INSOLVENCY PROFESSIONAL AGENCY
OF INSTITUTE OF COST ACCOUNTANTS OF INDIA

IBC AU-COURANT

LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

"Resilience and integrity are the cornerstones of professional excellence."

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➢ IBBI Issues Framework for Release of ED-Attached Assets in Insolvency Cases

In a significant step to streamline insolvency proceedings, the Insolvency and Bankruptcy Board of India (IBBI) has issued a circular directing Insolvency Professionals (IPs) to seek permission from Special Courts under the Prevention of Money Laundering Act (PMLA) for the release of assets attached by the Enforcement Directorate (ED). This move aims to enhance the value of corporate debtors and improve realisations under the Insolvency and Bankruptcy Code (IBC). The IBBI, in consultation with the ED, has also introduced a **standard undertaking** that IPs must submit along with their applications. The undertaking requires IPs to provide quarterly status reports to the Special Court on the usage, monetisation, and distribution of resituated assets. Additionally, IPs must disclose all ED-attached properties in the Information Memorandum or Auction Notice, cooperate with ED investigations, and furnish details of PUFE transactions, the Committee of Creditors, and successful resolution applicants. This initiative is expected to facilitate faster release of attached assets, ensuring more efficient insolvency resolutions.

Source: The New India Express
Read Full news at: https://www.newindianexpress.com/business/2025/Nov/05/insolvency-cases-ips-to-seek-special-court-permission-for-freeing-of-ed-attached-assets

➢ Homebuyers' Interests Paramount: Allahabad HC Orders Revival of Stalled Greater Noida Project

The Allahabad High Court has ruled that **homebuyers' rights must take precedence** during the insolvency resolution of real-estate projects. In a recent decision, the Court directed the revival of a stalled housing project in Greater Noida, stressing that a resolution plan cannot proceed unless cancelled land is restored to the developer. Experts urge reforms aimed at enhancing tribunal capacity and reducing judicial scrutiny that unduly prolongs cases. While IBBI's recent amendments aim to streamline processes, multiple stakeholders—from bond investors to creditors—insist that faster resolution must now become the IBC's foremost priority to safeguard the system's credibility and financial markets. The case involved Bulland Realtors Pvt Ltd, which held a 19,000 m^2 plotted sub-lease (Project GH-02B-1) cancelled by the Greater Noida Industrial Development Authority (GNIDA) in 2023 due to default in lease-rent payments. Financial creditor Nimble Credit Co-operative Society Ltd initiated CIRP proceedings under the Insolvency and Bankruptcy Code, 2016. A resolution applicant was selected, but without land restoration the process was stalled. Justice Arun Kumar emphasised: *"In an insolvency resolution process of a real-estate company the primary concern is the interest of a homebuyer… homebuyers are vital stakeholders."* He added that without land restoration there is no real prospect of project revival or meaningful recovery for homebuyers. The Court quashed the land-cancellation order, directed the State to restore the lease in favour of the corporate debtor, and mandated the deposit of ₹20 crore already paid by the resolution applicant into the GNIDA as a first instalment under the revised agreement while the project proceeds to resolution.

Source: Law Beat
Read Full news at: https://lawbeat.in/news-updates/homebuyers-interest-paramount-in-real-estate-insolvency-allahabad-high-court-orders-revival-of-stalled-greater-noida-project-1537558