



Association of
Insolvency Professional Entities

SPECIAL EDITION
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IBC PULSE

WHERE LAW
MEETS RESOLUTION

GOVERNANCE

INSOLVENCY

BANKRUPTCY

*“A collective voice for insolvency
professionals and entities, advancing
reform and excellence”*

Strengthening the Insolvency Professional Entities.....”

– @AssociationOfInsolvencyProfessionalEntities



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ABOUT AIPE

WELCOME TO AIPE MAGAZINE

This issue is packed with inspiring articles, exclusive interviews, and latest in the insolvency, bankruptcy and legal arena. keeps you ahead of the fashion curve. Enjoy!



Meet our Chief Executive Officer, Mr. Sanjeev Pandey,

Thought Leader in Insolvency & Restructuring | Policy Influencer & Advisor | Financial & Legal Strategist | Sr. Consultant | CAFRAL | Insolvency Law Academy | DSK Legal | Ex NCLT Head SBI

Association of Insolvency Professional Entities is a non-profit company registered under section 8 of Companies Act, 2013. It functions under the broad guidance of the AIPE Board, comprising of eminent Directors. AIPE Board is advised by a very eminent Advisory Board comprising of senior dignitaries from government, banking sector and judiciary. AIPE is dedicated to developing the profession of Insolvency resolution in India on healthy and ethical lines. It aims at building capacity of Insolvency Professional Entities by collaboration, knowledge partnership, problem solving and enhancing overall infrastructure through pooling of resources.

Our VISION is to catalyse the transformation of India's insolvency ecosystem through institutional excellence, establishing IPEs as the global benchmark for professional value maximization and corporate revival.

- **Sanjeev Pandey**
CEO, AIPE

MEET OUR BOARD OF ADVISORS



J. M.M. Kumar

Served as the First National Company Law Tribunal President



Mr. Dinesh Kumar Mittal

former Indian Administrative Service (IAS) Officer and was secretary of MCA and Ministry of Finance



Dr. Tajendra Mohan Bhasin

former Vigilance Commissioner, Govt. of India & Ex-CMD of Indian Bank



Dr. Ms. Mukulita Vijyawargiya

former Whole Time Member of IBBI

MEET OUR BOARD OF DIRECTORS



Mr. Manohar
Lal Vij



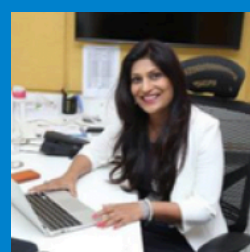
Mr. Vijay Kumar
Gupta



Mr. Vipin Agarwal



Mr. Anil Kohli



Mr. Anju Agarwal

OUR VISION

*The Association of
Insolvency Professional
Entities is committed to:*



CORE VALUES

1. Integrity & Ethics
2. Excellence
3. Collaboration
4. Innovation
5. Responsiveness

- **EXCELLENCE:** Elevating India's insolvency practice to world-class standards through rigorous benchmarking, quality frameworks, and continuous professional development.
- **INNOVATION:** Pioneering advanced methodologies and technological solutions that enhance the efficiency, transparency, and effectiveness of insolvency resolution processes.
- **COLLABORATION:** Fostering a vibrant community of IPEs built on mutual trust, knowledge sharing, and collective advocacy to strengthen the institutional framework of insolvency practice.
- **DEVELOPMENT:** Facilitating continuous learning and capability enhancement among insolvency professionals through specialised training, research initiatives, and cross-disciplinary exchange.
- **ADVOCACY:** Serving as the unified voice for IPEs in regulatory discourse, judicial interpretation, and policy development to advance the objectives of the Insolvency and Bankruptcy Code.
- **SUPPORT:** Providing comprehensive guidance, resources, and crisis management assistance to empower IPEs and individual professionals in navigating complex resolution challenges.

Article glimpses

Understanding RBI's Project Finance Guidelines: Securing India's Future Projects



RBI's Project Finance Directions, 2025

Effective October 1, 2025, RBI's new rules overhaul project lending to avoid past mistakes that caused massive NPAs.

Key Changes

- Stricter Checks: Design → Construction → Operation.
- Funding Discipline: 90% financing, land and approvals secured.
- Delay Management: 2–3 years grace with conditions.
- Higher Provisions & Penalties: To curb misuse.
- Digital Oversight: Independent experts, real-time monitoring.

