



## INDIAN INSTITUTE OF INSOLVENCY PROFESSIONALS OF ICAI

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

# IIPI Newsletter

April 27, 2026

IIPI Newsletter No. 368

## CONTENTS

News Update  
News Roundup  
Upcoming Events  
Event Photographs



### Telangana HC Quashes 16-Year-old Power Dues Against SRA

Upholding the “clean slate” principle under the IBC, the High Court held that electricity dues of a previous owner cannot be enforced when such claims were not part of the insolvency process. It further ruled that a demand raised after nearly sixteen years is barred by limitation. Relying on *Ghanashyam Mishra & Sons (P) Ltd. v. Edelweiss*, the Court reiterated that once a resolution plan is approved, all claims not included in it stand extinguished, noting that the electricity department had failed to submit its claim before the resolution professional.

**For More Details, Please Visit:**

<https://www.bwlegalworld.com/article/telangana-hc-upholds-clean-slate-under-ibc-sets-aside-16-year-old-electricity-dues-604327>

## News Update

*\*For Internal Circulation Only  
\*Knowledge SBU Initiative*

### Insolvency and Bankruptcy Code (IBC) is not a recovery mechanism, rules the Supreme Court

The Supreme Court has reiterated that the IBC cannot be invoked as a mechanism for debt recovery and cautioned that the insolvency process, being a remedy with far-reaching consequences, must be used only in cases of genuine insolvency or financial distress, and not for the enforcement of money decrees.

“The IBC is not a proceeding for the benefit of individual creditors seeking to recover their dues. The moratorium under Section 14 operates in the interest of the Corporate Debtor (CD) itself. The resolution process is not intended to be adversarial toward the CD but rather to be protective of its interests,” said a bench of the Supreme Court setting aside initiation of CIRP against Anjani Technoplast. The Bench emphasized that a creditor approaching the NCLT solely to recover individual dues, rather than to resolve the CD, acts contrary to the IBC’s purpose.

Citing previous judgments of the Supreme Court, the Bench said that mere existence of a money decree does not entitle a creditor to initiate the CIRP, but would give rise to a fresh cause of action for initiating proceedings against a debtor under the IBC. However, this does not mean that every decree holder who also happens to be a financial creditor is entitled, as a matter of right, to invoke the insolvency process in preference to execution of a decree, said the Court.

**For More Details, Please Visit:** <https://economictimes.indiatimes.com/news/india/insolvency-law-not-a-recovery-mechanism-supreme-court-reiterates-in-key-ibc-ruling/articleshow/130476625.cms?from=mdr>

## News Roundup

### IBBI Proposes Allowing Mid-CIRP Sale of Guarantor Assets

According to media reports, the Insolvency and Bankruptcy Board of India (IBBI) has, in a recent Discussion Paper, proposed permitting the sale of guarantor assets during ongoing insolvency proceedings, along with stricter disclosure norms and reforms to enhance resolution efficiency. The framework would allow a creditor in possession of a guarantor's asset to request the Resolution Professional (RP) to obtain its valuation and place a proposal before the Committee of Creditors (CoC) for transfer, subject to approvals and appropriate treatment of proceeds. Currently, such sales are barred once CIRP or personal insolvency proceedings commence. The paper reportedly outlines 11 amendments to CIRP Regulations, 2016

**For More Details, Please Visit:**

<https://ibbi.gov.in/uploads/whatsnew/7a49668e5fe3d71b471be749839855e4.pdf>

### Adani Group gets CoC approval to acquire Karanja Terminal & Logistics Ltd. under IBC

According to media reports, the Committee of Creditors (CoC) has approved the resolution plan of Adani Ports and Special Economic Zone Ltd. (APSEZ) with 100% voting. The approval follows rejection of a one-time settlement proposal submitted by London-based Mercantile Ports and Logistics Ltd., which had offered to repay the outstanding dues. The corporate debtor, Karanja Terminal & Logistics Ltd., reportedly has dues of ₹625.49 crore. The asset, located near Mumbai, has been undergoing resolution as lenders seek recovery through CIRP mechanism. Once completed, the acquisition is expected to further strengthen APSEZ's position along the country's western coast.

