



INDIAN INSTITUTE OF INSOLVENCY PROFESSIONALS OF ICAI

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IIPI Newsletter

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Committee on the IBC invites public feedback

The Parliament's Select Committee examining the IBC (Amendment) Bill, 2025, has officially invited suggestions from industry associations, experts, and other stakeholders in English or Hindi within the next two weeks.

The proposed amendments seek to revamp the IBC, 2016 by introducing a creditor-initiated insolvency resolution process, enabling asset sales within resolution plans, strengthening controls on withdrawal of applications, and shortening resolution timelines.

For More Details, Please Visit:

<https://www.thestatesman.com/india/select-committee-on-insolvency-and-bankruptcy-code-amendment-bill-2025-invites-public-feedback-1503501587.html#:~:text=The%20Select%20Committee%20on%20the,%2C%20organizations%2C%20and%20other%20stakeholders.>

News Update

**For Internal Circulation Only*

**Knowledge SBU Initiative*

NCLT Approves Reliance Retail's Resolution Plan for Future Supply Chain Solutions

Marking another milestone in the retail insolvency landscape, the National Company Law Tribunal (NCLT), Mumbai Bench, has approved the Resolution Plan submitted by Reliance Retail Ventures Ltd (RRVL) for the acquisition of Future Supply Chain Solutions Ltd (FSCSL) under the Insolvency and Bankruptcy Code, 2016. The Tribunal noted that the plan met all the requirements under Section 30(2) of the Code and had received overwhelming approval from the Committee of Creditors (CoC).

The approved Plan provides for the takeover of FSCSL as a going concern, ensuring continuity of business operations and better realization for creditors compared to liquidation. As per the details presented by the Resolution Professional, financial creditors are expected to recover around 25–30% of their admitted claims, while operational creditors will receive payouts in accordance with the statutory priority waterfall. The total admitted claims stood at ₹155.16 crore, with the liquidation value estimated at ₹133.35 crore and the approved plan valued at ₹171.38 crore.

The NCLT's decision underscores the Code's emphasis on value maximization through competitive bidding and going-concern sales, reflecting a maturing insolvency ecosystem. It also highlights how large corporate acquirers such as Reliance Retail continue to play a pivotal role in reviving distressed assets through compliant, market-driven resolutions, aligning with the broader policy focus on operational efficiency, transparency, and sustainable recoveries within the IBC framework.

For More Details, Please Visit: https://www.business-standard.com/industry/news/nclt-clears-reliance-retail-takeover-plan-for-future-supply-chain-125101900640_1.html

News Roundup

Government to Introduce Dedicated Insolvency Framework for Urban Local Bodies and Municipal Corporations

The government is preparing a dedicated insolvency framework for urban local bodies (ULBs) and municipal corporations as part of broader reforms under the Insolvency and Bankruptcy Board of India (IBBI) amendments. The new law aims to give lenders clearer confidence and encourage financing for city infrastructure by creating a structured debt-resolution process tailored for municipalities. Many ULBs face weak revenues and high administrative costs, making access to capital markets difficult. A bespoke insolvency mechanism is expected to unlock funding, improve fiscal discipline and support capital investment in urban services.

For More Details, Please Visit: <https://www.financialexpress.com/india-news/insolvency-law-for-urban-bodies-in-the-works/4017457/>

Former Director Challenges Gstaad Hotels Insolvency in Supreme Court Over Alleged Flawed Claims by ARC

Deepak Raheja, a former director of Gstaad Hotels Pvt. Ltd., has approached the Supreme Court to contest the insolvency proceedings initiated against the company. Raheja argues that the claims by Omkara Asset Reconstruction Company (ARC), which acquired the loan from Piramal Capital and Housing Finance Ltd., are inflated and legally flawed. He contends that the ARC failed to establish its legal standing and compliance with mandatory requirements, rendering the insolvency proceedings invalid. Raheja also asserts that the National Company Law Tribunal (NCLT) overstepped its remit by revisiting settled issues during its July 2025 order.

For More Details, Please Visit: <https://www.livemint.com/companies/news/gstaad-hotels-insolvency-deepak-raheja-supreme-court-11760842734574.html>

Las Vegas Virtual Arcade Electric Playhouse Files For Bankruptcy Within One Year of Operations

Electric Playhouse, a 10,000-square-foot virtual arcade and dining experience at Caesars Palace, Las Vegas, has filed for bankruptcy just a year after opening. Known for its interactive games controlled by body movements instead of controllers, the venue faced eviction threats and millions in unpaid claims. Court filings show assets between \$1 million and \$10 million, with unsecured creditors unlikely to recover. The company had launched its first location in Albuquerque in 2021 before expanding to the Las Vegas Strip, attracting tourists and gaming enthusiasts nationwide. The bankruptcy reflects a broader downturn in the industry as it returns to normal after a post-pandemic spike, though many businesses remain optimistic.

For More Details, Please Visit: <https://www.livemint.com/companies/news/massive-virtual-arcade-on-the-las-vegas-strip-files-for-bankruptcy-after-just-one-year-in-business-11761086152969.html>



IBBI Removes “Sale as a Going Concern” from CIRP and Liquidation Rules

The Insolvency and Bankruptcy Board of India (IBBI) has officially deleted regulatory provisions allowing a Corporate Debtor or its business to be sold as a going concern under both the CIRP and liquidation frameworks, w.e.f. 14 October 2025. Specifically, Regulation 39C of the CIRP Regulations and Regulation 32A of the Liquidation Process Regulations have been removed.

The move aims to streamline liquidation, reduce delays and legal complications, and reinforce liquidation strictly as a terminal realization process rather than a revival mechanism, ensuring faster resolution and greater regulatory clarity for stakeholders.

For More Details, Please Visit: <https://www.taxmann.com/post/ibbi-deletes-sale-as-a-going-concern-provisions-from-cirp-and-liquidation-rules>

EVENT PHOTOGRAPH



Webinar on “Real Estate resolutions - Best Practices” conducted by IIIPI on October 16, 2025.

IIIPI Limited Insolvency Examination Preparatory Classroom (Virtual) Program – Weekday Batch (27th to 31st October 2025)

The Limited Insolvency Examination Preparatory Classroom (Virtual) Program, scheduled from 27th to 31st October 2025 (10:00 AM – 6:00 PM), is designed to provide participants with a comprehensive understanding of the Insolvency and Bankruptcy Code and its processes. The program includes expert-led sessions and online study material. Limited seats are available. Registration closes one day before the commencement of the batch.

To register, please click <https://app.iiipicai.in/regpayments/>

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