- By our CEO,

Mr. Sanjeev Pandey

Read more @ <https://aipe.org.in/understanding-rbis-project-finance-guidelines-what-they-mean-for-future-projects/>

Impact

Developers must plan better, borrowers face higher costs but safer outcomes, banks gain protection, and investors get more confidence.

“Better planning today means stronger, safer projects tomorrow.”



Overview

The Insolvency and Bankruptcy Board of India (IBBI) released a discussion paper on August 6, 2025, proposing regulatory amendments to strengthen transparency, accountability, and efficiency in the Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy Code, 2016 (IBC). Drawing from judicial insights, stakeholder feedback, and expert recommendations (e.g., Parliamentary Committees and IIIPI Study Group), the paper focuses on institutional safeguards, compliance mechanisms, and digital reforms to uphold the IBC's objectives of timely resolution and value maximization.

Key Proposals

1. Recording CoC Deliberations on Section 29A Eligibility:

- Mandates the Committee of Creditors (CoC) to formally discuss and record deliberations on the resolution applicant's (RA) eligibility under Section 29A, including the resolution professional's (RP) due-diligence report and RA's affidavit.
- Aims to enhance transparency, reduce litigation, and ensure deeper CoC engagement.
- Proposed Amendment: Insert Regulation 39(3C) in CIRP Regulations.

2. Enhanced Disclosures in Resolution Plans for Section 32A:

- Requires RAs to submit a beneficial ownership statement (detailing ultimate natural persons, shareholding structures, and jurisdictions) and an affidavit on eligibility for immunity under Section 32A (clean slate principle).
- Addresses challenges with obscured ownership in complex structures to prevent abuse and enable informed decision-making.
- Proposed Amendment: Insert Regulation 38(3A) in CIRP Regulations.

Enhancing integrity of the Corporate Insolvency Resolution Process- IBBI invites comments on their discussion paper

-An exclusive article written by our CEO

3. Digital Platform for Invitation and Submission of Resolution Plans:

- Empowers IBBI to notify an electronic platform (building on the successful e-auction system for liquidation) for handling expressions of interest and plan submissions.
- Promotes confidentiality, procedural fairness, and efficiency, aligning with recommendations from MCA's Standing Committee and IIIPI.
- Proposed Amendment: Insert Regulation 36AA in CIRP Regulations.

Public consultations

IBBI invited comments on the proposals and draft regulations until August 27, 2025, via its website (www.ibbi.gov.in). Submissions could address general inconsistencies or specific proposals, categorized by stakeholder type (e.g., creditors, insolvency professionals).

