

Keynote Address for the:

Seventh Annual Day of the Insolvency and Bankruptcy Board of India

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Vigyan Bhawan, Maulana Azad Road, New Delhi - 110003

We have assembled here today to celebrate the 7th Annual Day Celebrations of IBBI. By passing of every annual day new feathers are added to IBBI. It is both a privilege and a profound honour to address this esteemed gathering today. As I stand before you, I am reminded of the intricate balance our nation maintains through its three foundational pillars - the legislature, the executive, and the judiciary. These pillars, each distinct yet interdependent, work in harmony to ensure the wheels of governance move smoothly, promoting the welfare of our people and upholding the principles of our democracy.

The law, meticulously crafted by the legislature and diligently executed by the executive, has been an instrumental force in ushering in transformative changes in our society. And the judiciary, as the final interpreter, plays a pivotal role in ensuring these laws resonate with the ethos of our constitution, safeguarding the rights of our citizens, and upholding the democratic values we hold dear.

In the area of efficient insolvency resolution in India, a breakthrough was reached with the introduction of the Insolvency and Bankruptcy Code (IBC) of 2016, which stands as a shining example of this collaborative governance. This landmark legislation marked a significant stride in refining the credit culture of our nation. The IBC, with its transformative provisions, has addressed challenges faced by the populace, institutionalized the insolvency process, and offered a transparent and dignified exit path for businesses.

However, as with any legislation, no matter how comprehensive, there exists the potential for misuse. Over the years since the IBC's inception, stakeholders have observed certain areas of concern and potential loopholes. It's essential to recognize that the process of refining and perfecting social and economic legislation is an ongoing one.

To bring into perspective the historical context behind the inception of the IBC, it is imperative to mention that the journey towards a consolidated insolvency and bankruptcy framework in India has had its roots in the country's evolving economic and legal history. Before the introduction of the Insolvency and Bankruptcy Code (IBC) in 2016, India's insolvency landscape was fragmented, governed by a patchwork of laws that often led to inefficiencies and prolonged resolutions.

Historically, insolvency and bankruptcy proceedings were primarily governed by the Presidency Towns Insolvency Act of 1909 and the Provincial Insolvency Act of 1920. These acts, while pioneering for their time, were limited in scope and applicability. As India's economy grew and became more complex, newer legislations like the Sick Industrial Companies Act (SICA) of 1985 and the Recovery of Debts Due to Banks and Financial Institutions Act (RDDBFI) of 1993 were introduced. However, these Acts, though well-intentioned, often operated in silos, leading to overlaps, inconsistencies, and delays.

The need for a unified framework became increasingly evident as India integrated more deeply with the global economy. Businesses and investors sought predictability, transparency, and efficiency – attributes that were often lacking in the existing insolvency regime.

When we look globally, countries like the UK, USA and Australia have long-established insolvency frameworks that prioritize swift resolution and value maximization. For instance, the regime in the USA allows companies to reorganize and rehabilitate, ensuring business continuity while balancing the interests of creditors. Similarly, the UK's insolvency regime, with its focus on rescue and recovery, has been lauded for its efficiency and fairness.

Drawing inspiration from these global best practices and recognizing the unique challenges and nuances of the Indian business landscape, the IBC was conceptualized. It aimed to provide a holistic solution to insolvency and bankruptcy, ensuring that resolutions are timely, maximize value, and balance the interests of all stakeholders.

The IBC's introduction marked a significant departure from the past, signaling India's commitment to creating a business-friendly environment that aligns with global standards. It was

not just a legal reform but a reflection of India's evolving economic aspirations and its place in the global economic order.

Let us now delve into why the IBC came into existence and the role that was assigned to the NCLAT within its framework. The Insolvency and Bankruptcy Code (IBC) emerged from a pressing need to consolidate and reform India's insolvency and bankruptcy landscape. Before the IBC's advent, the nation grappled with a fragmented legal framework that often led to prolonged and inefficient insolvency proceedings. Multiple laws, each addressing different facets of insolvency and bankruptcy, coexisted, leading to complexities, overlaps, and at times, contradictions.

