

**PRESS RELEASE**

**Insolvency and Bankruptcy Board of India signs a Memorandum of Understanding with the Securities and Exchange Board of India**

The Insolvency and Bankruptcy Board of India (IBBI) signed a Memorandum of Understanding (MoU) today with the Securities and Exchange Board of India (SEBI). The MoU was signed by Mr. Anand Baiwar, Executive Director of the SEBI and Mr. Ritesh Kavdia, Executive Director of the IBBI at Mumbai.

2. The IBBI is established under the Insolvency and Bankruptcy Code, 2016 (Code) to promote the development of, and regulate, the working and practices of, insolvency professionals, insolvency professional agencies and information utilities and other institutions, in furtherance of the purposes of the Code. It exercises regulatory oversight over the Insolvency Professionals, Insolvency Professional Agencies and Information Utilities. It writes and enforces rules for processes, namely, corporate insolvency resolution, corporate liquidation, individual insolvency resolution and individual bankruptcy under the Code.

3. The SEBI is established under the Securities and Exchange Board of India Act, 1992 to protect the interests of investors in securities and promote the development of, and to regulate, the securities market, including debt market, and for matters connected therewith or incidental thereto. It administers the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992, the Depositories Act, 1996, and certain provisions of the Companies Act, 2013.

4. Both the IBBI and the SEBI are interested in the effective implementation of the Code and its allied rules and regulations, which have redefined the debt-equity relationship and aims to promote entrepreneurship and debt market. They have agreed under the MoU to assist and co-operate with each other for the effective implementation of the Code, subject to limitations imposed by the applicable laws.

5. The MoU provides for: (a) sharing of information between the two parties, subject to the limitations imposed by the applicable laws; (b) sharing of resources available with each other to the extent feasible and legally permissible; (c) periodic meetings to discuss matters of mutual interest, including regulatory requirements that impact each party's responsibilities, enforcement cases, research and data analysis, information technology and data sharing, or any other matter that the parties believe would be of interest to each other in fulfilling their respective statutory obligations; (d) cross-training of staff in order to enhance each party's understanding of the other's mission for effective utilisation of collective resources; (e) capacity building of insolvency professionals and financial creditors; (f) joint efforts towards enhancing the level of awareness among financial creditors about the importance and necessity of swift insolvency resolution process of various types of borrowers in distress under the provisions of the Code, etc.