Implications

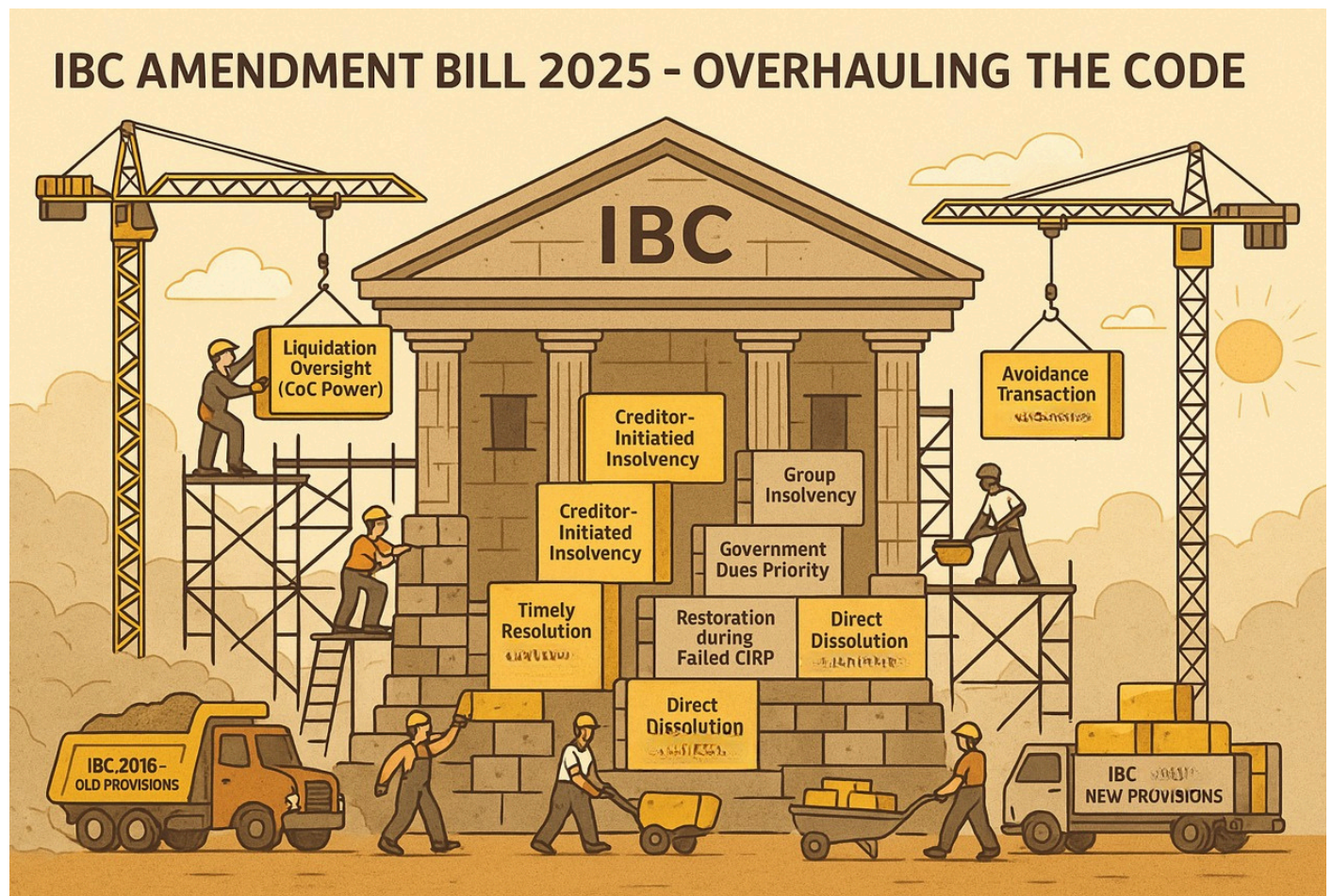
These measures aim to mature the insolvency ecosystem by integrating technology, clarifying roles, and preventing ineligible participation, ultimately fostering trust and reducing delays in CIRP and liquidation processes. Post-consultation, IBBI plans to issue regulations under Section 196 of the IBC.

An exclusive article outlining the proposed key reforms to enhance the integrity of the Corporate Insolvency Resolution Process (CIRP) through mandatory CoC deliberations on Section 29A eligibility, enhanced Section 32A disclosures, and digital submission of resolution plans.

IBC 2025: The Biggest Shake-Up Yet – Faster Resolutions, Global Alignment, and Digital Transparency!

The Insolvency and Bankruptcy Code (Amendment) Bill, 2025 is the most significant overhaul of India's insolvency regime since its inception. Aimed at cutting delays, strengthening creditor rights, and aligning with international best practices, the Bill introduces sweeping reforms that could transform the resolution of corporate distress. Among its key provisions are the introduction of a Creditor-Initiated Insolvency Resolution Process (CIIRP) for out-of-court workouts, recognition of group insolvency to prevent fragmented outcomes, and adoption of cross-border provisions in line with the UNCITRAL Model Law to boost foreign investor confidence. The Bill also grants stronger powers to Committees of Creditors (CoC), imposes steep penalties on frivolous filings, and pushes for digitalization through e-filings and virtual hearings. By clarifying definitions, tightening timelines, and enhancing accountability, it signals a decisive shift toward efficiency, transparency, and global integration, promising a quicker, fairer, and more predictable insolvency framework for creditors, debtors, and practitioners alike.

Read more @ <https://aipe.org.in/3445-2/>



PREPACKAGED INSOLVENCY IN INDIA: A MISSED OPPORTUNITY OR A PREMATURE REFORM?