The IBC was envisioned to address these challenges, providing a unified and comprehensive framework that would ensure timely resolution of insolvency and bankruptcy cases. Its primary objectives were clear: to promote entrepreneurship, ensure the availability of credit, and balance the interests of all stakeholders, including creditors and debtors. By doing so, the IBC aimed to foster a culture where businesses could operate with confidence, knowing that insolvency, if it arose, would be dealt with efficiently and fairly.

In this transformative journey of the IBC, the National Company Law Appellate Tribunal (NCLAT) has played a pivotal role. Established as an appellate authority to review decisions of the National Company Law Tribunal (NCLT), the NCLAT has been entrusted with the responsibility of ensuring that the objectives of the IBC are met with justice and transparency. NCLAT's role has not just been to adjudicate on matters brought before us but also to interpret the provisions of the IBC in a manner that upholds its spirit and intent.

Over the years, the NCLAT has witnessed a myriad of cases, each presenting its own set of challenges and complexities. Through its judgments, the NCLAT sought to provide clarity on various provisions of the IBC, set precedents that guide future proceedings, and ensure that the rights of all stakeholders are protected.

The NCLAT's decisions have often required maintaining a delicate balance between the letter of the law and the broader economic implications, always keeping in mind the overarching goal of the IBC – to ensure a robust and efficient insolvency and bankruptcy regime in India.

In essence, while the IBC laid the foundation for a reformed insolvency landscape, the NCLAT, through its role as an appellate authority, has been instrumental in shaping and refining this landscape, ensuring that the IBC's vision is translated into reality. I would now like to enumerate before this gathering the various Positive Outcomes of the Code, these are:

1. **Streamlining of process:** Before the IBC, the insolvency process in India was scattered across multiple laws and forums. This fragmented approach often resulted in overlaps and conflicts, causing procedural delays and uncertainties. The IBC consolidated and simplified these processes, bringing them under a single unified Code. This has facilitated faster resolutions and reduced complexities.
2. **Another positive outcome brought forth by the Code is timely resolution of cases:** The IBC introduced strict timelines for the completion of the insolvency resolution process. Ideally, the entire process, from admission of the application to the final resolution, should be completed within 330 days, including any legal challenges. This time-bound approach is aimed at preserving the value of the debtor's assets and ensuring that stakeholders are not left in a limbo indefinitely. The Code prioritizes the resolution of a company over its liquidation. By setting clear stages for decision-making, from the formation of a committee of creditors to the invitation and approval of a resolution plan, the Code tries to ensure that entities have a genuine chance of revival within a stipulated time frame.
3. **Yet another positive outcome brought forth by the Code is timely improving creditor's confidence:** The IBC has improved the confidence of creditors, as they now have a clearer and more predictable mechanism for recovering their dues in case of default with a defined responsibility of revival of the Corporate Debtor as the first and foremost objective. This increased confidence has led to lending to businesses and individuals, facilitating economic activities and growth.
4. **Next comes the paradigm shift brought forth in debtors' behaviour –** Knowing that there is a robust mechanism in place prompts business owners to better manage their finances and avoid insolvency proceedings. This is evident from the fact that till May, 2023, about 25,565

applications for initiation of CIRPs, having underlying default of Rs. 8.23 lakh crore were resolved before their admission. Thus, IBC has brought about credit discipline amongst businesses and there is a positive behavioural change amongst promoters.

