



INDIAN INSTITUTE OF INSOLVENCY PROFESSIONALS OF ICAI

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

IIPI Newsletter



February 23, 2026

IIPI Newsletter No. 359

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Ashutosh Mishra Appointed Ex- Officio Member in IBBI

This appointment has been made pursuant to Gazette Notification F. No. 30/03/2016-Insolvency dated February 11, 2026, issued by Ms. Anita Shah Akella, Joint Secretary, Ministry of Corporate Affairs (MCA).

“In accordance with the provisions of clause (c) of sub-section (1) of section 189 of the Insolvency and Bankruptcy Code, 2016 (31 of 2016), the Central Government hereby appoints Shri Ashutosh Mishra, Additional Secretary as the ex-officio member in the Insolvency and Bankruptcy Board of India to represent the Ministry of Law & Justice in the said Board,” reads the Notification.

For More Details, Please Visit:

<https://ibbi.gov.in/uploads/whatsnew/b1c937f2096e42be25c80d8e8866a9b1.pdf>

News Update

**For Internal Circulation Only
Knowledge SBU Initiative

IBBI Issues Discussion Paper on Strengthening CoC Oversight and Procedural Clarity under the CIRP Regulations, 2016

The Discussion Paper dated February 16, 2026 addresses key issues within the corporate insolvency framework. It proposes strengthening the recording of Committee of Creditors (CoC) deliberations while approving resolution plans and clarifies decision-making on continuation of the Corporate Debtor (CD) as a going concern and approval of CIRP costs. It also delineates the roles of the Adjudicating Authority (AA) and the CoC regarding delayed but admissible claims, and examines CoC composition where only Operational Creditors are represented.

According to Insolvency and Bankruptcy Board of India (IBBI), the proposed amendments are intended to strengthen creditor oversight, improve procedural discipline, and reinforce value maximization. They include directing the CoC to record expected recoveries for creditors in respect to the fair and liquidation values determined under Regulation 35; amending Regulation 31B of the IBBI (CIRP) Regulations to enhance clarity and ensure proper recording of proceedings; and amending Regulation 16(2)(a) to expressly exclude related operational creditors from participation in the CoC constituted under Regulation 16, among other measures. The IBBI has also attached the Draft Regulations to the Discussion Paper. Stakeholders, including Insolvency Professionals (IPs), may submit comments electronically on the IBBI website through the specified link by March 10, 2026.

For More Details, Please Visit: <https://ibbi.gov.in/uploads/whatsnew/0d3a369d7d8a358fbb0b1d5ff171739f.pdf>

News Roundup

NCLAT Approves Withdrawal of CIRP Against Mahagun

The application for withdrawal of the Corporate Insolvency Resolution Process (CIRP) was moved by IDBI Trusteeship Service, which had initiated the CIRP against the company. It was submitted that during the pendency of the matter before the Adjudicating Authority, the parties entered into a settlement agreement dated 12 February 2026, and the Applicant/Financial Creditor sought withdrawal of the insolvency application; the NCLAT accordingly dismissed the application as withdrawn. However, IDBI Trusteeship Service, in its withdrawal application, also sought liberty to restore or revive its insolvency petition in the event of any default by the Corporate Debtor (Mahagun). The CIRP against Mahagun had been admitted for a default of ₹256.48 crore.

For More Details, Please Visit: <https://www.thehindubusinessline.com/news/real-estate/nclat-directs-withdrawal-of-the-insolvency-against-mahagun-as-parties-arrive-settlement/article70662722.ece>

Government-Backed Bad Bank Resolves Two Accounts, Distributes ₹330 Crore among Banks

India Debt Resolution Co. Ltd. (IDRCL), the managing arm of the government-backed bad bank National Asset Reconstruction Co Ltd (NARCL), has reportedly resolved two corporate debtors and is distributing approximately ₹330 crore to banks. This marks the bad bank's first recoveries since commencing operations in 2022, with resolutions in respect of Metenere Ltd. and Helios Photo Voltaic. According to media reports, IDRCL has completed the redemption of the security receipts issued to banks in these cases. The debt had been acquired by NARCL from banks under the 15:85 structure, with 15% paid upfront in cash.

