



## INDIAN INSTITUTE OF INSOLVENCY PROFESSIONALS OF ICAI

(Company formed by ICAI under Section 8 of the Companies Act 2013)

# IIPI Newsletter



**December 15, 2025**

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### NCLT Approval Not Needed to Appoint Head of Monitoring Committee

The National Company Law Tribunal (NCLT), Mumbai, has recently held that neither the Insolvency and Bankruptcy Code, 2016 (IBC) nor the CIRP Regulations mandate tribunal approval for the appointment of the chairperson of a monitoring committee. The Tribunal clarified that its role is confined to ensuring that a monitoring committee is constituted for implementation of an approved Resolution Plan. A monitoring committee is typically formed to supervise compliance with and execution of the Resolution Plan by the successful resolution applicant and other stakeholders.

#### **For More Details, Please Visit:**

<https://www.livelaw.in/ibc-cases/nclt-mumbai-admits-canara-banks-plea-against-sab-tv-group-company-krishna-showbiz-over-261-crore-dues-513298>

## News Update

*\*For Internal Circulation Only*

*\*Knowledge SBU Initiative*

### Proceedings under the IBC Cannot be Defeated by a Corporate Debtor's Moonshine Defense, said Supreme Court

The Supreme Court in a recent judgment in *M/s. Saraswati Wire and Cable Industries v. Mohammad Moinuddin Khan* (2025), made strong observations where a suspended director of the Corporate Debtor (CD) claimed a pre-existing dispute in response to a supplier's demand notice and initially obtained relief from the Appellate Tribunal.

After going through the records, the two judges Bench of the Supreme Court reportedly observed that the defense of pre-existing disputes sought to be raised by the CD was mere moonshine and had no credible basis or foundation. It was observed that at the time the Technical Director of the CD furnished a reply to the firm's demand notice, a CIRP against the CD had already commenced, and an Interim Resolution Professional (IRP) had assumed management of the company. The Bench also observed that, in such circumstances, the suspended Technical Director had no authority to respond on behalf of the CD. Moreover, it was an admitted fact that even after the firm issued the demand notice under Section 8 of the IBC, the CD continued to make payments, said the Court. "There was no dispute worth the name in existence as on the date of issuance of the demand notice by the firm that could warrant the withholding of the operational debt due and payable by the CD," the Court said. The appeal of the Operational Creditor was allowed.

**For More Details, Please Visit:** <https://www.verdictum.in/court-updates/supreme-court/ms-saraswati-wire-and-cable-industries-v-mohammad-moinuddin-khan-2025-insc-1410-adjudicating-authority-financial-creditor-sec7-ibc-corporate-debtor-1600833>

## News Roundup

### Time is a Crucial Facet of the IBC Scheme, Reiterates Supreme Court

Dismissing the appeal in *M/s. Shri Karshni Alloys Private Limited v. Ramakrishnan Sadasivan (2025)*, the Supreme Court noted that the appellant had consistently sought adjournments and contributed to delays in the proceedings. The Court observed that the appellant itself had sought an extension of time until 31 May 2022 in its interlocutory application. Since the NCLT passed its order on 29 June 2022, it merely acted in accordance with the appellant's own proposed timeline by directing payment of ₹34.60 crore along with 12% interest from 15 April 2022 by 30 June 2022. It was also observed that the Appellant was engaged in forum shopping by challenging the same order in the NCLAT as well as High Court.

**For More Details, Please Visit:** <https://www.verdictum.in/court-updates/supreme-court/shri-karshni-alloys-private-limited-v-ramakrishnan-sadasivan-2025-insc-1411-ibc-proceedings-1600869>

### High Court quashes GST demands raised before Resolution Plan approval in Patanjali Foods Case

The adjudicating authority has quashed GST demands raised against Patanjali Foods Ltd that pertained to periods prior to the approval of its resolution plan under the Insolvency and Bankruptcy Code, 2016. Relying on Section 31 of the IBC and settled Supreme Court jurisprudence, the authority held that once a resolution plan is approved, all prior claims not included in the plan stand extinguished. Consequently, tax authorities cannot pursue legacy GST dues, reinforcing the “clean slate” principle for successful resolution applicants.

**For More Details, Please Visit:** <https://studycase.in/gst-demands-prior-to-ibc-resolution-plan-approval-quashed-for-patanjali-foods-403006.html>

### USA based Roomba maker iRobot files for bankruptcy, pursues manufacturer buyout

iRobot the maker of the Roomba vacuum cleaner, has reportedly filed for bankruptcy protection, saying that it would go private after being bought by Picea Robotics, its primary manufacturer. The company, which raised concerns about staying in business in March, filed for Chapter 11 protection in Delaware bankruptcy court as it grapples with increased competition from lower-priced rivals and new U.S. tariffs. It generated about \$682 million in total revenue in 2024, but profits eroded by competition from Chinese rivals. However, the company said the bankruptcy is not expected to disrupt its app functionality, customer programs, global partners, supply chain relationships or product support.

**For More Details, Please Visit:** <https://www.reuters.com/technology/irobot-enters-chapter-11-lender-acquire-roomba-maker-2025-12-15/>



### SEBI's Plea to Recover Penalty from Annies Apparel Rejected by NCLAT

SEBI had sought recovery of a penalty amounting ₹21.80 lakh imposed in connection with alleged diversion of funds in the Religare Finvest case from an entity linked to Annies Apparel. The Appellate Tribunal observed that the IBC “clearly freezes all claims” as on liquidation commencement date.

The NCLAT held that the liquidator had acted strictly within the four corners of the IBC and the Liquidation Process Regulations, and that the NCLT had committed no error in affirming the liquidator's decision to reject SEBI's claim based on the adjudication order. The claim by SEBI was filed 797 days from the date of the public announcement of liquidation.

**For More Details, Please Visit:** <https://retail.economictimes.indiatimes.com/news/apparel-fashion/apparel/nclat-rejects-sebis-plea-to-recover-penalty-from-annies-apparel/125970699>

## EVENT PHOTOGRAPH



*5th Batch of EDP on Group Insolvency (Online) conducted by IIIPI from 10<sup>th</sup> December to 11th December 2025*

### **One Day Virtual Workshop on Managing Corporate Debtors as Going Concern under CIRP on 20th December 2025**

A one-day virtual workshop by IIIPI on “Managing Corporate Debtors as Going Concern Under CIRP” for Insolvency Professionals and Registered Valuers will be held on Saturday, 20 December 2025, from 10:30 AM to 4:30 PM. The online programme carries 4 hours of CPE, and the last date for registration is 19 December 2025 by 5 PM.

**For More Details, Please Visit:**

<https://www.iiipicai.in/wp-content/uploads/2025/11/WORKSHOP-FLYER-20th-Dec-2025.pdf>