5. **Then there is the boost to credit flow:** By ensuring that lenders recover their money more reliably and in a timely manner, the IBC has encouraged the flow of credit in the economy. With the increased confidence in the system, financial institutions are more inclined to lend, supporting businesses and economic growth. This is also evident from the fact that as on 30th June, 2023, the creditors realised ₹2.92 lakh crore under the resolution plans in 720 cases.
6. **Further, a notable transparency and fairness has become perceptible with this new regime:** The formation of the Committee of Creditors, comprising of all financial creditors, ensures that decisions are made collectively, thereby minimizing undue influences and biases. Every major decision, including the selection of resolution plans, requires a specified majority of the CoC, ensuring that no single creditor can unduly influence the outcome. This ensures collective decision making and promotes transparency. Resolution professionals, entrusted with managing the CD during the insolvency process, are required to make periodic relationship and cost disclosures to the IPA with which they are registered. The Code also introduced section 29A to keep away errant promoters from gaining access to the CD by making them ineligible to submit resolution plans in the insolvency process. The Board also comes out with periodic updates through quarterly newsletters, annual reports, etc. by which stakeholders are able to gauge the efficacy of the process and its outcomes.
7. **Then there is also the protection offered to the Micro, Small and Medium Enterprises (MSMEs):** The IBC recognizes the unique challenges faced by MSMEs and provides provisions tailored for them, ensuring they are not unduly burdened by the insolvency process. Section 240A of the Code provides a special dispensation to MSMEs by which the provisions of ineligibility under section 29A does not apply to it. Further, the newly introduced PPIRP which is a specialised insolvency framework for MSMEs is also gaining traction slowly with six cases admitted so far, of which two cases have already been resolved.
8. **Additionally, a notable highlight of the current regime is the higher recovery rate:** Before the introduction of the IBC, banks and financial institutions in India often faced low recovery rates on defaulted loans. The erstwhile convoluted and protracted insolvency processes made it difficult to recover significant portions of the dues, leading to mounting

non-performing assets (NPAs) and weakened balance sheets of these institutions. The IBC's clear, time-bound process facilitates quicker and more efficient resolutions, thereby enhancing the potential amount recoverable by creditors. The Code promotes a market-driven mechanism where assets of the defaulting firm can attract competitive bids, leading to better realization of value. As the Code mandates a swift resolution process, assets of the debtor company are less likely to deteriorate in value due to prolonged litigation or neglect, ensuring higher recovery rates for creditors. The strict provisions and timelines of the IBC also act as a deterrent for potential defaulters.

9. **In addition, there is a notable reduction in non-performing assets (NPAs):** High levels of NPAs had long been a concern for the Indian banking sector. The IBC's time-bound resolution process has made it quicker for banks to address and resolve bad loans, rather than letting them accumulate and further deteriorate their balance sheets. With the IBC in place, banks have been able to substantially reduce their NPAs by recovering dues from defaulting borrowers. RBI's Report on Trends and Progress of Banking in India, 2021-22 indicates that as a percentage of claims, Scheduled Commercial Banks (SCBs) have been able to recover 23.8 per cent of the amount involved through IBC for FY 2021-22. In terms of the total amount recovered by SCBs, IBC has been the leading forum *vis-à-vis* other channels of recovery. Further, with the enforcement of the IBC and a more disciplined approach to credit disbursements, NPA fell to a 10 year low of 3.9 per cent in March 2023.
10. **Moreover, there is also a push towards the promotion of entrepreneurship:** Entrepreneurship drives innovation, generates employment, and pushes economic growth. However, for a vibrant entrepreneurial ecosystem, it's essential that entrepreneurs are allowed to take calculated risks without the fear of long-term repercussions in case of genuine business failures. The IBC strikes a balance between resolving insolvencies and promoting entrepreneurship. While it ensures accountability for dishonest failures, it also recognizes that not all business failures arise from fraudulent practices. This understanding removes the stigma associated with insolvency. Before the IBC, exiting a business in India was a long and cumbersome process. With IBC's clear guidelines, entrepreneurs now have an efficient exit mechanism in case their venture doesn't succeed, allowing them to move on to other projects faster. Knowing that there's a systematic way to handle business failures

might encourage entrepreneurs to take more calculated risks, which is vital for innovation and growth.

11. **Further, there is a notable elevation in India's global ranking:** The World Bank's erstwhile 'Doing Business' report was an annually published report which ranked economies in ease of doing business based on various parameters determining how conducive the regulatory environment is to start and operate a firm. One of the crucial parameters in this report is 'Resolving Insolvency,' which assesses the efficiency, timeliness, and cost-effectiveness of insolvency proceedings in different countries. A better ranking in this report is often seen as a reflection of a country's business-friendly environment and can significantly influence foreign investments and international collaborations.

