

THE HORIZON

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About Us

Established in 1993, Dhir & Dhir Associates is a full service law firm with a pan India presence in prime cities of New Delhi, Mumbai, Hyderabad and strategic alliance with associate lawyers in more than 15 States. The firm also has an international presence with a representative office in Japan. This network of alliances gives the benefit to the clients of a single window service provider, to deal with all kinds of matters within the country and cross-border transactions under one umbrella. With over 100 professionals including lawyers, some with dual qualifications of chartered accountants, company secretaries, cost accountants, MBAs and engineers, the firm is adept in handling complex legal and financial matters. The firm and its partners have been recognized as the leaders in "Restructuring and Insolvency" and "Dispute Resolution", and have also been highly ranked for "Banking and Finance", "Projects, Infrastructure & Energy", "Technology, Media and Telecommunication", "Project Finance", "Corporate /M&A", "Financial Service Regulatory" and "Private Equity" in leading legal publications including Chamber and Partners, Legal 500, IBLJ, IFLR1000 and Asia Law Profile.



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Investment By Home Buyers : A Fortune Or Misfortune

By Mr. Sachin Gupta, Partner and Mr. Ashu Kansal, Principal Associate

“Goodness is the only investment that never fails.”

By Henry David Thoreau

The 9th of August, 2017 came as a nightmare to innumerable homebuyers as the National Company Law Tribunal (‘NCLT’) admitted insolvency proceedings against one of India’s biggest real estate developers, Jaypee Infratech Ltd. on a petition filed by IDBI Bank. The NCLT is also expected to pass orders on petitions filed by financial institutions against various other big real estate developers. The pendency of these proceedings have come to raise various question marks for innumerable homebuyers whose faith in the real estate market in fruitfully catering to their housing plans is now shaken.

The initiation of a Corporate Insolvency Resolution Process (‘CIRP’) and the subsequent declaration of a moratorium as per Section 14 of the Insolvency & Bankruptcy Code, 2016 (‘IBC’) means that the fate of innumerable homebuyers will be contingent upon whether the CIRP culminates into a resolution plan or into liquidation of their real estate developer. Most homebuyers belong to the middle class and have invested their life-time earnings to obtain their dream house. However, they are now left to the mercy of the insolvency proceedings for absolutely no fault of their own.

The primary hurdle being faced by the

homebuyers is that they do not prima facie fit into the category of either a Financial Creditor or an Operational Creditor as defined under the IBC. Interestingly, as per the waterfall mechanism envisaged under Section 53 of the IBC, once the costs of conducting the insolvency process are cleared, it is the Financial Creditors’ whose claims are to be satisfied in priority to all other claims – thus, the homebuyers do not have any clarity as to where they stand for the recovery of their hard earned money.

The question which begs an answer is that, if the homebuyers are not categorized as Financial Creditors, then where will they stand? If homebuyers’ claims are not satisfied in utmost priority, they will lose all chances to recover their dues to the Financial Creditors such as the Banks/Financial Institutions. This outcome would be very undesirable for the many thousand homebuyers, as they will have nothing to recover from the real estate developer. In the given scenario, the distressed homebuyers would thus require immediate options as to what remedy they can seek and obtain in the ongoing insolvency proceedings in order to either preserve their property or to recover their invaluable financial investment.

Move to accommodate Home Buyers as Creditors

Over the last decade, it has become standard practice of the real estate industry to refund the financial investment of homebuyers on non-delivery of possession and/or to either provide monetary compensation or provide some additional area in the flats for the delay in handing over of possession. One only needs to think how the Hon'ble Apex Court of the country stepped in to the rescue of innocent home buyers, directing Unitech and Parsvnath to refund amounts to home buyers for failure to deliver their flats in time.

Subsequently, the Central Government introduced the Real Estate Regulation Act, 2016 ('RERA'), thus codifying the requirements of refund, compensation and payment of interest on delayed projects, with the aim to break the stranglehold of the powerful real estate developers on homebuyers. The actual efficacy of RERA on account of the dilution of its provisions is however, the topic of another discussion.



