



INDIAN INSTITUTE OF INSOLVENCY PROFESSIONALS OF ICAI

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IIPI Newsletter



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ICAI Submits Recommendations to Parliamentary Panel on IBC Amendment Bill, 2025

The Institute of Chartered Accountants of India (ICAI) has submitted comprehensive inputs to the Select Committee of Parliament examining the IBC (Amendment) Bill, 2025. The suggestions aim to strengthen the insolvency framework by streamlining procedures, enhancing governance, promoting professional capacity-building, and expediting resolution timelines. Highlighting that over 60% of registered insolvency professionals are chartered accountants, the ICAI underscored their pivotal role in advancing India's insolvency and resolution ecosystem.

For More Details, Please Visit:

<https://economictimes.indiatimes.com/news/economy/policy/ica-submits-suggestions-on-insolvency-law-amendments-to-parl-panel/articleshow/125137007.cms?from=mdr>

News Update

**For Internal Circulation Only*

**Knowledge SBU Initiative*

IBBI issued “Standard Undertaking” for Restitution of Assets attached Under PMLA during Insolvency Proceedings

The Insolvency and Bankruptcy Board of India (IBBI) has issued a circular addressing cases where the assets of a corporate debtor are attached by the Enforcement Directorate (ED) under the Prevention of Money Laundering Act, 2002 (PMLA). To enhance value realization, Insolvency Professionals (IPs) have been advised to seek restitution of such assets by filing applications before the Special Court under Sections 8(7) or 8(8) of the PMLA, accompanied by a standard undertaking formulated in consultation with the ED.

“It is hereby advised that in cases where assets of the corporate debtor are attached by the ED under the provisions under PMLA, the Insolvency Professional may file an application before the Special Court under sections 8(7) or 8(8) of the PMLA for restitution of such assets,” said IBBI in a Circular dated November 04, 2025. “Further, with a view to facilitate the expeditious disposal of such applications by the Special Courts, the IBBI, in consultation with the ED, has formulated a standard undertaking to be furnished by the Insolvency Professional along with the application for restitution of assets. The said undertaking is annexed hereto with this Circular,” added the IBBI. As per the Annexure, the IPs will be required to submit the undertakings regarding - Usage of Restituted Assets, Periodic Reporting, Disclosures in the Insolvency Process, Cooperation with ED, and Document Production. The obligations under this Undertaking shall remain effective until the approval of the resolution plan /dissolution order (as applicable) by the Adjudicating Authority.

For More Details, Please Visit:

<https://ibbi.gov.in/uploads/legalframework/f6d5c57a6d01859a965249aae941b9fd.pdf>

News Roundup

NCLAT Sets Aside Insolvency Order Against Mahagun, Directs NCLT to Re-hear Case

The National Company Law Appellate Tribunal (NCLAT) has set aside a previous insolvency order against real estate firm Mahagun (India) Pvt Ltd and directed the National Company Law Tribunal (NCLT) to reconsider the petition afresh. The appellate body emphasized that insolvency proceedings involving real estate firms must follow a project-specific approach, consistent with precedents such as the *Mansi Brar Fernandes* case. The NCLT's August 2025 order—triggered by a default of ₹256.48 crore on debenture redemption—was found to have inadequately considered other projects and homebuyers' interests. The NCLAT has now granted Mahagun one week to file a detailed reply before the NCLT, while allowing other parties to submit intervention applications, and has directed the NCLT to schedule a fresh hearing.

For More Details, Please Visit: <https://lawbeat.in/news-updates/insolvency-proceedings-against-mahagun-invalidated-nclat-flags-due-process-violations-1538126>

IBBI Discussion Paper – Template for declaration of Beneficial Ownership and Section 32A Affidavit to be submitted by PRA

Through its Discussion Paper dated 6th November 2025, the Insolvency and Bankruptcy Board of India (IBBI) has invited suggestions on issues related to the template for the declaration of Beneficial Ownership and the Section 32A Affidavit to be submitted by Prospective Resolution Applicants (PRAs). The paper aims to enhance transparency and consistency in the resolution process by introducing standardized disclosure formats. Stakeholders have been requested to submit their comments electronically by 16th November 2025.

For More Details, Please Visit:

<https://ibbi.gov.in/uploads/whatsnew/e22f299cdc9290dec85eb355501873ca.pdf>

Italian Toymaker Giochi Preziosi SpA Secures Court Protection Against Former Advisor's Insolvency Application

Giochi Preziosi SpA has secured a legal reprieve after a Milan tribunal granted it protection from a bankruptcy filing initiated by its former financial adviser. The court has given the toymaker a 60-day period to submit a comprehensive restructuring plan, following the adviser's attempt to trigger insolvency proceedings. This protection shields the company from creditor claims during the interim period. The ruling highlights the growing use of court-backed safeguards by firms confronting aggressive creditor actions amid ongoing uncertainty in Europe's toy industry.

For More Details, Please Visit: <https://www.bloomberg.com/news/articles/2025-11-06/toymaker-wins-court-protection-from-ex-advisor-s-insolvency-bid>



Supreme Court Upholds NCLAT Order Allowing Aakash Educational Services' Rights Issue

Supreme Court has upheld NCLAT's order permitting Aakash Educational Services Ltd (AESL) to proceed with its rights issue, dismissing appeals filed by GLAS Trust Company LLC and the Resolution Professional (RP) of Think & Learn Pvt Ltd, the parent company of BYJU'S.

The appellants argued that the issue would unfairly dilute Think & Learn's 25.75% stake to below 5%. The Court clarified that the rights issue did not violate the NCLAT's earlier directives and ensured operational continuity. By doing so, the Apex Court reinforced the NCLAT's stance that ongoing corporate governance and insolvency proceedings remain independent and procedurally sound, and that a shareholder's insolvency does not hinder a solvent company's corporate actions.

For More Details, Please Visit:

<https://www.cnbtv18.com/business/supreme-court-upholds-nclat-order-aakash-egm-rights-issue-19740183.htm>

EVENT PHOTOGRAPH



One Day Virtual Workshop on Legal Skills, Pleadings and Court Processes under IBC organized by IIIPI on November 08, 2025.

IIIPI to conduct 03 Webinars in Nov. 2025

The first webinar titled “Maximizing Value under CIRP & Liquidation” will be held from 3:00 PM to 6:00 PM on 14th November (Friday). This will be followed by the “Webinar on IBBI FAQs on Grey Areas” from 3:00 PM to 6:00 PM on 21st November (Friday). The last webinar of the month will be held from 3:00 PM to 6:00 PM on 28th November (Friday) on the topic “PG to CD – Insolvency Process: Best Practices.”

IPs participating will get 2 CPE hours, while RVs will earn 3 CPE hours for each insightful and knowledge-enriching session.

For More Details, Please Visit: <https://www.iiipicai.in/wp-content/uploads/2025/10/Nov-2025-webinars.pdf>