Post the introduction of the IBC, India's ranking in the World Bank's 'Ease of Doing Business', particularly in the 'Resolving Insolvency' parameter, showed a significant improvement. Over a period, India's rank moved up from 136 to 52 in terms of 'resolving insolvency' parameter. In terms of the World Bank's data, the overall recovery rate for creditors jumped from 26.0 to 71.6 cents on the dollar and the time taken for resolving insolvency also came down significantly from 4.3 years to 1.6 years. India is now, by far, the best performer in South Asia on the resolving insolvency component and does better than the average for Organisation for Economic Co-operation and Development (OECD) high-income economies in terms of recovery rate, time taken and cost of a CIRP. In the Global Innovation Index, India's rank improved from 111 in 2017 to 47 in 2020 in 'Ease of Resolving Insolvency'. This highlights the global recognition of the reform's effectiveness. The World Bank is in the process of implementing a new corporate flagship, Business Ready (B-READY), to assess the business and investment environment worldwide annually, which replaces the discontinued 'Doing Business' report. It shall *inter alia* benchmark the economies on Business Insolvency parameter. It is essential that India continues to improve its insolvency systems and processes to rank high and emerge as an attractive place for investment globally.

12. **We can also perceive a boost to foreign investment made available under the present regime:** The presence of a clear and predictable insolvency framework, as provided by the IBC, instils confidence in foreign investors. They can be assured that, in the event of insolvency, there is a systematic approach in place to address it. The IBC emphasizes

transparency in the resolution process. This transparency, including the roles of resolution professionals and the rights of creditors, ensures that foreign investors are not kept in the dark and can make informed decisions. A structured insolvency resolution mechanism reduces the business risks associated with investments. Foreign investors, understanding that their rights and claims will be handled systematically, are more likely to invest in businesses in the country. India's improved ranking in the World Bank's 'Ease of Doing Business' report, especially in the 'Resolving Insolvency' parameter post-IBC, also sends a positive signal to foreign investors about the country's business environment.

13. **The Insolvency and Bankruptcy Code (IBC) is a dynamic piece of legislation, and its effective application hinges on sound judicial interpretation.** The judiciary, in its role as the guardian of the Constitution and the rule of law, has been instrumental in shaping the IBC's trajectory, ensuring its provisions align with broader constitutional principles and the interests of justice. The role of the Judiciary includes but is not limited to the following:

- **Clarifying ambiguities:** Like any comprehensive legislation, the IBC has had its share of ambiguities and areas of potential contention. The judiciary, through its judgments, has provided clarity on various provisions, ensuring that they are applied consistently and effectively. Whether it's the interpretation of terms like "dispute" or "operational creditor," or the nuances of the resolution process, judicial pronouncements have been pivotal in demystifying the IBC. An example of the constructive role played by the NCLAT in clarifying the powers of IBBI is illustrated in the case of *Sumit Bansal, Insolvency Professional Vs. Committee of Creditors of JP Engineers Pvt. Ltd. & Ors.*¹, where the NCLAT held that the IBBI is fully clothed with the jurisdiction to make 'Regulations' under section 240 of the Code regarding the payment of remuneration of RP and IRP, both by framing regulations or by issuing executive instructions till regulations are not framed, and can regulate the subject.
- **Then there is the protection of stakeholder interests:** Through various rulings, the judiciary has emphasized the balanced protection of interests of all stakeholders, be it creditors, corporate debtors, or employees. This balanced approach has fostered trust in the IBC process. An example of how the NCLAT contributes towards steering policy

¹ Comp. App. (AT) (Ins.) No. 160 of 2022

change in the interest of a disadvantaged class of contributors is illustrated in the matter of *Damodar Valley Corporation Vs. Dimension Steel and Alloys*², wherein the NCLAT expressed concerns towards nil and almost negligible payment to operational creditors generally made under the resolution plans, to both the Central Government and the IBBI. The NCLAT urged the Government and the Board to find out whether there are any grounds for considering a change in the legislative scheme towards the payment to the Operational Creditors, which also consist of Government dues and other statutory dues.