For More Details, Please Visit:

<https://economictimes.indiatimes.com/industry/banking/finance/banking/idrcl-settles-two-insolvency-cases-first-since-inception/articleshow/128591075.cms?from=mdr>

Brazil's Airline Azul Exits Chapter 11 Bankruptcy Proceedings in the United States

The company reportedly said that it has achieved its primary restructuring objectives, including strengthening its capital structure, increasing liquidity, and reducing indebtedness. It has reduced debt and lease obligations by approximately \$2.5 billion during the process, which also involved raising nearly \$1.4 billion through debt and \$950 million in equity investments. Azul had filed for Chapter 11 in May 2025 to restructure its debt and was part of a broader wave of Latin American airlines seeking bankruptcy protection following the impact of COVID-19 on the aviation sector.

For More Details, Please Visit: <https://www.reuters.com/legal/litigation/brazils-airline-azul-exits-chapter-11-bankruptcy-proceedings-2026-02-20/>



Misuse of the IBC among eight priority areas flagged by the ED

According to a media report, the Enforcement Directorate has identified eight focus areas for coordinated action, including tracking foreign assets, misuse of the Insolvency and Bankruptcy Code, trade-based money laundering, cyber fraud, illegal online gambling, drug financing, share market manipulation, and foreign interference through illicit funding; the decision was reportedly taken at its 34th quarterly conference of zonal officers held in Guwahati from February 19 to 21, 2026.

“Instances of potential collusion between corporate debtors, resolution professionals, members of the Committee of Creditors (CoC), and other stakeholders were flagged as areas requiring scrutiny,” said the agency with respect to IBC-related cases. IBBI, Financial Intelligence Unit-India, and other agencies also made thematic presentations in the conference.

For More Details, Please Visit: <https://www.thehindu.com/news/national/ed-flags-eight-priority-areas-including-ibc-misuse-and-cyber-fraud/article70664087.ece>

EVENT PHOTOGRAPHS



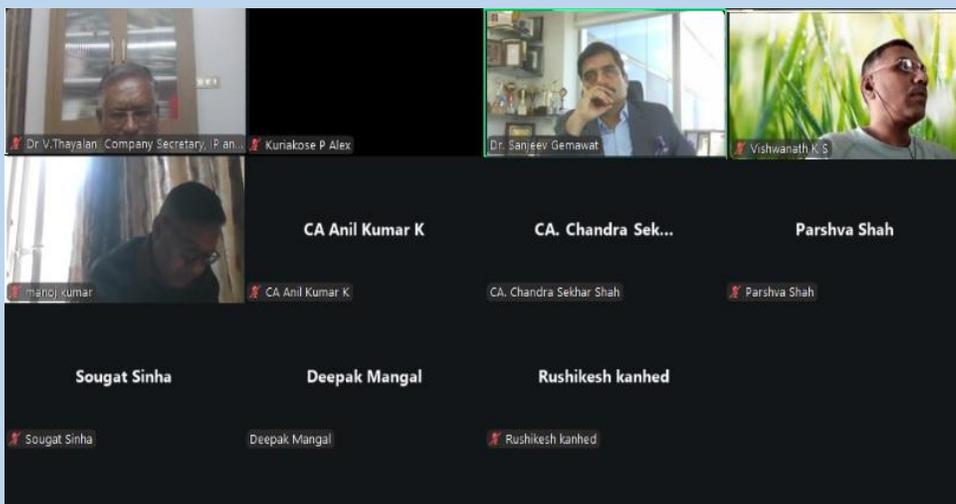
Webinar on Restructuring and Turnaround skills for IPs

The Webinar on “Restructuring and Turnaround Skills for IPs” will be held on Friday, 27 February, from 3:00 PM to 6:00 PM. The session will carry 2 CPE hours for Insolvency Professionals (IPs) and 3 CPE hours for Registered Valuers (RVs).

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

For More Details, Please Visit: <https://www.iiipicai.in/wp-content/uploads/2026/01/Feb-2026-Webinar-Flyer.pdf>

One day Physical workshop on “Enabling Infrastructure Common Issues and Compliances” on 21st February 2026 at India International Centre, Delhi



26th Batch of EDP on "Managing Corporate Debtors as going concern under CIRP" conducted by IIPI from 23rd to 27th February 2026.