In accordance with the big shift in the legal environment that is now strongly protective of homebuyers' interests, the Insolvency and Bankruptcy Board of India ('IBBI') has readily made a move to accommodate homebuyers suffering on account of the CIRP, allowing them to file their claims as other creditors in the insolvency process, for the time being. To be specific, the IBBI introduced a new form 'F' by amending the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 as per Rule 9A(1) of which, a person claiming to be a creditor, other than a Financial or Operational Creditor shall submit proof of its claim to the interim resolution professional or resolution professional. Despite this effort by the IBBI, the main question on the fate of the homebuyer still remains unanswered: they are still uncertain as to where they stand in the insolvency process and in what priority their claims will be addressed. While the IBBI may only have acted to avoid much chaos from the homebuyers, yet the move echoes the intention of the IBBI to retain the confidence of stakeholders' interests for investment in the real estate market.

It is well known that the stakes of homebuyers are much more than those of the Financial Institution, which has been termed as the Financial Creditor in IBC. If a financial institution fails, the Government is there to secure its investors, but there is no such legal protection that can prima facie be made out for the homebuyers. In the given

scenario, it is necessary that the homebuyers have a charge prior to the Financial Institution. This determination of priority is important as without it, the payment of proceeds out of the CIRP will first go to the Financial Creditors, which are the Financial Institution, leaving nothing for the many thousand homebuyers.

Homebuyers - Only Buyers or Financial Creditors?

It is very well understood that numerous homebuyers invest their hard-earned money to achieve their dream, which is their HOME. It is also well understood that homebuyers play a crucial role in a real estate developer's business, as it is their money that forms the root source of revenue and investment. It is important to show that homebuyers can indeed be considered as Financial Creditors – The investments they make represent the same stream of cash flow that is considered as 'credit' when made by the banks in favour of the real estate developers. Circumstances that help conceptualize homebuyers is established as below:-

The loan is obtained by the real estate developer by mortgaging the land to its bank and thereafter, obtains an NOC from the bank, in order to sell the flats, which are eventually sold with the proportionate land rights on it to the homebuyers. Thus, after the Homebuyer enters into an agreement/allotment with the real estate of developer for purchase of flat which is alongwith proportionate land rights, an encumbrance/lien in favor of the Homebuyer is created.

Thus, whether a Resolution Plan is agreed upon, or whether an order of liquidation is made in respect of the real estate developer, the land will still remain encumbered/lien towards the homebuyers. Thus, any action to sell the land to any third party will always carry the encumbrance/lien created in favour of the homebuyers, on an "as is where is" basis. This means that payments to the homebuyers, towards clearing of the encumbrance/lien over the land, would directly or indirectly have to be made by whoever acquires rights to the land.

What is pertinent is that it is the demand for flats by the homebuyers that creates the supply of investment to the real estate developers' from the homebuyers. If there is no financial investment of the homebuyers, the banks would not come into the picture at all. Thus, any debt that is due to the banks from the real estate developers can be linked straight to the homebuyers' demand and financial investment in the flats.

Neither the NCLT (which is the adjudicating authority as per the IBC), nor its appellate forum, the National Company Law Appellate Tribunal ('NCLAT'), has finally resolved this issue of whether homebuyers can be categorized as financial or operational creditors'. What needs to be highlighted here is that the decision on the categorization of homebuyers into financial or operational creditors is only in relation to the capacity to initiate insolvency proceedings against a Corporate Debtor. Homebuyers can hope for recovery of their investment under the IBC, only if they are given utmost priority for repayment of dues, either as financial creditors, or even as a

category above financial creditors. The possible remedies for the homebuyers under the IBC are explained below.

Remedies for the homebuyers

In the midst of all the noise that is being raised on such categorization of homebuyers as either Financial or Operational Creditors, it is important to not forget that they are the main stakeholders in the real estate market. It is worth noting that the IBC was drafted to accommodate its explicitly stated objective of enhancing the 'ease of doing business', while balancing the interests of all stakeholders (which obviously include the Homebuyers being the biggest and most important stakeholders). It is thus quite necessary to see whether the IBC can ensure reliefs to the homebuyers, regardless of whether they can be classified as Financial or Operational Creditors.