- **Another point is the upholding constitutional principles:** The IBC, while a standalone legislation, operates within the broader framework of the Indian Constitution. The judiciary has been vigilant in ensuring that the IBC's provisions and their application align with fundamental constitutional principles. Whether it's the right to equality, the protection of property rights, or the principles of natural justice, judicial interpretations have ensured that the IBC operates within the constitutional ambit.
- **Further, there is the aspect of setting precedents for future cases:** Judicial decisions on the IBC have not only addressed immediate disputes but have also set precedents for future cases. These precedents provide guidance to resolution professionals, legal practitioners, and even the judiciary itself, ensuring that future insolvency proceedings are conducted with clarity and consistency. The judiciary has, on multiple occasions, prioritized the larger objective of the IBC - ensuring a smooth and efficient insolvency resolution process - over technicalities or individual interests. For instance, in cases where there were attempts to misuse or circumvent the IBC's provisions, the judiciary intervened to uphold the Code's spirit.
- **Moreover, there is the addressing of evolving challenges:** The economic and business landscape is continuously evolving, and new challenges emerge over time. The judiciary, through its adaptive approach, has ensured that the IBC remains responsive to these challenges. Whether it's the complexities of cross-border insolvencies, the challenges

² Company Appeal (AT) (Insolvency) No. 62 of 2022

posed by technological disruptions, or the nuances of group insolvencies, judicial interpretations have kept the IBC abreast of the times.

- **Lastly, there is also the aspect of addressing complexities:** Complex corporate structures, cross-border insolvency issues, or overlapping jurisdictions with other laws were challenges that the IBC faced in its initial stages. Through jurisprudence, the judiciary has provided direction and clarity on many of these complex matters, ensuring smoother IBC proceedings.

In essence, the judiciary's role in interpreting the IBC has been transformative. Through its judgments, it has not only resolved disputes but has also shaped the IBC's evolution, ensuring that it remains a robust and effective tool for insolvency and bankruptcy resolution in India.

Having discussed the positive outcomes of the Code, I would now like to bring your attention to certain facets of the fast-evolving Insolvency Resolution Mechanism that requires further discussion and attention, these are:

A) Operational challenges and the evolution of the process of insolvency: The introduction of the Insolvency and Bankruptcy Code (IBC) in 2016 was a watershed moment in India's legal and economic history. However, as with any transformative legislation, its implementation brought forth a myriad of operational challenges. Some of these challenges are discussed below:

- **Initial surge in cases:** One of the immediate challenges post the IBC's introduction was the sudden influx of cases. This was a testament to the pent-up demand for a streamlined insolvency process. The National Company Law Tribunal (NCLT) and subsequently, the National Company Law Appellate Tribunal (NCLAT), found themselves at the forefront of this surge, tasked with handling a volume of cases that was unprecedented. This sudden increase underscored the need for robust infrastructure, efficient processes, and a well-trained cadre of professionals to manage and adjudicate these cases effectively.
- **The challenge of infrastructure and process enhancements:** The existing infrastructure, both physical and technological, was initially overwhelmed by the sheer volume of cases.

There was a pressing need to expand and modernize courtrooms, enhance technological systems for case management, and ensure efficient communication channels for all stakeholders involved. Over time, with concerted efforts, we witnessed significant improvements in these areas, making the resolution process smoother and more efficient.

- **The challenge of complexity of cases:** The multifaceted nature of many insolvency cases posed another challenge. Cases involving intricate financial structures, cross-border elements, or large conglomerates demanded a nuanced understanding of not just domestic laws but also international insolvency practices and conventions. The NCLAT, in its role as an appellate authority, often found itself navigating these complexities, ensuring that judgments were both legally sound and economically prudent.
- **The challenge of training and skill development:** The IBC's introduction also highlighted the need for continuous training and skill development. Resolution professionals, legal practitioners, and even the judiciary needed to familiarize themselves with the intricacies of the new code. Workshops, seminars, and training programs became essential to ensure that all stakeholders were well-equipped to handle IBC-related proceedings.
- **The challenge of evolution and adaptation:** Over the years, as the IBC's implementation progressed, it became evident that the -Code itself, while robust, would need periodic revisions to address emerging challenges and to plug any gaps. The NCLAT played a crucial role in highlighting areas of the IBC that required clarity or amendment, ensuring that the Code remained dynamic and responsive to the evolving landscape.