India introduced prepackaged insolvency in 2021 under the Insolvency and Bankruptcy Code (IBC) to provide MSMEs with a faster, less disruptive resolution process compared to the standard Corporate Insolvency Resolution Process (CIRP). This debtor-in-possession model features a silent process without public announcements, pre-negotiated plans, and a 120-day timeline to minimize direct costs (like professional fees, estimated at 2-5% of assets) and indirect costs (such as loss of confidence and operational disruptions, eroding 10-20% of value). However, despite these advantages, uptake has been limited due to legal complexities for MSMEs, fears of escalation to full CIRP, creditor concerns over information asymmetry and bias, and systemic issues like judicial delays and lack of pre-moratorium protection.

Key structural flaws include the inadequate supervisory role of resolution professionals (RPs), insufficient safeguards against undervalued transactions, and the broad application of Section 29A restricting promoters. Operational inefficiencies stem from creditor mistrust in debtor-led processes and limited asset valuation confidence.

Practical guidance is provided on overcoming implementation challenges, leveraging technology for transparency, and forging strategic solutions.



To address these, the article suggests simplifying procedures with lighter requirements and fast-track hearings; institutional reforms like dedicated NCLT benches and training; policy enhancements such as extending prepacks to larger firms and modifying Section 29A; and promoting transparency through third-party audits and early CoC involvement.

Drawing from global best practices—like U.S. Chapter 11 pre-negotiations, UK Pre-Pack Pools for fairness, and Singapore's court-light processes for small firms—India can revive prepacks by balancing legal discipline with commercial pragmatism. With targeted reforms, this framework could evolve into a trusted tool for business rescue, overcoming its initial rollout in an unprepared ecosystem.

Read more @ <https://aipe.org.in/prepackaged-insolvency-in-india-a-missed-opportunity-or-a-premature-reform/>

IBC 2025: The Biggest Shake-Up Yet – Faster Resolutions, Global Alignment, and Digital Transparency!



The Corporate Insolvency Resolution Process (CIRP) under the IBC was created as a time-bound system for addressing corporate distress. In practice, however, cases often extend well beyond the statutory 330-day limit due to litigation and disputes among creditors. This not only delays resolution but also erodes asset value and increases costs. Drawing from international examples, the paper argues that mediation can help bridge these inefficiencies by offering faster, more collaborative ways of resolving disputes within the CIRP framework.

Globally, mediation has proven effective in insolvency proceedings by resolving multiparty disputes, ensuring confidentiality, and allowing flexible, tailored solutions. Its success in high-profile cases like Lehman Brothers demonstrates how mediation can save costs and preserve value. In India, disputes frequently arise within the Committee of Creditors (CoC) over valuation, distribution, and plan approval, and these deadlocks often spill into protracted litigation before the NCLT. Mediation, particularly when integrated into CoC decision-making, can help resolve such conflicts more efficiently.

The paper proposes structured implementation of mediation within CIRP. This includes internal mediation protocols for CoC disagreements, panels of insolvency-trained mediators, and stakeholder engagement with operational creditors, employees, and resolution applicants. By introducing mediation early in disputes, the CoC can avoid costly litigation, speed up resolution timelines, and preserve value. In fact, expedited settlements through mediation can improve recovery rates for creditors and stabilize ongoing business operations, which often suffer during extended insolvency proceedings.

Finally, the study recommends incorporating mediation formally into the IBC framework—possibly through the proposed 2025 amendment bill—by recognizing mediators as service providers and embedding mediation in CoC codes of conduct. With proper institutional support, mediation can reduce costs, enhance recoveries, and maintain business relationships, making it a vital tool for more effective insolvency resolution in India.

[Read More @ https://aipe.org.in/mediation-as-a-strategic-tool-for-enhancing-cirp-efficiency-in-india-reducing-litigation-and-maximizing-value-through-committee-of-creditors/](https://aipe.org.in/mediation-as-a-strategic-tool-for-enhancing-cirp-efficiency-in-india-reducing-litigation-and-maximizing-value-through-committee-of-creditors/)

IBBI Notifies New Fee Structure for Insolvency Professional Entities (IPEs)

The revised structure aims to:

- Encourage professional excellence and institutional accountability
- Ensure fair contribution by IPEs towards regulatory oversight
- Promote sustainability and transparency in the IPE ecosystem

This marks an important step in recognizing the growing role of IPEs in handling complex insolvency and resolution processes, and in aligning regulatory frameworks with their evolving responsibilities.

