

Insolvency and Bankruptcy Board of India

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Press Release

The Insolvency and Bankruptcy Board of India organises an IP Conclave in New Delhi

The Insolvency and Bankruptcy Board of India (IBBI) organised a Conclave of Insolvency Professionals on 27th January 2025 at the India International Centre, New Delhi. The Conclave provided a platform for dialogue and collaboration among stakeholders to discuss emerging challenges and explore opportunities to strengthen the insolvency ecosystem.

2. In his welcome address, Mr. Ravi Mital, Chairperson, IBBI highlighted the positive outcomes of the Insolvency and Bankruptcy Code, 2016 (IBC), but also expressed concerns regarding the decrease in number of cases being referred under the IBC and substantial transfer of debt to Asset Reconstruction Companies (ARCs). He encouraged the participants to propose constructive solutions to enhance the resolutions under the insolvency ecosystem.

3. Dr. A. K. Mishra, Former Member, National Company Law Appellate Tribunal (NCLAT) and Chairperson, IIP ICAI and Mr. P. K. Malhotra, Former Union Secretary (Law & Justice), Government of India and Chairperson, ICSI IIP made a presentation on behalf of Insolvency Professional Agencies (IPAs) on suggestions from Insolvency Professionals (IPs) and Insolvency Professional Entities (IPEs). The presentation highlighted the superior results achieved by IBBI *vis-a-vis* other resolution mechanisms. It was noted that quicker resolutions tend to deliver better outcomes. Mr. Malhotra praised the proactive and responsive efforts of the Ministry of Corporate Affairs (MCA) and IBBI as regulators, acknowledging their commitment to implementing needed reforms. He emphasized that the success of the law depends on meeting timelines and requires the joint efforts of all stakeholders, especially the active participation of Insolvency Professionals.

4. In the next session, taken by Ms. Anubha Taneja, Director- Policy & Legal, Vedanta Ltd., the role of IBBI for the recently deliberated amendments was applauded, viewing it as a positive step toward enhancing the effectiveness of the IBC. She apprised that delays in the insolvency resolution process and the non-implementation of the clean slate principle are key concerns for resolution applicants. Another presentation was made by Mr. Tarun Batra, Director, Sapphire Media, highlighting the challenges of RAs including the complexities arising from multiple litigations across different High Courts, the frequent unavailability of books of accounts that complicates value estimation, and concerns about the effectiveness of hearings before the NCLT.

5. After the presentations, an interactive session of IPs and the dignitaries from NCLAT, MCA and IBBI was held. In this session, suggestions and concerns of the IPs were taken up for further consideration and examination.

6. Ms. Deepti Gaur Mukherjee, Secretary, Ministry of Corporate Affairs in her address highlighted the importance of professional competence in managing complex cases and commended IBBI's efforts in organizing regular workshops and conclaves. She noted that the NCLT is now operating

at full strength, with measures in place for timely filling of vacancies. She also shared data insights, mentioning that over 50% of delayed cases are in the manufacturing sector, while the real estate and rental sector shows the highest realization rates. Recognizing the pivotal role of Insolvency Professionals, she described them as key drivers of economic recovery.

7. The Chief Guest of the event, Hon'ble Justice Shri Ashok Bhushan, Chairperson, NCLAT, in his address underscored the vital role of IPs in preserving the value of corporate debtors and facilitating prudent decision-making throughout the resolution process. He commended IBBI for its significant contributions in upholding high professional standards through rigorous selection, continuous monitoring, and the provision of ongoing education for IPs.

8. The Conclave concluded with a vote of thanks from Mr. Jayanti Prasad, Whole Time Member, IBBI.


