



INDIAN INSTITUTE OF INSOLVENCY PROFESSIONALS OF ICAI

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IIPI Newsletter



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NCLT Allowed CIRP Withdrawal in ATS Group's Project

The withdrawal of insolvency process against ATS Group's premium Noida project, ATS Knightsbridge, has provided relief to homebuyers.

This withdrawal has been permitted following a settlement with lenders under Section 12A of the IBC. In Nov. 2025, ATS HomeKraft reportedly repaid ₹1,250 crore to HDFC Capital Affordable Real Estate Fund – 2. According to media reports, the project is now at an advanced construction stage and is expected to be handed over in 18–24 months.

For More Details, Please Visit:

<https://economictimes.indiatimes.com/industry/services/property/-construction/nclt-allows-withdrawal-of-insolvency-proceedings-against-ats-group-project/articleshow/129735096.cms?from=mdr>

News Update

**For Internal Circulation Only
Knowledge SBU Initiative

IIMA Study Finds Market Capitalization of IBC-Rescued Companies Surged Over Threefold in Five Years

According to media reports, a study by the Indian Institute of Management, Ahmedabad (IIMA) finds that the total market capitalization of stressed companies resolved under the decade-old Insolvency and Bankruptcy Code (IBC) has more than tripled—from about ₹2.8 lakh crore to ₹9 lakh crore—within five years of resolution. The findings point to improved investor confidence and stronger growth prospects following successful resolution with creditors.

Further, the study reportedly found that the average sales of resolved firms increased by 89% in the five years following resolution, while their asset turnover ratio rose by 131%, indicating improved operational efficiency. The IIMA study on “Effectiveness of the Insolvency and Bankruptcy Code (IBC),” covered 1,194 rescued firms and builds on its 2023 analysis of the IBC. It also concluded that capital expenditure of these companies grew by about 106% within five years post-resolution, reflecting renewed investment activity and improved economic viability. Similarly, average employee expenses reportedly increased by close to 72% for firms within five years of resolution, indicating greater employment intensity and a possible expansion in workforce-related expenditure during the post-resolution phase. In the same period, the average employee strength per unit of total assets rose by approximately 200% over five years. The study showed that the liquidity of rescued firms improved in the post-resolution period, recording a 106% increase over the five years following resolution.

For More Details, Please Visit: <https://economictimes.indiatimes.com/news/company/corporate-trends/market-cap-of-firms-resolved-under-ibc-jumps-over-three-times-in-five-years-says-iim-study/articleshow/129704439.cms?from=mdr>

News Roundup

Supreme Court Upholds Manglam Multiplex Resolution Plan for Varutha Developers

Dismissing the appeal filed by Ganga Construction (Consortium) against the Resolution Plan, the Supreme Court held that the plea sought to reopen issues that had already attained finality and would unsettle a duly concluded resolution process. The Court observed that Ganga Construction, though a Prospective Resolution Applicant (PRA), did not carry its participation to its logical conclusion and failed to submit a final resolution plan. It also did not challenge its exclusion at the negotiation stage in a timely manner. The Resolution Plan submitted by Manglam Multiplex Pvt Ltd. (Successful Resolution Applicant), meanwhile, had been approved by the Committee of Creditors with a 100% voting share.

For More Details, Please Visit: <https://insolvencytracker.in/2026/03/22/sc-upholds-varutha-developers-resolution-plan-rejects-plea-by-unsuccessful-bidder/>

NCLAT stays Invocation of Contractor's Bank Guarantee

Velocity Enterprises, a Bhopal-based contractor, has challenged the rejection of its claim in the insolvency process of Jaiprakash Associates Ltd (JAL). The Appellate Tribunal directed that the contractor's bank guarantee should not be invoked until the next hearing, while also asking for an extension of its validity. Notice was issued to the Monitoring Committee, as under the IBC, the RP oversees the company during the CIRP, but post-approval of the Resolution Plan, oversight shifts to a Monitoring Committee comprising lenders, the Successful Resolution Applicant (SRA), and sometimes the RP. Velocity was awarded a 2022 work order for electrical, and substation works in an irrigation project and furnished a bank guarantee of about ₹1.48 crore.

