 23: Activities by IPAs

Period	Number of					
	Pre-regist-ration Courses conducted	CPE Programmes conducted	Training Workshops for IPs	Other Work shops/ Webinars/ Roundtables/ Seminars	Disciplinary Orders Issued	Compl-aints (Forwarded by IBBI) Disposed
2018 – 19	16	-	7	100	4	11
2019 – 20	11	30	9	157	9	127
2020 – 21	14	193	66	102	42	102
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
Total	74	918	355	851	230	625

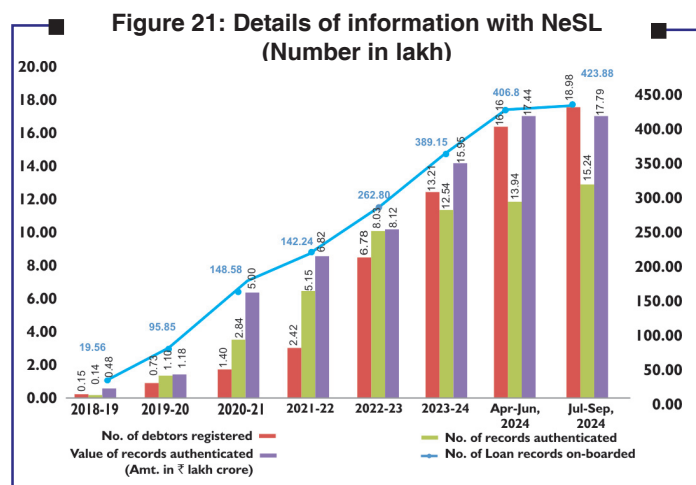
Table 24: CPE Hours earned by the IPs

Period	Number of CPE Hours earned by members of			
	IIP 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
Total	68228	42567	17849	128644
Average CPE hours				
per registered IP	24.50	35.06	41.90	29.07

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 National e-Governance Services Limited (NeSL) that provides authenticated financial information to the users. The IBBI interacts with the MD & CEO of the IU along with the MDs of IPAs every month to discuss the issues relating to receipt and authentication of financial information. As at the end of September, 2024, NeSL has issued about 1,36,637 RoDs under Corporate Segment to support the IBC ecosystem. Figure 21 provides details of the registered users and information with NeSL, as submitted by it.



Registered Valuer Organisations

The Companies (Registered Valuers and Valuation) Rules, 2017 (Valuation Rules) made under section 247 of the Companies Act, 2013 provide a unified institutional framework for development and regulation of valuation profession. Its remit is limited to valuations required under the Companies Act, 2013 and the Code. The IBBI performs the functions of the Authority under the Valuation Rules. It recognises Registered Valuer Organisations (RVOs) and registers 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 15 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 September 30, 2024, are given in Table 25. A total of 5572 individuals have active registrations, three of them are registered for all three asset classes, 85 are registered for two asset classes and the balance 5484 are registered for one asset class. As on September 30, 2024, the registration of four RVs have been cancelled.

Table 25: Registered Valuers as on September 30, 2024

(Number)

Sl.	Registered Valuer Organisation	No. of registration granted in each Asset Class			
		Land & Build-ing	Plant & Machi-nery	Securities or Financial Assets	Total
1	RVO Estate Managers and Appraisers Foundation	94	16	15	125
2	IOV Registered Valuers Foundation	1625	257	189	2071
3	ICSI Registered Valuers Organisation	0	0	254	254
4	IIV India registered Valuers Foundation	193	50	58	301
5	ICMAI Registered Valuers Organisation	60	33	321	414
6	ICAI Registered Valuers Organisation	1	NA	1114	1115
7	PVAI Valuation Professional Organisation	325	56	140	521
8	CVSRTA Registered Valuers Association	192	60	NA	252
9	Association of Certified Valuers and Analysts	NA	NA	4	4
10	CEV Integral Appraisers Foundation	158	49	3	210
11	Divya Jyoti Foundation	109	20	72	201
12	Nandadeep Valuers Foundation	6	0	1	7
13	All India Institute of Valuers Foundation*	2	1	1	4
14	International Business Valuers Association	5	2	23	30
15	All India Valuers Association	2	0	0	2
16	Assessors and Registered Valuers foundation	81	26	49	156
Total		2853	570	2244	5667

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 113 such entities registered as RVs as on September 30, 2024, as presented in Table 26. 53 of them are registered for three asset classes, 22 are registered for two asset classes and 38 are registered for one asset class. The registration of RVs till September 30, 2024 is given in Table 27.

