



INDIAN INSTITUTE OF INSOLVENCY PROFESSIONALS OF ICAI

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IIPI Newsletter

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CONTENTS

News Update
News Roundup
Upcoming Event
Event Photographs



Select Committee Constituted on the IBC (Amendment) Bill, 2025

Shri Baijayant Panda has been appointed Chairperson of the Select Committee of the Lok Sabha on the Insolvency and Bankruptcy Code (Amendment) Bill, 2025.

The committee includes 23 other MPs from various political parties. The Bill, introduced by Union Finance Minister Nirmala Sitharaman on August 13, 2025, seeks to streamline the insolvency resolution process, reduce delays, and enhance governance. It proposes key structural and procedural reforms to strengthen the Insolvency and Bankruptcy Code, 2016, and has been referred for detailed examination.

For More Details, Please Visit:

<https://www.aninews.in/news/national/general-news/baijayant-panda-to-chair-select-committee-on-ibc-amendment-bill20251001204637/>

News Update

**For Internal Circulation Only*

**Knowledge SBU Initiative*

Enhance Value Realization Through Robust Competitive Bidding: Hon'ble Justice Ashok Bhushan, NCLAT Chairperson

Outlining the way forward for the insolvency ecosystem, NCLAT Chairperson, Hon'ble Justice Ashok Bhushan, emphasized the need to augment institutional capacity, enhance value realization through robust competitive bidding, and encourage the wider adoption of innovative platforms. He was addressing IPs and other stakeholders at the ninth Annual Day of the Insolvency and Bankruptcy Board of India (IBBI) in New Delhi.

Ms. Deepti Gaur Mukerjee, Secretary, Ministry of Corporate Affairs, and Shri M. Nagaraju, Secretary, Department of Financial Services, Ministry of Finance, delivered the Annual Day Lecture this year.

Ms. Deepti Gaur Mukerjee further emphasized that the ongoing reforms in the legislative architecture and the strengthening of institutional infrastructure are a testament to the enduring vision with which IBBI continues to steward and nurture the evolution of the IBC. Shri M. Nagaraju highlighted the need for sustained institutional capacity-building, judicious use of technology, and continued regulatory innovations to further reinforce the effectiveness of the IBC framework.

In his welcome address, IBBI Chairperson, Shri Ravi Mital, noted that the proposed IBC (Amendment) Bill, 2025, will usher in the next phase of reform focused on timely resolutions, operational efficiency, and enhanced transparency and accountability. The event was graced by the presence of Shri Jayanti Prasad, WTM-IBBI; Shri Sandip Garg, WTM-IBBI; and Shri Bhushan Kumar Sinha, WTM-IBBI.

For More Details, Please Visit: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2173854>

News Roundup

IBC proceedings no bar to cheque bounce prosecution against directors under Section 138 NI Act: Bombay HC

The Court emphasized that while a corporate debtor is protected during insolvency, the liability of its directors and signatories remains personal and continues even after liquidation. It clarified that Section 32A of the IBC shields only the corporate debtor, not its officers. The observations came as the Court found the trial court had committed a “gross error” in discharging the directors of Anand Distilleries. Despite the moratorium, the directors assured the petitioner of resumed operations and advised presenting the cheque.

For More Details, Please Visit: <https://www.barandbench.com/news/litigation/ibc-proceedings-no-bar-to-cheque-bounce-prosecution-against-directors-under-section-138-ni-act-bombay-hc>

Circular Soon as IBBI, ED Settle IBC–PMLA Coordination Issues: IBBI Chairperson

The Insolvency and Bankruptcy Board of India (IBBI) and the Enforcement Directorate (ED) have reportedly resolved issues at the interface of the Insolvency and Bankruptcy Code (IBC) and the Prevention of Money Laundering Act (PMLA) that hindered stressed asset resolution. According to media reports, the IBBI Chairperson Shri Ravi Mital said a circular outlining the approach may be issued within two months. He noted that problems arose when assets suspected under black money were attached by the ED under PMLA while the IBC imposed a moratorium. “We have discussed with the ED and arrived at a solution that will uphold the sanctity of both laws,” said Shri Mital adding that the matter is also pending before the Supreme Court.