For More Details, Please Visit: <https://www.livemint.com/companies/news/nclat-stays-bank-guarantee-invocation-in-jal-case-admits-contractor-s-plea-11774002515513.html>

Spandex Maker Lycra Files for Bankruptcy in the US to Cut \$1.2 Billion in Debt

The Lycra Company, a maker of spandex and other stretch fabrics, has reportedly filed for Chapter 11 bankruptcy protection in Houston, Texas, seeking to shed \$1.2 billion in debt. The company's lenders agreed to provide \$75 million in new financing and to eliminate most of the company's \$1.53 billion in existing debt. The company has submitted that the restructuring will not affect its manufacturing operations, customers, vendors or employees. It also submitted that it has near unanimous support from its lenders for a "prepackaged" restructuring and expects to emerge from bankruptcy within 45 days.

For More Details, Please Visit: <https://www.reuters.com/business/german-corporate-insolvencies-reach-highest-level-since-2014-2026-03-13/>



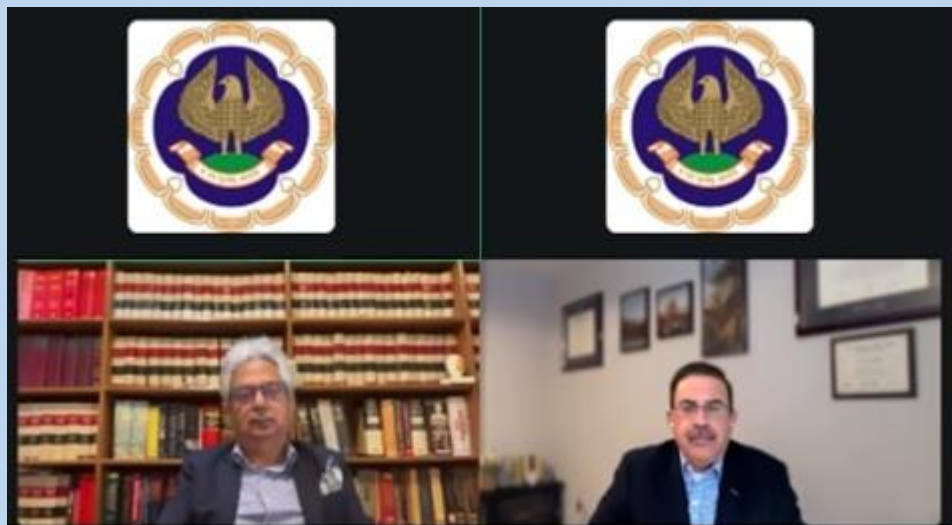
Post-Insolvency, Adani Group Plans Strategic Split of Jaypee Assets

According to media reports, the Adani Group is likely to undertake a significant restructuring of Jaiprakash Associates Ltd (JAL), which it has recently acquired through a Resolution Plan under the IBC. The restructuring is aimed at carving up assets across its core verticals to unlock value and streamline operations.

The Resolution Plan, approved on March 17 by the Allahabad bench of the NCLT, entails an acquisition outlay of about ₹14,535 crore against JAL's admitted debt of around ₹57,185 crore. Adani Enterprises Ltd acted as the resolution applicant on behalf of the group. The deal hands the Adani Group's control over a diverse portfolio spanning cement plants, power assets, large land parcels in the Delhi-NCR region.

For More Details, Please Visit: <https://www.moneycontrol.com/news/business/adani-group-plans-strategic-split-of-jaypee-assets-after-insolvency-takeover-13867557.html>

EVENT PHOTOGRAPH



Webinar on Successful Resolution-Strategies and Case Study

Indian Institute of Insolvency Professionals of ICAI (IIPI) will be organizing a webinar on “Successful Resolution: Strategies and Case Study” on 27th March (Friday) from 3 PM to 6 PM. CPE credit: 2 hours for Insolvency Professionals (IPs) and 3 hours for Registered Valuers (RVs).

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

For More Details, Please Visit: <https://www.iiipicai.in/wp-content/uploads/2026/02/Flyer-march-webinars.pdf>

Webinar on “Recent Landmark Judgement” conducted by IIPI on March 20, 2026.