Table 26: Registered Valuers (Entities) as on September 30, 2024 (Number)

Registered Valuer Organisation	Number of Entities	Asset Class		
		Land & Building	Plant & Machinery	Securities or Financial Assets
RVO Estate Managers and Appraisers Foundation	5	5	3	4
IOV Registered Valuers Foundation	39	34	31	32
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	18	1	0	18
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 & Registered Valuers foundation	1	1	1	1
Total	113	76	67	98

Table 27: Registration of RVs till September 30, 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
Total	2853	570	2244	5667

Note: Registration of 4 RVs have since been cancelled.

As on September 30, 2024, 1429 RVs (constituting 25% of the total RVs registered) are from metros, while 4238 RVs (constituting 75% of the total RVs registered) are from non-metro locations. The region-wise detail of RVs is given in Table 28.

Table 28: Region wise RVs as on September 30, 2024

(Number)

City / Region	Land & Building	Plant & Machinery	Securities or Financial Assets	Total
New Delhi	92	38	266	396
Rest of Northern Region	473	96	395	964
Mumbai	124	56	343	523
Rest of Western Region	823	169	381	1373
Chennai	122	46	163	331
Rest of Southern Region	1128	133	528	1789
Kolkata	36	20	123	179
Rest of Eastern Region	55	12	45	112
Total	2853	570	2244	5667

The average age of RVs as on September 30, 2024 stood at 48 years across asset classes. It was 48 years for Land & Building, 54 years for Plant & Machinery and 43 years for Securities or Financial Assets (Table 29). Of the 5667 RVs as on September 30, 2024, 573 RVs (constituting about 10% of the total RVs) are females.

Table 29: Age profile of RVs as on September 30, 2024

Age Group (in years)	Land & Building	Plant & Machinery	Securities or Financial Assets	Total
≤ 30	198	9	150	357
> 30 ≤ 40	613	84	872	1569
> 40 ≤ 50	559	121	686	1366
> 50 ≤ 60	1041	170	335	1546
> 60 ≤ 70	392	129	185	706
> 70 ≤ 80	44	54	15	113
> 80	6	3	1	10
Total	2853	570	2244	5667

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 September 30, 2024 is presented in Table 30.

Table 30: Receipt and Disposal of Grievances and Complaints till September 30, 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
Total	1376	1237	2509	2469	4292	4189	8177	7893	284

Examinations

Limited Insolvency Examination

The IBBI publishes the syllabus, format, etc. of the examination under regulation 3(3) of the IBBI (Insolvency Professionals) Regulations, 2016. It reviews the 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 a daily basis from various locations across India. NSEIT Limited is the current test administrator. The details of the examination are given in Table 31.

Table 31: 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
Total		31969	5639

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 32.

Table 32: 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 - Sept, 2024	391	51	181	54	10	21
Total		26287	5284	20453	3225	646	2444

Building Ecosystem

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. Additionally, it organised several workshops for the IPs during the quarter through online mode. The

details of the workshops conducted till September 30, 2024, are given in Table 33.

Table 33: Capacity Building Programmes for IPs till September 30, 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	28	6	6	6	36
2023 - 24	29	17	5	1	52
Apr - Jun, 2024	7	3	2	-	12
July – Sept, 2024	7	-	-	-	7
Total	123	77	139	12	341

Advocacy and Awareness

Resolution Applicants' conclave

IBBI hosted a 'Conclave for Resolution Applicants' on August 5, 2024 at the India International Centre in New Delhi. The conclave served as a forum for participants to share insights, experiences, and best practices. An overwhelming number of RAs attended, seizing the opportunity to discuss the challenges encountered in the resolution process and explore ways to enhance the efficiency and effectiveness of the IBC framework. The RAs play a pivotal role in the successful execution of the Code, offering viable solutions and innovative strategies to revive distressed entities. In recognition of their significant contributions, the IBBI organized this conclave to engage with RAs, address their concerns, and fortify the existing insolvency and bankruptcy framework. Such interactions not only provide a platform for knowledge and experience sharing but also facilitate enhanced learning for other stakeholders.



Conclave for Resolution Applicants, August 5, 2024, New Delhi

Workshop for 'Committee of Creditors'

IBBI had launched a series of workshops, for senior officers of the major scheduled commercial banks (FCs), 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. These workshops serve as a platform to engage with stakeholders for crowd sourcing inputs as well as sharing of ideas. In the first quarter of FY 2024-25, the Board had organised workshops for the officers

of Union Bank and Bank of Baroda on the subject titled '*Committee of Creditors*' on May 29, 2024 and June 24, 2024 respectively through virtual mode. In July – September 2024, the Board organised three such workshops with Punjab National Bank, Bank of India and Canara Bank on July 26, 2024, August 30, 2024 and September 5, 2024 respectively. The workshop aimed at interacting with officers who represent FCs in the CoC. Each workshop noted the participation of over 50 senior officers from the respective banks.

