



INSOLVENCY PROFESSIONAL AGENCY
OF INSTITUTE OF COST ACCOUNTANTS OF INDIA

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LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

"Stay focused. Stay humble. Keep going." counts."

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➤ NCLAT Affirms NCLT's Power to Order Corporate Investigations During Insolvency

The National Company Law Appellate Tribunal (NCLAT) has clarified that the National Company Law Tribunal (NCLT) retains authority under the Companies Act to order investigative probes—such as by the Serious Fraud Investigation Office (SFIO) or Economic Offences Wing—even while insolvency proceedings under the IBC are ongoing. In a recent judgment, a three-member NCLAT bench headed by Justice Ashok Bhushan dismissed an appeal against an NCLT directive that required the Central Government to refer alleged corporate fraud to SFIO.

Crucially, the NCLAT underscored that such investigative actions must adhere to procedural safeguards, including providing affected parties with a fair opportunity to be heard. This decision reinforces the NCLT's "dual role" as both an adjudicating body under the IBC and a tribunal under the Companies Act (notably Section 213), empowering it to act decisively when fraudulent corporate behavior is suspected.

This ruling strengthens the NCLT's ability to scrutinize corporate affairs comprehensively and ensures that insolvency resolution can proceed without shielding wrongdoers. It also promotes confidence among stakeholders that legal recourse remains robust and due process uncompromised.

Source: Economic Times

Read Full news at: <https://economictimes.indiatimes.com/news/economy/policy/nclt-has-powers-to-direct-probe-into-companys-affairs-in-insolvency-matters-says-nclat/articleshow/121887875.cms?from=mdr>

➤ **IBBI to Form Common Panel of Insolvency Professionals for Faster Appointments**

To streamline the appointment process of Insolvency Professionals (IPs) and reduce administrative delays, the Insolvency and Bankruptcy Board of India (IBBI) will prepare a common panel of IPs eligible to be appointed as Resolution Professionals (RPs) and liquidators. The panel will be effective from July 1 to December 31, 2025, and shared with the National Company Law Tribunal (NCLT). The zone-wise, bench-wise panel will list IPs based on their registered office and volume of ongoing assignments. Only IPs meeting criteria such as no pending disciplinary action and a valid authorization letter will be considered. In case of tie scores, preference will be given based on the registration date with IBBI.

The guidelines require IPs to accept appointments unless exempted by the NCLT/DRT or IBBI. Refusal without valid justification can lead to a six-month removal from the panel. IBBI may also appoint an IP outside the panel if specifically directed.

Source: Business Standard

Read Full news at: https://www.business-standard.com/economy/news/ibbi-forms-common-panel-of-insolvency-professionals-to-speed-appointments-125052801310_1.html

➤ **INSCO Raises Offer to ₹2,752 Cr in HNGIL Insolvency: Supreme Court Mandate**

Independent Sugar Corporation (INSCO) has submitted a revised resolution plan worth ₹2,752 crore for Hindusthan National Glass & Industries Ltd (HNGIL), following a directive from the Supreme Court to match the bid of rival AGI Greenpac. INSCO's improved offer includes ₹2,200 crore in upfront cash and ₹550 crore in equity to creditors and workmen.

The Supreme Court, in its June 2025 ruling, set aside AGI's earlier bid—due to lack of CCI approval—and instructed the CoC to consider INSCO's matched offer. CoC voting is expected to conclude by July. INSCO's plan also allocates ₹50 crore and 5% equity to operational creditors and workmen.

While the revised plan enhances recovery estimates—from about 49% to 58% of dues—it has prompted debate within the creditor community. Concerns have been raised regarding the funding structure, reliance on non-binding bridge financing via a Cerberus Capital term sheet, and the absence of firm escrow arrangements. Lenders have called for stronger assurances to ensure the plan's operational feasibility.

Source: Live Mint

Read Full news at: <https://www.livemint.com/companies/news/insco-revised-plan-bankruptcy-agi-greenpac-hindusthan-national-glass-sanitary-ware-manufacturers-lenders-supreme-court-11749374419395.html>