The reliefs that can be envisaged under the IBC for the homebuyers must be discussed at par with the stages and outcomes of the insolvency proceedings against the real estate developers, which are (i). During CIRP and (ii). Liquidation of the Real Estate Developer. However, there is no input pertaining to an order of resolution, simply because it is too early to predict what course of resolution might be adopted. It is however, reasonably expected that any resolution plan will aim to ensure relief to homebuyers - such as eventually conveying possession of flats to them.

(i) During CIRP

It is logical to assume that a Corporate Debtor subject to a moratorium during the CIRP will also be concerned with separate legal matters that have no correlation with its inability to pay its debts. The effect of a moratorium could thus hinder affected parties from pursuing other legal remedies to their logical conclusion.

It seems that the IBBI has been mindful of how a moratorium can prejudicially affect innocent parties – such as the innumerable Homebuyers, depriving them of remedies for their legitimate claims against the Corporate Debtor. Provision is thus made to allow certain amounts to be set aside for persons that are prejudicially affected from a moratorium under the IBC. Regulation 31 of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 lists the amounts that shall constitute 'insolvency resolution process costs' as per Section 5(13)(e) of the IBC. Clause (b) of Regulation 31 specifically includes "the amounts due to a person whose rights are prejudicially affected on account of the moratorium imposed under Section 14(1)(d)." As insolvency resolution process costs are given first priority of payment, a determination that homebuyers are prejudicially affected and entitled to such costs will mean that they have priority of payment over and above the financial creditors, under the IBC. Therefore, the amount under the insolvency process costs, will serve both as security and a remedy for the homebuyers against the uncertain outcome of the CIRP.

The most pertinent observation here is that, regardless of whether homebuyers are included as Financial or Operational Creditors, certain amounts must be set aside for them on account of the immense prejudice they have suffered from the moratorium. Thus, it will be quite prudent to employ Regulation 31 to compensate homebuyers for how the insolvency proceedings threaten to wash away the fruit of the homebuyers' lifetime earnings. Thus, without even having to prove themselves as financial or operational creditors, the claims of the homebuyers will be adjudicated and reliefs will be made available to them under the existing mandate of the IBC.

(ii) Liquidation of the Real Estate Developer

For any entity that has numerous transactions pending completion, any order of liquidation spells doom for those that are relying on due completion of those transactions. Same is for the homebuyers who fear the deprivation of their dream house – an investment that is substantial yet basic to their needs. If an order of liquidation is made against a real estate developer, what happens to its contracts with the numerous homebuyers that expect delivery of their housing flats?

Before the enactment of the IBC, an order of liquidation or winding up against a corporate entity could be challenged in court for realization of remedies flowing from a specific transaction. The IBC however imposes a moratorium, not only during the CIRP, but it also bars the

institution of any suits or legal proceedings both by and against the Corporate Debtor upon an order of liquidation against it, under Section 33(5) of the IBC.

Again, there is provision in the IBC to accommodate the interests of persons in respect of their transactions which are prejudicially affected by an order of liquidation against the Corporate Debtor. The IBC allows the notification of specific transactions which can be enforced regardless of the bar on proceedings by or against a Corporate Debtor. To be specific, Section 33(6) of the IBC serves as an exception to the bar against institution of suits by or against the Corporate Debtor under Section 33(5) of the IBC. Section 33(6) provides that the Central Government may, in consultation with any financial sector regulator, notify transactions to which Section 33(5) of the IBC shall not apply, once a liquidation order has been passed. Section 33(6): The provisions of sub-section (5) shall not apply to legal proceedings in relation to such transactions as may be notified by the Central Government in consultation with any financial sector regulator, notify transactions to which Section 33(5) of the IBC shall not apply, once a liquidation order has been passed.

Short of an amendment to the strict yet effective scheme envisaged by the IBC, it will be prudent for the Central Government to take the initiative to single out the transactions of homebuyers with their real estate developers, which if frustrated by a liquidation order, will invariably defeat the ability of the homebuyers to pursue any remedies, for absolutely no fault of their own.

There is much force in the argument that the tens of thousands of homebuyers that are affected by liquidation of real estate developers ought to be able to enforce their contracts to obtain refund, compensation and interest, as provided under the RERA. If not, the whole purpose of making real estate developers compliant with the provisions of the RERA will be defeated by the outcome of a liquidation order from insolvency proceedings under the IBC.