Other Programmes

The IBBI in association with various stakeholders, organised advocacy and awareness programmes as presented in Table 34.

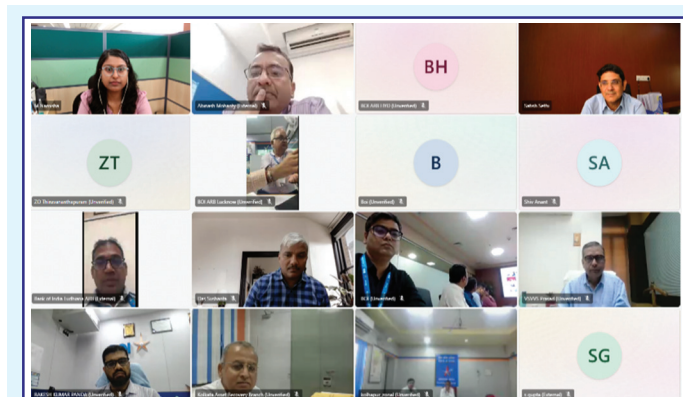
Table 34: Advocacy and Awareness Programmes, July – September, 2024

Sl.	Date	Particulars	Topic	In association with
1	12.07.2024 – 13.07.2024	International Convention RESOLVE- 2024	Valuation and Insolvency	ICAI
2	07.09.2024 - 08.09.2024	International Conference on Finance, Economics, Banking and Insolvency Laws	Finance, Economics, Banking and Insolvency Laws	National Law University Odisha
3	17.09.2024	IP Conclave	Improving regulatory framework under IBC and challenges before IPs/ IPEs	IIP ICAI

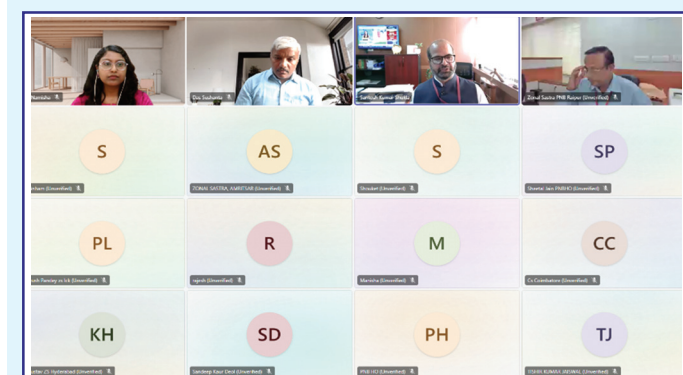
Senior officers of IBBI participated as guests and faculty in several programmes during the quarter, the details of which are presented in Table 35.

Table 35: Participation of senior officers in programmes

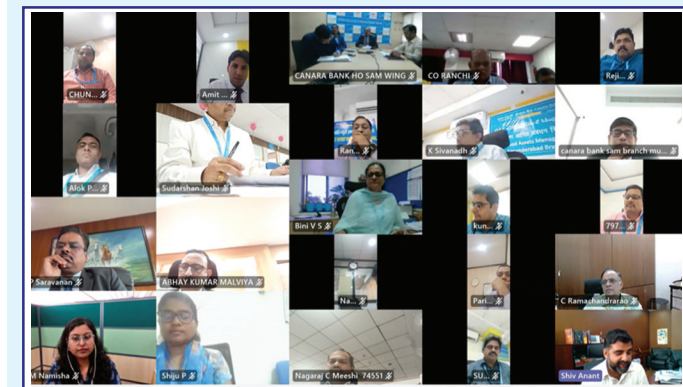
Sl.	Date	Organiser	Subject	Participation
1	06.09.2024	IICA and FOIR	Session on "Unveiling Insights: Exploring the Impact of IBC on the Electricity Sector with IICA & FOIR"	Mr. Sudhaker Shukla, WTM, IBBI
2	10.09.2024	RERA	Meeting of Governing Council of All India Forum of Real Estate Regulatory Authorities	Mr. Sudhaker Shukla, WTM, IBBI
3	25.09.2024	IBBI and SIDBI	IBBI in association with SIDBI organized a Conference on "MSME Resilience: Navigating the IBC Landscape" at New Delhi	Mr. Sudhaker Shukla, WTM, IBBI