The notification brings clarity on:

- Annual regulatory fees for registered IPEs
- Compliance timelines and penalties for default
- Scope of exemptions for smaller or dormant entities

A welcome reform for the community of IPEs, this change underscores IBBI's continued efforts to strengthen institutional capacity and promote a credible insolvency resolution framework in India.



In a significant move towards streamlining the insolvency ecosystem, the Insolvency and Bankruptcy Board of India (IBBI) has introduced a new fee framework for Insolvency Professional Entities (IPEs).

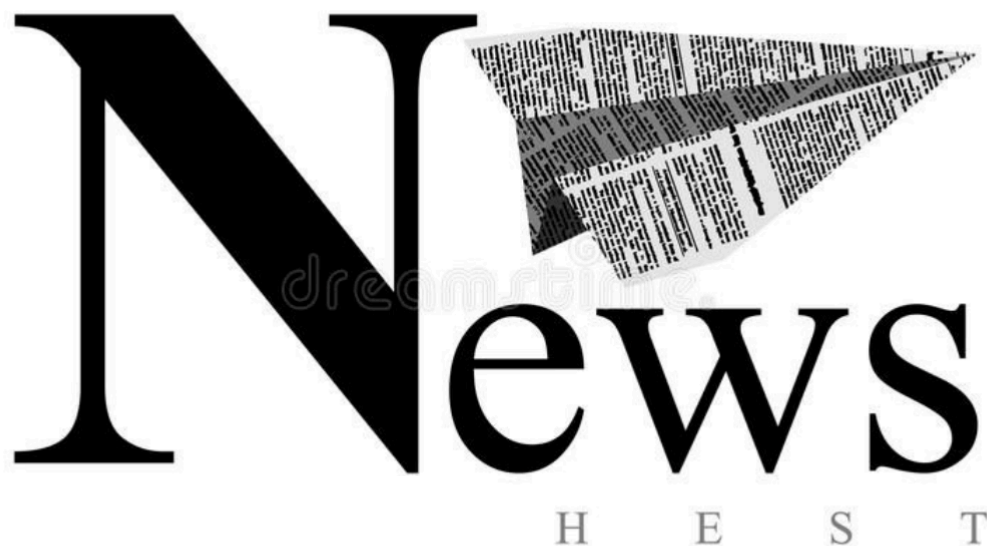
Supreme Court Clarifies “Acknowledgment of Debt” Principles under IBC Limitation: What Legal & Business Leaders Need to Know

The Supreme Court's ruling in *IL&FS Financial Services Ltd. v. Adhunik Meghalaya Steels Pvt. Ltd.* sets an important precedent in insolvency and limitation law under the IBC.

The Court held that entries in a company's balance sheet can amount to a valid acknowledgment of debt under Section 18 of the Limitation Act, even without naming a specific creditor, provided the financial statements consistently reflect the liability. Context, including prior audited accounts and supporting documents, will guide interpretation—substance over form.

The Court also clarified that the COVID-19 limitation exclusion applies from 15.03.2020 to 28.02.2022, with the “90-day” catch-up rule applying only in limited cases. For companies, this underscores the significance of financial disclosures; for advisors, it highlights the need for careful review of records; and for the industry, it strikes a balance between creditor protection and commercial reality in a post-COVID insolvency landscape.

Read more @ <https://aipe.org.in/supreme-court-clarifies-acknowledgment-of-debt-principles-under-ibc-limitation-what-legal-business-leaders-need-to-know/>



LEGISLATIVE REFORMS: IBC AMENDMENT BILL 2025

The section includes the latest and freshest updates from the Insolvency and Bankruptcy ecosystem,

On August 12, 2025, the Indian government introduced the Insolvency and Bankruptcy Code (Amendment) Bill, 2025, in the Lok Sabha. Key provisions include:

- **Out-of-Court Resolution:** A new "creditor-initiated insolvency resolution process" has been proposed, allowing well-regulated financial creditors to initiate insolvency proceedings outside the National Company Law Tribunal (NCLT). This mechanism aims to expedite resolutions and reduce judicial backlogs.
- **Group Insolvency:** The bill introduces provisions for group insolvency, enabling the resolution of multiple entities within a corporate group under a unified framework, thereby improving coordination and outcomes.
- **Cross-Border Insolvency:** Proposals have been made to establish a legal framework for cross-border insolvency, facilitating the recognition and enforcement of foreign insolvency proceedings in India.