Having discussed the operational challenges, let us now move on to the next facet of the insolvency regime in India that I would like to discuss further:

- B) Role of technology in streamlining of processes:** In today's digital age, technology has become an indispensable tool in almost every facet of our lives, and the realm of insolvency and bankruptcy is no exception. The implementation and subsequent evolution of the Insolvency and Bankruptcy Code (IBC) have been significantly influenced and enhanced by technological advancements. Let us discuss two of them in more detail:

- **E-filing and documentation:** The traditional method of filing physical documents was not only cumbersome but also prone to errors and delays. The introduction of e-filing systems transformed this process. Stakeholders could now submit documents online, ensuring quicker processing and reducing the chances of misplacement or damage. This digital shift also facilitated easier access to case documents for all parties involved, promoting transparency.
- **Then there is the role of technology in virtual hearings:** The recent global challenges, especially the COVID-19 pandemic, underscored the importance of virtual platforms. Virtual hearings became an essential tool, ensuring that the wheels of justice continued to turn even in the face of unprecedented challenges. These platforms not only ensured continuity but also offered flexibility to stakeholders, reducing the need for physical presence and travel.

In essence, technology has been a force multiplier in the implementation and evolution of the IBC. It has not only streamlined processes but also introduced efficiencies and innovations that were previously unimaginable. Let us now move on to the next facet of the insolvency regime in India that I would like to discuss further:

C) Future challenges and the evolving landscape under IBC: The Insolvency and Bankruptcy Code (IBC) has undeniably transformed India's insolvency landscape. However, as with any dynamic framework, it must adapt to the ever-changing economic and legal environment. Here are some anticipated challenges and the evolving landscape:

- **We also need to consider the global economic uncertainties:** The global economy is increasingly interconnected. Events like trade wars, pandemics, or financial crises in one part of the world can have ripple effects in India. The IBC will need to be agile to address challenges arising from such global uncertainties, ensuring timely and effective resolution of insolvencies.
- **Then we need to consider technological disruptions:** Rapid technological advancements can render certain industries or business models obsolete. The IBC will need to cater to

insolvencies arising from such disruptions, ensuring that resources are reallocated efficiently.

- **There is also the issue of cross-border insolvencies:** With Indian businesses expanding globally, cross-border insolvencies will become more common. The IBC will need to align with international frameworks and conventions, ensuring seamless coordination between jurisdictions.
- **Lastly, there is the issue of group insolvencies:** Large conglomerates often have intricate corporate structures with multiple entities. Addressing group insolvencies, where multiple entities of a group are undergoing insolvency, will be a challenge. The IBC will need to evolve mechanisms to handle such cases holistically.

Having discussed future challenges and evolving landscape we can now proceed to discuss one last aspect that I believe needs thoughtful consideration, and that is:

D) Training and capacity building: The effective implementation of the Insolvency and Bankruptcy Code (IBC) requires not just a robust legal framework but also well-trained professionals who can navigate its complexities. Training and capacity building have been instrumental in ensuring that the IBC's objectives are realized in practice.

- **Another example is that of the training of Resolution Professionals (RPs):** As the drivers of the insolvency resolution process, RPs require comprehensive training. This encompasses not just the legal aspects of the IBC but also financial analysis, stakeholder management, and negotiation skills. Regular workshops, certification courses, and refresher programs ensure that RPs are equipped to handle the challenges of insolvency proceedings.
- **Then there is the training required by Judiciary:** The National Company Law Tribunal (NCLT) and the National Company Law Appellate Tribunal (NCLAT) play pivotal roles in the IBC's implementation. Continuous training programmes, seminars, and workshops ensure that the judiciary is updated on the latest developments, interpretations, and best practices related to the IBC.

