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Latest updates On Insolvency & Bankruptcy

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““Every problem is a gift — without problems we would not grow. ““

➤ **Future Retail’s objections to resolution professional misplaced: Bank of India counsel**

A counsel for Bank of India (BoI) has termed Future Retail’s (FRL) objections against appointing Deloitte’s resolution professional (RP) for the latter’s insolvency proceedings as “misplaced and based on incorrect information”.

Insolvency firm Deloitte India Insolvency Professionals (DIIP) is separate and different from the auditor firm Deloitte Haskins and Sells (DHS) and these are completely independent and separate entities. The RP is a partner of DIIP and has not been a partner of DHS for the last 10 years, BoI counsel Ravi Kadam informed the National Company Law Tribunal (NCLT) during the course of the hearing on Friday.

Further, there are no common partners among these two entities and DHS had not audited Future Retail in the past 10 years, the BoI counsel, informed the tribunal, quoting a declaration filed by the RP.

Terming the objection to the appointment of RP as “misplaced and based on incorrect information”, Kadam said DIIP is an insolvency professional entity, registered with the Insolvency and Bankruptcy Board of India, and works on assignments assisting insolvency professionals.

The argument came after FRL, a part of the beleaguered Future Group, had on Tuesday sought changing the proposed RP, citing “conflict of interest”. The proposed RP — backed by Deloitte India — is also an auditor to certain other

Future Group companies, hence a new RP should be appointed, FRL counsel Shyam Kapadia had told the tribunal.

In April, FRL’s lenders led by BoI had selected Vijaykumar V Iyer as the RP.

The tribunal's Mumbai bench will continue to hear the petition filed by US retail major Amazon opposing Bol's insolvency petition against FRL, on Monday.

Source: The Financial Express

Full news at: <https://www.financialexpress.com/industry/future-retails-objections-to-resolution-professional-misplaced-bank-of-india-counsel/2572076/>

➤ **RP seeks urgent NCLT hearing in Anil Ambani insolvency case**

New Delhi: The resolution professional (RP) in the Anil Ambani insolvency case has sought an urgent hearing at the National Company Law Tribunal (NCLT) on the grounds that it had been more than a year since he submitted his report on the merits of a lawsuit brought by State Bank of India for recovery of ₹1,200 crore loans from the industrialist, but his report has not been taken up, several persons briefed on the matter said.

Jitender Kothari, an RP appointed by NCLT to look into the claims of State Bank of India NSE 1.53 % against Ambani, approached the tribunal on Wednesday claiming that he had submitted his report on 31 May 2021 regarding his assessment of whether Ambani should undergo personal insolvency resolution process.

He claimed that an urgent hearing was required in the matter otherwise timelines stipulated under the Insolvency and Bankruptcy Code (IBC) for resolving such disputes would be missed.

State Bank of India has claimed that Anil Ambani personally guaranteed repayment of ₹1,200 crore of loans that the bank had granted to his company Reliance Communications.

As per insolvency regulations, the RP's role is to determine the authenticity of the claims of a creditor and provide a recommendation if insolvency proceedings should be started against the personal guarantor.

NCLT is bound to adjudicate on the matter within 14 days of the RP submitting his report.

Jitender Kothari did not respond to ET's queries.

"These are routine actions of NCLT applicable to all such actions. The matter was put up on NCLT's website yesterday and is apparently a routine process," said a Reliance Group spokesperson.

Ambani had previously challenged the constitutional validity of the personal insolvency law claiming its provisions were notified by the government without following necessary procedures.

The matter was heard by the Delhi High Court where the ministry of corporate affairs opposed Ambani's challenge. Later, the Supreme Court upheld the constitutional validity of the law.

Ambani is among a large group of promoters against whom lawsuits have been brought by banks to recover loans backed by personal guarantees. The list includes Subhash Chandra of Zee, the Ruiahs of Essar, the Dhoots of Videocon, the Wadhawans of DHFL and Punj Lloyd founder Atul Punj.

The Supreme Court in May ruled that NCLT is the relevant authority to hear personal insolvency matters. Businessman Mahendra Kumar Jajodia had approached the apex court challenging the authority of NCLT to hear personal insolvency cases and claimed that these should be dealt with by debt recovery tribunals instead.

Source: *Economic Times*

Full news at: <https://economictimes.indiatimes.com/markets/stocks/news/rp-seeks-urgent-nclt-hearing-in-anil-ambani-insolvency-case/articleshow/92423289.cms>