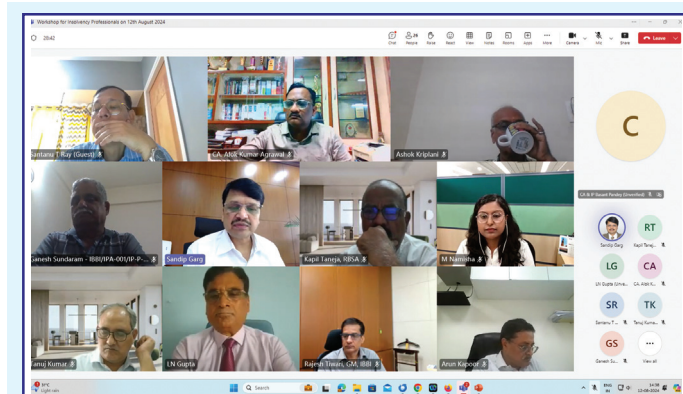
Workshop for officers of Bank of India, August 23, 2024



Workshop for officers of Bank of India, July 26, 2024



Workshop for officers of Canara Bank, September 5, 2024



Workshop for IPs, August 12, 2024



Mr. Ravi Mital, Chairperson, IBBI at RESOLVE 2024, July 12, 2024, New Delhi

List of Abbreviations

AA	Adjudicating Authority
AFA	Authorisation for Assignment
AR	Authorised Representative
ARC	Asset Reconstruction Company
BIFR	Board for Industrial and Financial Reconstruction
BT	Bankruptcy Trustee
CD	Corporate Debtor
CEO	Chief Executive Officer
CIRP	Corporate Insolvency Resolution Process
CIRP Regulation	IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016
CoC	Committee of Creditors
CPE	Continuing Professional Education
CPGRAMS	Centralised Public Grievance Redress and Monitoring System
DC	Disciplinary Committee
DRT	Debt Recovery Tribunal
ED	Executive Director
EPF Act	Employees' Provident Funds and Miscellaneous Provisions Act, 1952
EPFO	Employees' Provident Fund Organisation
FC/FCs	Financial Creditor / Creditors
FCDO	Foreign, Commonwealth and Development Office, United Kingdom
FiSP/FiSPs	Financial Service Provider/ Financial Service Providers
FOIR	Forum of Indian Regulators
HC	High Court
IAIR	International Association of Insolvency Regulators
IBBI / Board	Insolvency and Bankruptcy Board of India
IBC / Code	Insolvency and Bankruptcy Code, 2016
ICAI	Institute of Chartered Accountants of India
ICAI RVO	ICAI Registered Valuers Organisation
ICD	Insolvency Commencement Date
ICMAI	Institute of Cost and Management Accountants of India
ICSI	Institute of Company Secretaries of India
ICSI IIP	ICSI Institute of Insolvency Professionals
IIIP ICAI	Indian Institute of Insolvency Professionals of ICAI
ILC	Insolvency Law Committee
IM	Information Memorandum
IMF	International Monetary Fund
IP/IPs	Insolvency Professional/ Professionals
IPA/IPAs	Insolvency Professional Agency/ Agencies

IPAICAI	Insolvency Professional Agency of Institute of Cost Accountants of India
IPE/IPEs	Insolvency Professional Entity/ Entities
IRP/IRPs	Interim Resolution Professional/ Professionals
ISB	Indian School of Business
IU/IUs	Information Utility/ Utilities
LCD	Liquidation Commencement Date
Liquidation Regulation	IBBI (Liquidation Process) Regulations, 2016
MCA	Ministry of Corporate Affairs
MD	Managing Director
MSME	Micro, Small and Medium Enterprise
MPVAT Act	Madhya Pradesh Value Added Tax Act, 2002
NCLAT	National Company Law Appellate Tribunal
NCLT	National Company Law Tribunal
NeSL	National e- Governance Services Limited
OC/OCs	Operational Creditor/ Creditors
PF	Provident Fund
PG/PGs	Personal Guarantor/ Guarantors
PGIP	Post Graduate Insolvency Programme
PIRP	Personal Insolvency Resolution Process
PMO	Prime Minister's Office
PPIRP	Pre-Packaged Insolvency Resolution Process
PRA	Prospective Resolution Applicant
RA	Resolution Applicant
RBI	Reserve Bank of India
RERA	Real Estate Regulatory Authority
RFRP	Request for Resolution Plans
RoD	Record of Default
RP/RPs	Resolution Professional/Professionals
RV/RVs	Registered Valuer/ Valuers
RVO/RVOs	Registered Valuer Organisation/ Organisations
SARFAESI Act	Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SC	Supreme Court of India
SCN	Show Cause Notice
SIDBI	Small Industries Development Bank of India
SRA	Successful Resolution Applicant
STI	Singapore Regional Training Institute
UPCL	Uttarakhand Power Corporation Limited
Valuation Rules	The Companies (Registered Valuers and Valuation) Rules, 2017
VRIN	Valuation Report Identification Number
WP	Writ Petition
WTM	Whole Time Member



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Insolvency and Bankruptcy Board of India
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