For More Details, Please Visit: <https://economictimes.indiatimes.com/news/india/ibbi-ed-reached-solution-to-address-problem-in-interface-between-insolvency-law-pmla-official/articleshow/124263528.cms?from=mdr>

US auto bankruptcies show rising credit pain in low-income households

USA's Auto-parts maker First Brands has reportedly filed for bankruptcy protection, following the recent bankruptcy of subprime auto lender Tricolor Holdings. According to media reports, while both companies had idiosyncratic reasons for their collapse, they have stoked fears of broader stress. First Brands struggled after a failed effort to refinance its debt earlier this year, which stalled when investors asked for a closer look at its books, said media reports. Signs of strain are reportedly emerging in U.S. credit markets tied to auto debt. Spreads on the ICE BofA AA-BBB US Fixed Rate Automobile ABS Index, a measure of the extra yield investors demand over treasuries to hold those bonds, have widened by more than 20 basis points this month.

For More Details, Please Visit: <https://www.reuters.com/business/autos-transportation/us-auto-bankruptcies-show-rising-credit-pain-low-income-households-2025-09-30/>



MCA Secretary calls for better Self-Regulation among IPs and Valuers

Deepti Gaur Mukherjee, Secretary, Union Ministry of Corporate Affairs (MCA), called upon Insolvency Professionals (IPs) and Registered Valuers (RVs) to strengthen self-regulatory practices, noting that the IBC, enacted in 2016, carries high expectations for achieving market-linked and time-bound resolutions of stressed assets.

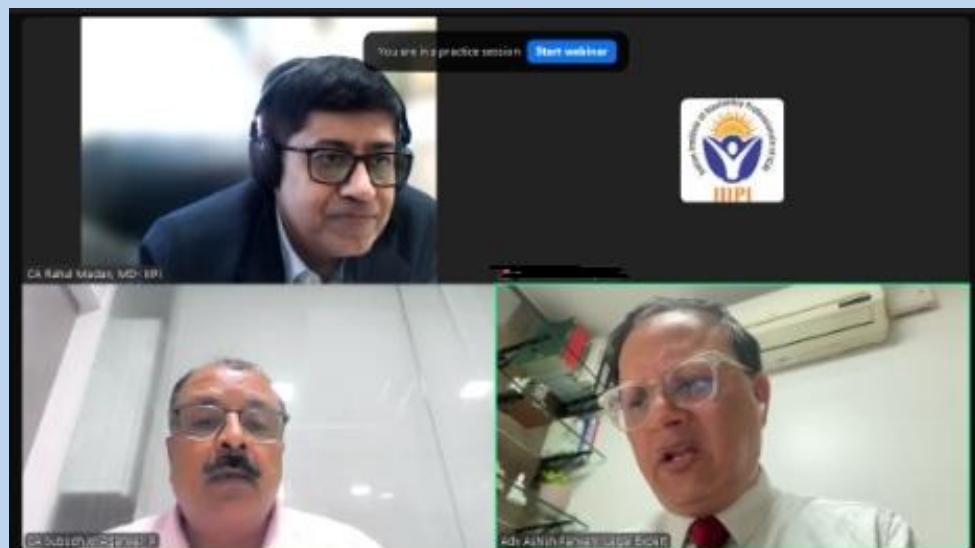
She made these remarks while addressing the ninth Annual Day of the IBBI in New Delhi. She pointed out that although a Code of Conduct is in place, its effectiveness remains limited. Therefore, professionals should prioritize introspection and self-regulation over external enforcement. India currently has more than 4,500 registered IPs and 6,000 RVs under the IBC.

For More Details, Please Visit: <https://propnewstime.com/getdetailsStories/MjE3NTg=/corporate-affairs-secretary-urges-stronger-self-regulation-in-insolvency-sector>

EVENT PHOTOGRAPHS



The 25th Batch of EDP on “Managing Corporate Debtors as Going Concern under CIRP” conducted by IIP from 6th - 10th October 2025.



Webinar on “Deliberation on IBC Amendment Bill 2025” conducted by IIP on October 03, 2025.

IIP-ICAI organizes 3rd National Online Quiz on the IBC, 2016

The Indian Institute of Insolvency Professionals of ICAI (IIP), under the aegis of the Insolvency and Bankruptcy Board of India (IBBI), has launched its 3rd National Online Quiz on the Insolvency and Bankruptcy Code, 2016.

The Quiz aims to promote awareness of IBC among students of Accountancy, Law, Economics, Commerce, and Management across India. It will remain open from 30th September 2025 to 14th October 2025. Students (undergraduate and above) can participate within a 30-minute time limit. The top performer will receive ₹5,000, the second-best ₹2,500, and ten others ₹1,000 each, along with certificates of merit.

For More Details, Please Visit: <https://www.iipicai.in/wp-content/uploads/2025/10/3rd-National-Quiz-on-IBC.pdf>