



INSOLVENCY PROFESSIONAL AGENCY
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LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

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➤ NCLAT Stays Insolvency Proceedings Against Reliance Infrastructure

The National Company Law Appellate Tribunal (NCLAT) has stayed the insolvency proceedings against Reliance Infrastructure, admitting its appeal against the NCLT Mumbai's May 30 order which had initiated CIRP on a plea by IDBI Trusteeship Services Ltd.

Reliance Infra argued that the matter was infructuous as it had fully paid the ₹92.68 crore owed to Dhursar Solar Power Pvt Ltd, the original creditor. The dispute stemmed from invoices raised for solar energy supplied between 2017–2018. Following the stay, Reliance Infra shares rose 11.27% on the BSE.

Source: Business Standard

Read Full news at: https://www.business-standard.com/companies/news/reliance-infra-nclat-stays-insolvency-proceedings-dhursar-solar-power-125060400839_1.html

➤ IBC May Soon See Group Insolvency Framework: Efficiency or Legal Overreach?

The IBBI has initiated discussions on introducing a **Group Insolvency Framework** under the IBC to streamline the resolution of interconnected corporate entities. A recent paper proposes regulatory tweaks—like joint CIRP hearings and shared Resolution Professionals—to manage group-wide defaults more effectively.

While this could reduce value erosion and procedural delays, experts warn it may undermine a core tenet of company law: **corporate separateness**, as established in *Salomon v. Salomon* and reiterated by Indian courts. Current IBC provisions treat each corporate debtor individually; changes of this scale, they argue, require a **statutory amendment—not just regulatory intervention**.

Stakeholders recommend a dedicated '**Group Insolvency**' chapter in the IBC, clearly defining what qualifies as a group and providing opt-outs and creditor safeguards to avoid misuse. Cases like **Srei** and **Videocon** highlight the practical need, but the reform's legitimacy depends on **parliamentary backing and legal safeguards**, not backdoor rule-making.

Source: The New Indian express

Read Full news at: <https://www.newindianexpress.com/opinions/2025/Jun/04/group-insolvency-framework-when-one-is-not-for-all>

➤ **Parliamentary Panel Proposes IBC Reforms Following Supreme Court's Bhushan Power Verdict**

In response to the Supreme Court's annulment of JSW Steel's ₹19,300 crore resolution plan for Bhushan Power & Steel Ltd (BPSL), a parliamentary committee is set to recommend significant amendments to the Insolvency and Bankruptcy Code (IBC). The apex court's decision, citing procedural lapses and delays, has highlighted systemic issues within the current insolvency framework. The proposed reforms aim to address these challenges by streamlining processes, enhancing creditor recoveries, and clarifying jurisdictional ambiguities. The Ministry of Corporate Affairs is actively working on these amendments to bolster the efficiency and reliability of India's insolvency resolution mechanism.

Source: Live Mint

Read Full news at: <https://www.livemint.com/news/india/insolvency-and-bankruptcy-code-ibc-insolvency-code-reform-bhushan-power-resolution-jsw-steel-supreme-court-ruling-bpsl-11748941572984.html>