**For More Details, Please Visit:**

<https://www.propnewstime.com/getdetailsStories/Mjk0NTY=/adani-ports-gets-lenders-nod-to-acquire-karanja-terminal-under-insolvency-process>

### Spirit Airlines in advanced talks on Federal Financing for Restructuring

Spirit Airlines is reportedly facing a severe cash crunch, prompting discussions on federal financing support. Media reports indicate that details of the proposed assistance by the U.S. administration have been shared with the airline's primary creditor groups. The administration has also signaled openness to acquire the distressed airline at an appropriate valuation, with a view to a potential future sale. The airline requires immediate liquidity, including access to approximately \$240 million, to sustain operations. A potential liquidation of the Airlines may result in over 17,000 job losses and substantial claims.

**For More Details, Please Visit:**

<https://www.reuters.com/world/spirit-airlines-advanced-talks-government-financing-lawyer-says-2026-04-23/>



### SC Seeks Data on Delays in Resolution Plan Approvals

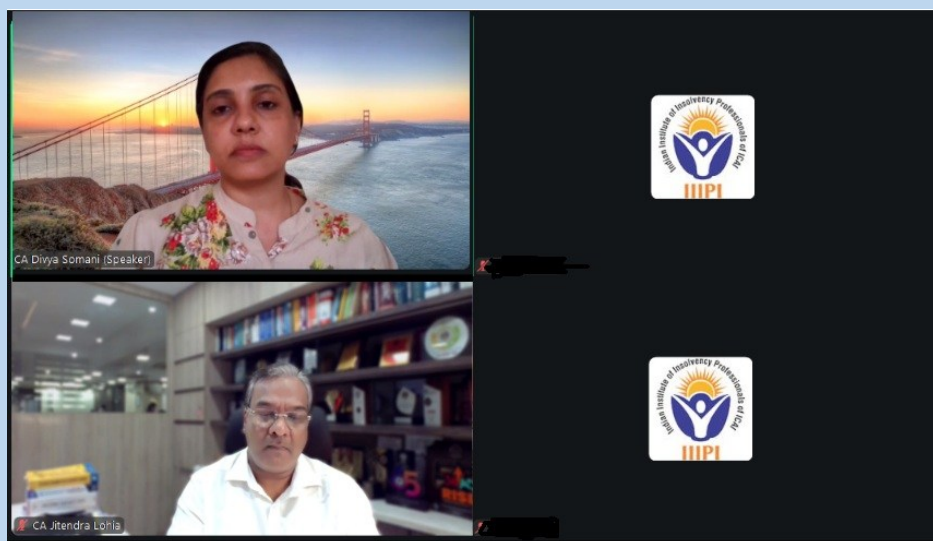
According to media reports, expressing serious concern over the prolonged pendency of resolution plan approvals, the Supreme Court has directed the Registrar of the NCLT to submit a report on the number of pending approval applications. It has also sought details on the duration of such pendency and the reasons for these delays.

The issue arose during the hearing of *AVJ Heights Apartment Owners Association vs. IIFL Finance Limited*, in which the CoC approved the resolution plan on July 4, 2024, and an application for approval was filed before the NCLT on July 12, 2024. Despite this, no adjudication took place for nearly two years. Considering it a serious issue, the Court directed the submission of comprehensive data.

**For More Details, Please Visit:**

<https://www.bwlegalworld.com/article/supreme-court-seeks-data-on-nclt-delays-in-resolution-plan-approvals-603400>

## EVENT PHOTOGRAPHS



*Webinar on “Webinar on Guidance on Ethics and Quality Control” conducted by IIPPI on April 24, 2026.*



*6th Batch EDP on Group Insolvency for IPs, conducted by IIPPI on 28–29 April 2026.*

### Webinar in May 2026

IIPPI will be organising four webinars in May 2026. The first Webinar, “Valuation under IBC: Strategies” in association with ICAI RVO, will be held on 8th May (Friday).

This will be followed by a Webinar on “Real Estate Resolutions – Best Practices” on 15th May (Friday). The third Webinar on “Key Amendments in IBC” will be conducted on 22nd May (Friday), and the fourth Webinar “IBC Interface with Taxation and Corporate Laws” will be conducted on 29th May (Friday).

Each Webinar will carry 2 CPE hours for Insolvency Professionals (IPs) and 3 CPE hours for Registered Valuers (RVs).

**For More Details, Please Visit:** <https://www.iipicai.in/wp-content/uploads/2026/04/May-month-webinar.pdf>