Without prejudice to the determination of such remedies, one must also look at the worst case scenario wherein the homebuyers are not given any relief as per the provisions described above. A liquidation order would finally destroy the homebuyers' dreams as also the value of their immense financial investment. This goes against the IBC's explicitly stated objective to promote investment in markets and 'balance the interests of all stakeholders'.

In this case, attention may be drawn to the IBBI (Liquidation Process) Regulations, 2016 that make provision to accommodate any debt of a stakeholder that is made payable at a future time. As per Rule 28, a person may claim an amount that was not due on the liquidation commencement date, but is still entitled to contribution from the realization of assets, as any other stakeholder. This provision can be quite beneficially applied by the homebuyers towards obtaining a refund, compensation and interest, which though not due yet, i.e., at the insolvency commencement date, will eventually become due on the inability of the corporate entity to deliver timely possession on account of a liquidation order. This provision should be interpreted and employed such that the rights of homebuyers under the RERA are not washed away on account of a liquidation order.

In view of the above stated provisions of the IBC, homebuyers still have hope of a logical end to their efforts towards getting their dream house. What is more, the Supreme Court has stayed the CIRP against Jaypee Infratech Ltd., on being apprised of the situation of homebuyers, through a petition brought before it. It is hoped that the Apex Court will consider the homebuyers' claims which are much greater in value (financial and emotional), than the claims of the banks and financial institutions. The future of implementation of the IBC depends, to a great extent, on the manner in which its provisions are interpreted, so as to allow growth of credit and investment in various markets. It will be heartening to see that not only is the scheme of the IBC rigorously applied, but its provisions are also beneficially employed in consonance with the objective of promoting a robust economy with the ease of doing business.



MORATORIUM UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016 - IMPACT ON PENDING PROCEEDING

Moratorium as per the Oxford dictionary means *"A Legal authorization to debtors to postpone payment"*.

The moratorium in terms of Insolvency and Bankruptcy Code, 2016 ('IBC') means a period wherein no judicial proceedings for recovery, enforcement of security interest, sale or transfer of assets, or termination of essential contracts can be instituted or continued against the Corporate Debtor. This raises an interesting question on the issue of the applicability of the Moratorium to the proceedings under Section 138 of the Negotiable Instruments Act, 1891 (NI Act).

The IBC which received the presidential assent on 28.05.2016 is enacted by the parliament with an objective to consolidate and amend the laws relating to reorganization and insolvency resolution of Corporate Persons, Partnership Firms and Individuals. As per IBC, a Petition for Insolvency against the Corporate Debtor can be triggered by Financial Creditor, Operational Creditor or by Corporate Debtor itself in cases where the default amount is more than Rs. 1 lakh.

Once a petition under the IBC is admitted against the Corporate Debtor, a moratorium under Section 14 of IBC follows in favor of Corporate Debtor. The moratorium under IBC kicks in on the Insolvency Commencement date and is in

force till the Corporate Insolvency Resolution Process ('CIRP') period and during such period no judicial proceedings for recovery, enforcement of security interest, sale or transfer of assets, or termination of essential contracts can take place against the Corporate Debtor.

The language of Section 14 is clear and the moratorium in favor of the Corporate Debtor is also absolute. The issue whether the moratorium will suspend or stay all the proceedings against the Corporate Debtor has already reached court doors. However, before coming to the interpretation adopted by the tribunals, it is necessary to understand the intent of the legislature behind such moratorium which is to grant a calm period for insolvency resolution where a Debtor can negotiate in the assessment of viability without any fear of recovery enforcement mechanisms adopted by the Creditors.