- **Pre-Packaged Insolvency:** The bill suggests the introduction of pre-packaged insolvency for micro, small, and medium enterprises (MSMEs), allowing for a quicker and more cost-effective resolution process.

These amendments are currently under review by a select committee of the Lok Sabha.

JUDICIAL DEVELOPMENTS

- **Logix Infrastructure Case:** The National Company Law Appellate Tribunal (NCLAT) ruled that the insolvency petition filed against Logix Infrastructure by Experts Realty Professionals (ERP) was a fraudulent misuse of the Insolvency and Bankruptcy Code (IBC). The tribunal found evidence of collusion between the parties and imposed a ₹55 lakh penalty on ERP.
- **Reliance Communications:** Reliance Communications' shares dropped following a show-cause notice from the Central Bank of India, proposing to classify the company's loan accounts as "fraud." This development has raised investor concerns.

MARKET AND INSTITUTIONAL UPDATES

- **Kapil Wadhawan Declared Bankrupt:** The NCLT in Mumbai declared Kapil Wadhawan, the former chairman of Dewan Housing Finance Corporation Ltd (DHFL), bankrupt over dues amounting to ₹4,546 crore.
- **BluSmart's Insolvency:** Indian electric cab company BluSmart entered insolvency following corporate governance challenges and allegations of fund misappropriation by its co-founder.
- **JSW Steel and Bhushan Power:** The Supreme Court annulled JSW Steel's 2019 acquisition of Bhushan Power & Steel, citing flaws in the insolvency resolution process.
- **IBBI's Initiatives:** The Insolvency and Bankruptcy Board of India (IBBI) has been actively updating its panel of Insolvency Professionals and has sought public comments on proposed amendments to the Corporate Insolvency Resolution Process (CIRP) to ensure its integrity.
- **Investor Concerns:** The developments involving Reliance Communications and JSW Steel have raised concerns among investors about the effectiveness and predictability of the insolvency resolution process in India.

GLOBAL CONTENTIONS

Germany:

- Corporate insolvencies rose 12.2% in H1 2025, totaling 12,009 cases. Liquidity pressures and economic contraction are driving the increase, with the total expected to exceed 22,000 cases for 2025.

United States:

- Bankruptcy filings increased by 13.1% over the past 12 months, reflecting economic pressures on both individuals and businesses. The trend is expected to continue.

United Kingdom:

- The High Court approved River Island's restructuring plan under Part 26A of the Companies Act 2006, clarifying the court's discretion in cross-class cram-downs—a key development for UK restructuring practices.



Milestones!

Kolkata Event (11 July, 2025):

The AIPE Symposium on RBI Restructuring Framework in Kolkata attracted over 50 attendees, including IPEs, bankers, and legal professionals. Hosted by AIPE with Mr. Bijay Murmur and Stellar Insolvency, the event featured a webinar on the RBI's revised restructuring norms. Speakers highlighted the framework's impact on CIRPs, IPEs' role in stressed asset value discovery, and best practices for enforcement and coordination, boosting AIPE's engagement in Eastern India.

Mumbai Event (17 July, 2025):

AIPE's first major Western India session in Mumbai gathered 75-80 delegates from banks, ARCs, law firms, and IPEs. Speakers, including Mr. Santosh Shukla, discussed the RBI framework, IPE-led CIRPs, tech-driven compliance, and legal reforms. The symposium offered key insights on IBC changes and Section 29A, fostering a collaborative environment for insolvency professionals.

“impactful and meaningful”

“one of the most outstanding events in the history of insolvency ecosystem in Northern-India”

“impactful and meaningful”

Delhi Event (29 August, 2025):

The AIPE Inaugural IBC Conclave 2025 in Delhi brought together over 140 attendees, including top regulators, policymakers, bankers, and insolvency experts. The event focused on the IBC Amendment Bill 2025, emphasizing stakeholder trust and reforms to make India's insolvency regime globally competitive. Led by Justice (Retd.) M.M. Kumar, it reinforced AIPE's role in shaping insolvency policy and empowering IPEs.