- **Then there is also the training of financial institutions:** Banks and financial institutions are key stakeholders in the insolvency process. Training programs tailored for them focus on early identification of stressed assets, understanding the IBC's provisions, and effective participation in the Committee of Creditors (CoC).
- **Training is also made available to corporate stakeholders:** For corporate entities, understanding the IBC is crucial, not just for those facing insolvency but also for potential acquirers and investors. Tailored training programs help corporate stakeholders navigate the IBC landscape, ensuring informed decision-making.
- **Training is also important in the field of academia and research:** The IBC is a dynamic field, and academic research can offer valuable insights. Collaborations with universities and research institutions, coupled with specialized courses on insolvency and bankruptcy, can foster a culture of research and innovation.
- **Training is also important in international best practices:** With the increasing globalization of businesses, understanding international insolvency regimes and best practices is crucial. Exchange programs, international workshops, and collaborations with global insolvency bodies can provide valuable cross-border perspectives.
- **And lastly, there is the aspect of technology training:** As technology plays an increasingly significant role in insolvency proceedings, training on digital tools, e-filing systems, and virtual hearing platforms becomes essential. This ensures that all stakeholders are adept at using technology to streamline and enhance the insolvency process.

In conclusion, training and capacity building are not one-time initiatives but continuous endeavours. As the IBC evolves, the training needs of stakeholders will also change. A proactive approach to training, coupled with a commitment to capacity building, ensures that the IBC remains an effective tool for insolvency and bankruptcy resolution in India.

Finally, I would like to put forth some recommendations and the possible way forward. The Insolvency and Bankruptcy Code (IBC) has made significant strides since its inception.

However, like any evolving framework, there's always room for improvement. Based on the experiences so far and the challenges anticipated, here are some recommendations and a vision for the way forward:

1. Strengthening the infrastructure: The infrastructure of the NCLT and NCLAT needs further enhancement to handle the increasing caseload. This includes not just physical infrastructure but also technological tools to streamline case management, e-filing, and virtual hearings.

2. The vision of having specialized training modules: As the IBC evolves, the training needs of stakeholders will become more specialized. Tailored training modules for different stakeholders, from resolution professionals to the judiciary, can ensure that they are equipped to handle specific challenges.

3. Another recommendation is that of the development of cross-border insolvency framework: With the increasing globalization of businesses, a comprehensive cross-border insolvency framework aligned with international conventions, such as the UNCITRAL Model Law, is essential.

4. Yet another recommendation is that of the development of group insolvency mechanism: The IBC needs a clear framework to address group insolvencies, ensuring that insolvency proceedings for conglomerates with multiple entities are handled holistically.

5. Further, there is the idea of enhancing stakeholder engagement: Regular consultations with stakeholders, from financial institutions to corporate entities, can provide valuable feedback, ensuring that the IBC remains responsive to their needs.

6. And, lastly there is this recommendation of periodic legislative review: A periodic review of the IBC's provisions, perhaps once every few years, can ensure that the Code remains aligned with the changing economic and business landscape.

Lastly, I would like to wrap up this speech with this conclusion, that, the Insolvency and Bankruptcy Code (IBC) represents a paradigm shift in India's approach to insolvency and bankruptcy. From its genesis to its current application, the IBC has been a testament to India's

commitment to creating a robust, transparent, and efficient insolvency framework. Through various challenges, both operational and legal, the IBC has emerged stronger, thanks to the collective efforts of stakeholders, the guidance of the judiciary, and the vision of policymakers.

However, the journey is far from over. As we look to the future, the recommendations provided offer a roadmap for further refining the IBC. The emphasis on training, capacity building, stakeholder engagement, and periodic legislative review ensures that the IBC will continue to evolve and remain relevant in the face of changing economic and business landscapes.

In essence, the IBC is more than just a piece of legislation; it's a reflection of India's economic aspirations and its commitment to creating a business-friendly environment. As we move forward, the IBC will undoubtedly play a crucial role in shaping India's economic destiny, fostering growth, innovation, and resilience.

Thank you, Jai Hind.