SCOPE AND AMBIT OF THE MORATORIUM AS INTERPRETED BY THE NCLT AND NCLAT

The interpretation, scope and extent of moratorium are debatable issues. However, the tribunals have had the occasion to deal with such issue and on such occasion arose in the matter of *Schweitzer Systemetek*, wherein NCLT, Mumbai has held that moratorium will not be applicable to the Guarantors and Section 14 is clear that the moratorium will only cover the properties of Corporate Debtor as the Guarantors are not covered in terms of Section 14 of IBC and the aforesaid view of the NCLT has also been upheld by the Appellate Tribunal. The similar issue again traversed recently in the matter of *Veasons Energy Systems Pvt. Ltd.*, wherein the NCLT, Chennai has passed an order restraining the Financial Creditor from proceeding against the Guarantor of the Corporate Debtor during the moratorium period. One might argue that the judgments passed in both the matters are conflicting. However, if we examine the facts, both the judgments operate in different spheres. In the matter of *Schweitzer Systemetek*, the properties held by the Guarantors of the Corporate Debtor were also being attached pursuant to the admission of an Insolvency Petition against the Corporate Debtor. Therefore, the NCLT, Mumbai concluded that in terms of moratorium, the properties held by the Guarantor of the Corporate Debtor is not liable to be attached, whereas, in the matter of *Veasons Energy Systems*, the Tribunal in an application filed by the Guarantor of the Corporate Debtor had restrained the Financial Creditor in proceeding against such Guarantor during

the moratorium on the reason that it will result in creating a charge on the assets of the Corporate Debtor which shall amount to encumbering the properties of the Corporate Debtor and in violation of Section 14(1) (b) of the IBC. The reasoning adopted by the Tribunal in the matter of *Veasons Energy systems* may be questioned because in case a Creditor recovers money from the Guarantor, then Guarantor only to that extent steps into the shoes of the Creditor and has all the rights which Creditor already had against the Corporate Debtor. Therefore, the same does not result in creation of further charge. On the contrary, it results only in transfer of rights vis-à-vis Creditor and Guarantor. If the Creditors will proceed against the Guarantors then it will result in thwarting the discussion or decision on revival of the Corporate Debtor and shifting the primary liability from Corporate Debtor to the Guarantor.

In addition, once a resolution plan is sanctioned, approved by Committee of Creditors and affirmed by NCLT, then as per Section 31(1) of the IBC, the Resolution Plan is binding on the Corporate Debtor and its Employees, Members, Creditors, Guarantors and other Stakeholders involved in the resolution plan. It is significant to state that the terms and conditions of the Resolution Plan are also very important as the same will decide the future course of action, if a Creditor consents for a waiver of a part of the debt in the resolution plan then automatically, the liability of the Guarantor will also be considered as

waived or if, a Creditor schedules a repayment plan with the principal borrower then until and unless, the default as per the repayment plan is not triggered, the liability qua Guarantors cannot be not invoked. For the same reasons, to avoid any prolixity or overlapping, the Allahabad High Court also in the matter Sanjeev Shriya V. State Bank of India & Ors. stayed the proceedings against the Guarantors till the finalization of Corporate Insolvency Resolution Process or till the NCLT approves the resolution plan under sub section (1) of Section 31 or passes an order for liquidation of Corporate Debtor under Section 33, as the case may be. Therefore, the moratorium should be absolute and apply to all cases where the primary liability is that of the Corporate Debtor.

Moratorium and its impact on the proceedings pending under section 138 of NI act, 1891 against the corporate debtor and its directors

The Corporate Insolvency Resolution Process is time bound and the relief of moratorium is available to the Corporate Debtor only during the Corporate Insolvency Resolution Process period i.e. for a period of 180 days which can further be extended to 90 days but not thereafter and even the period of 180 days is also not absolute because the Committee of Creditors anytime within such period may conclude to liquidate the Corporate Debtor and the moratorium will cease to have its effect.

From the provisions of the IBC and on the basis of the Bankruptcy Law Report, it transpires that the window for revival of the Corporate Debtor is very limited and during that period there should be a strict calm period and absolute moratorium in all cases where the primary liability is that of the Corporate Debtor. Thus, even the proceedings against the Guarantors or the Directors of the Corporate Debtor should also be stayed till such verdict on revival of Corporate Debtor is delivered by the Committee of Creditors.

There has been no judicial pronouncement on the issue whether the moratorium will also cover the proceedings pending against the Corporate Debtor under Section 138 of NI Act. It is evident that the moratorium will apply to all the proceedings where the primary liability is that of the Corporate Debtor. Likewise, in a case of cheque bouncing, the primary liability is of the Corporate Debtor as the director signs cheque only on behalf of the Corporate Debtor. Of course, the personal liability of director is also attracted but what remains untouched is that the primary liability is only of the Corporate Debtor and not of the Director of the Corporate Debtor.