IMAGE GALLERY



Kolkata symposium



Mumbai symposium

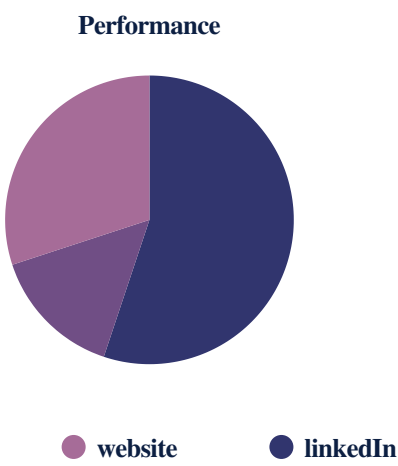


Delhi conclave



Some Highlights

as of (August - September 2025)



397.7%+

Follower additions

18,905+

Impressions

600+

Reactions





United We Stand: The Power of IPE Togetherness

Insolvency Professional Entities (IPEs) hold the key to navigating corporate challenges and safeguarding financial stability. While each entity charts its own course, the hurdles they face complex cases, regulatory demands, and evolving laws are common. Togetherness allows IPEs to share knowledge, learn from each other, and tackle challenges more effectively.

Unity among IPEs enhances both effectiveness and credibility. By sharing knowledge, experiences, and best practices, entities can tackle challenges more efficiently, innovate solutions, and support one another in navigating complex cases. Collaborative initiatives such as workshops, training sessions, and professional forums allow continuous learning while strengthening the overall insolvency ecosystem.

Togetherness also reinforces public trust and professional integrity. When IPEs act collectively, uphold ethical standards, and engage with regulators and policymakers, they contribute to stronger, more transparent insolvency processes. Walking the path together enables IPEs to transform challenges into opportunities, elevate professional standards, and uphold their shared commitment to economic stability.



“Alone we resolve, together we strengthen unity among Insolvency Professional Entities is the cornerstone of a resilient and trusted financial ecosystem.”

Global Economic Outlook & Its Impact on IPE Growth

Global economic growth is projected to moderate in the coming years. The International Monetary Fund (IMF) forecasts global growth at 3.0% for 2024 and 3.1% for 2025, with a slight upward revision from earlier projections. This reflects factors such as tariff adjustments, improved financial conditions, and fiscal expansion in some major economies.

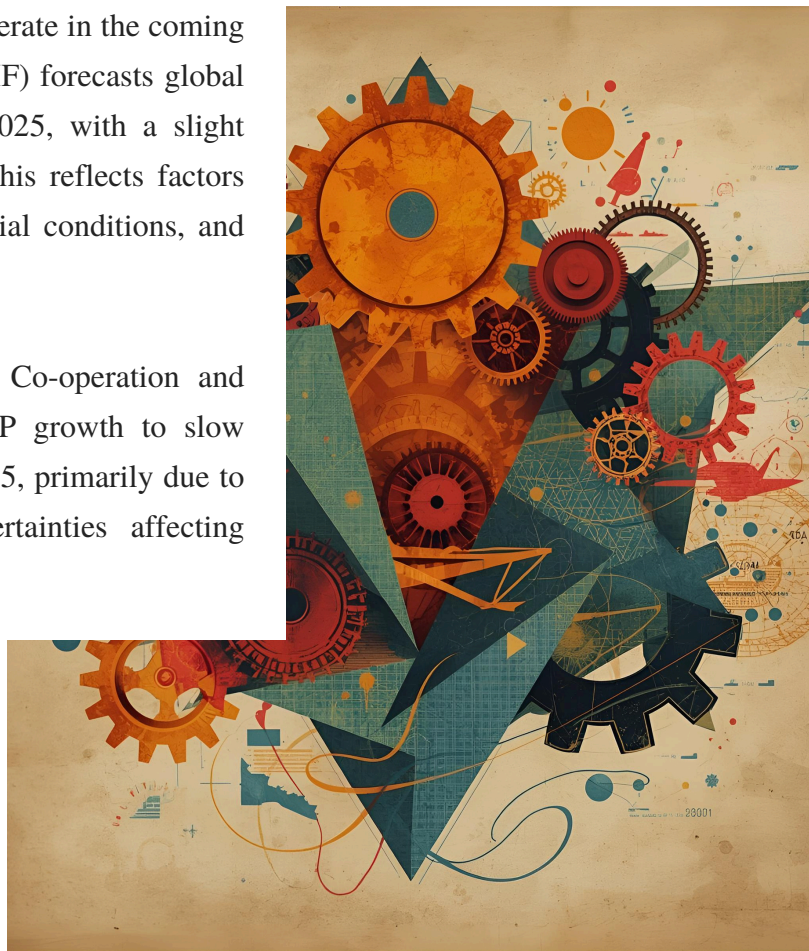
Similarly, the Organisation for Economic Co-operation and Development (OECD) projects global GDP growth to slow from 3.3% in 2024 to 2.9% in 2025 and 2026, primarily due to increased trade barriers and policy uncertainties affecting investment and household spending.

Implications for Insolvency Professional Entities (IPEs)

Despite the global economic slowdown, the demand for insolvency professionals is expected to remain robust. Economic uncertainties, such as potential recessions, corporate restructuring needs, and

financial distress, often lead to an increased requirement for insolvency services. IPEs are well-positioned to meet this demand by providing expertise in managing distressed assets and facilitating corporate recoveries.

Additionally, as economies navigate through these challenges, there may be a heightened emphasis on regulatory compliance and governance. IPEs can play a crucial role in ensuring adherence to insolvency laws and standards, thereby enhancing their relevance and appeal to potential members seeking to align with established professional entities.



Outlook for IPEs

Given the anticipated economic conditions, the growth trajectory of IPEs is expected to be steady. While the global slowdown may temper the pace of expansion, the essential services provided by IPEs will continue to attract professionals and firms seeking to navigate the complexities of insolvency and restructuring. Moreover, the evolving regulatory landscape may encourage more entities to seek membership in IPEs to ensure compliance and access to specialized expertise.

In conclusion, while global economic growth faces challenges, the role of IPEs in managing insolvency matters remains crucial. Their continued relevance and the increasing complexity of financial systems suggest a positive outlook for both the growth of IPEs and the expansion of their membership base.

Digital Pulse:

AIPE's transformation into a future-ready, digitally empowered institution is underway — not just in practice but in how it connects, shares, and supports its members. July 2025 witnessed significant progress across platforms, making AIPE more accessible, transparent, and influential than ever before.

TECHNOLOGY DRIVE - INTELLIGENT CASE ALLOCATION

AIPE is collaborating with a leading technology partner to develop a proprietary case allocation platform — a first-of-its-kind tool to streamline insolvency case referrals from banks to member IPEs.

The software aims to eliminate ambiguity and favouritism, replacing it with data-driven, fair selection mechanisms— and thereby reinforcing AIPE's advocacy for a level playing field.

WEBSITE - AIPE 2.0

www.aipe.org.in

The official AIPE website has been revamped as a hub of resources, news, and updates.

It will soon host a members-only portal to track engagement, upload documents, and access tech tools.

BI-MONTHLY NEWSLETTER - VOICE OF THE CODE

AIPE successfully launched 4 weekly newsletter editions in July, each packed with:

Delivered directly to members via email and WhatsApp

Shared widely on LinkedIn and public forums

Call for contributions is open for the August–September edition

INSTAGRAM LAUNCH - VISUAL FRONTIER

To connect with a wider, younger audience, AIPE soft-launched its official Instagram handle in July.

- Featuring event photos, reels, IBC trivia, member features
- Focused on creating awareness and engagement among students, junior professionals, and researchers

Follow us: [@aipei_n](https://www.instagram.com/aipei_n)

become a member today

**NEVER MISS
AN ISSUE!**

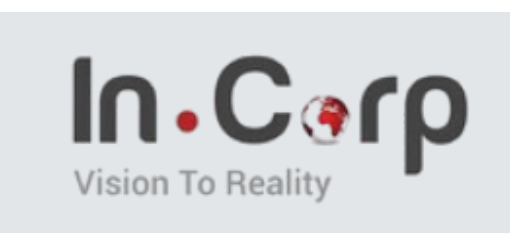


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STAY AHEAD AND FOLLOW!

Our Members!





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