Now the second issue which will arise is whether the moratorium will also cover the proceedings against the directors of the Corporate Debtor under Section 138 of the NI Act. Based on the reason that the primary liability is that of the Corporate Debtor and if, there is a stay of proceedings against the Corporate Debtor then it will automatically result in shifting the primary liability to the director of the Corporate Debtor and ultimately result in

opening of flood gates during such calm period wherein, the Creditors will chase the directors and then the intent to provide the calm period and draw the focus of the Creditors on the revival of the Corporate Debtor will all result in a futile exercise.

Further, in a cheque bouncing case, the remedy to compound is always available to the directors . However, if there is a partial moratorium only in favor of the Corporate Debtor then there will be an embargo on such right to compound during the moratorium period because all such decisions cannot find a way without the approval or assent of the Interim Resolution Professional/Resolution Professional. One may also draw an analogy from Section 22(1) of the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA Act, 1985) wherein proceedings under Section 138 of NI Act were not covered within the ambit of Section 22(1) of the SICA Act, 1985 but in SICA Act, 1985 the period for rehabilitation or revival of the Corporate Debtor was neither time bound nor there was a shift in the management of the operations of the Corporate Debtor as envisaged under the IBC.

Conclusion

In conclusion, it can be stated that IBC is silent on the aspect of the definition of moratorium and what proceedings will fall under the ambit of Section 14 of the IBC would still require judicial assessment. Nonetheless, the language of Section 14 of IBC is wide and the intention of the legislature is also to provide complete calm period. However, the Appellate Authority has carved out an exception to the moratorium in the matter of Deccan Chronicle and has held that the moratorium even in favor of the Corporate Debtor is also not absolute and it will not affect the proceedings before the Hon’ble High Court and Hon’ble Supreme Court under Article 32, 136 and 226/227 of the Constitution of India. Therefore, the issue whether the proceedings under Section 138 of NI Act will also be covered under the umbrella of moratorium and to what extent would still necessitate judicial examination and only time will set the issue at rest. Canara Bank V. Deccan Chronicle Holdings Limited, Company Appeal (AT) (Insolvency) No. 147 of 2017.



Seal the Deal – a Glimpse of New Mandates

DHIR & DHIR ASSOCIATES ADVISES THE PROMOTERS OF DIXON TECHNOLOGIES (INDIA) LIMITED ON THE INITIAL PUBLIC OFFERING OF RS. 600.00 CRORE



Dhir & Dhir Associates advised the Promoters of Dixon Technologies (India) Limited on the initial public issue of the company of Rs. 600.00 Crore. The Issue was a great success and was oversubscribed 117.83 times during 6th to 8th September, 2017.



CEMENT CORPORATION OF INDIA EMPANELS DHIR & DHIR ASSOCIATES AS LEGAL ADVISORS

The firm offers legal advisory services to Cement Corporation of India for disinvestment of the assets of its certain non-operating units of Cement Corporation of India. The scope of work includes reviewing and advising on all legal contracts, titles of property assets/real estate, intellectual property rights and contracts with employees, etc.

DHIR & DHIR ASSOCIATES APPOINTED AS THE LEGAL ADVISORS TO DMI CAPITAL LIMITED



The Firm acted as advisors to DMI Capital Limited on investment in the privately placed non-convertible debentures issued by Saha Estate Developers Private Limited (a prestigious real estate company in India providing exemplary sustainable buildings across Noida), and listed on the wholesale debt segment of Bombay Stock Exchange. The scope of work included structuring the transaction, drafting of transaction documents, advising on the listing requirements, conducting of due diligence on the collaterals offered as security situated at Bareilly, Kanpur, Noida and Delhi and corporate due diligence on the issuer company, security providing entities. The team was led by Girish Rawat, Partner along with Jyoti Ojha, Senior Associate and Avlokita Kanwar, Associate.

DHIR & DHIR ASSOCIATES ACTED AS LENDER'S LEGAL COUNSEL FOR PTC INDIA FINANCIAL SERVICES LIMITED



The Firm has advised PTC India Financial Services Limited for the financial assistance of upto INR 230.00 crores sanctioned to Azure Power Jupiter Private Limited, for the purposes of setting up of 50 MW solar power project based on PV (photo-voltaic) cell technology in Banda and Shahjahanpur/ Hamirpur/ Hardoi district in the State of Uttar Pradesh.

DHIR & DHIR ASSOCIATES ACTS AS LENDERS' LEGAL COUNSEL TO POWER FINANCE CORPORATION LIMITED



POWER FINANCE CORPORATION LIMITED

The Firm is acting as the Lenders' Legal Counsel to Power Finance Corporation Limited for the financial assistance of upto INR 562.70 Million to Jyoti Solar Solutions Private Limited, for the purposes of setting up of the 10 MWac (12.5 MWp) solar power project at Ganjaudar Village, Patnagarh Town, Balangir District in the State of Odisha.

Select Speakerships



Maneesha Dhir addressing the panel session workshop on the **Insolvency and Bankruptcy Code, 2016** by **Women in Law and Litigation (WILL)** on **26th September 2017** at the Ladies Bar Room, Second Floor, Extension Building, Delhi High Court

Alok Dhir addressing the panel session at the "**Insolvency Summit 2017**", **22nd September 2017** on the topic "**Creditors & Debtors: Friends Or Foes - Does The Blame Game Continue?**" being organized by **INSOL India and Legal Era**.



Alok Dhir addressing the session on "**Insolvency and Bankruptcy code for NPA Management**" in **CII 10th Banking Colloquium** at **The Lalit Great Eastern, Kolkata** on **16th September, 2017**.

Select Speakerships - Contd



Alok Dhir speaking on the **New Corporate Insolvency Regime and Real Estate Regulation Act** held on 15th September 2017, Hotel Park Hyatt, Hyderabad.

Alok Dhir speaking on '**Overview of AERA Act 2008**' at TDSAT Seminar on "**Fundamentals & Future of Dispute Resolution in ABC&T (Airport, Broadcasting, Cyber & Telecom)**" Bengaluru, 9th September, 2017



Alok Dhir addressing the Banking & Finance Legal Summit 2017 on the topic '**An External Counsel's Success Mantra to Demystify The IBC Code 2016**' on 23rd June at JW Marriot Juhu, Mumbai

Making Headlines

Business Standard

Who Among The 353 Resolution Professionals Can Manage 12 Large Insolvencies?

Jun 19, 2017-Alok Dhir, managing partner at law firm Dhir & Dhir Associates and director at IRR Insolvency Partners, says it will be extremely difficult for insolvency professionals to deliver efficient services to medium and large scale companies on their own. Dhir makes the case for IPEs over external advisors early in the process. [Bloomberg Quint](#)



Stressed Assets open Floodgates for Insolvency Professionals

June 19, 2017-Alok Dhir of Dhir & Dhir, Bahram Vakil and Dushyant Dave are among the registered insolvency professionals. These would have established infrastructure and people to support their functions. Also, the insolvency law provides for Insolvency Professional Entities (IPEs), which are corporate structures where two or more professionals can come together as partners or directors. However, there are only seven such registered IPEs as of today, according to the IBBI website. These are IRR Insolvency Professionals, a firm floated by Delhi-based lawyer Alok Dhir. [Business Standard](#)

Boom time for law firms in the age of insolvency

June 26, 2017-Leading names in corporate practice such as Shardul Amarchand Mangaldas & Co, Cyril Amarchand Mangaldas, Khaitan & Co, AZB & Partners, Trilegal, **Dhir & Dhir Associates**, and Kesar Dass B & Associates have created separate verticals or business divisions and are deploying over 100 top-notch lawyers between them to tap new opportunities thrown up in the stressed asset resolution space. [Business Standard](#)

Essar Steel vs RBI: Testing the Insolvency and Bankruptcy Code in courts

July 10, 2017-Even as the first legal challenge to the new Insolvency and Bankruptcy Code (Essar Steel vs the Reserve Bank of India) plays out in the Gujarat high court, experts appear divided over the impact that litigation would have on the efficacy of the nascent insolvency resolution process. This comes at a time when more such companies that are involved in insolvency proceedings are likely to put the Code to test in the courts. "The Code is as litigation-prone as any other new law," says Alok Dhir, managing partner, Dhir & Dhir Associates. [Business Standard](#)



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