

Insolvency and Bankruptcy Board of India

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Press Release

The Insolvency and Bankruptcy Board of India and the Society of Insolvency Practitioners of India organise a Roundtable on ‘Insolvency and Bankruptcy Code, 2016: Looking Ahead - Global Learning, Local Application’ on 15th - 16th March, 2019.

The Insolvency and Bankruptcy Board of India (IBBI) and the Society of Insolvency Practitioners of India (SiPI) organised a Roundtable on ‘Insolvency and Bankruptcy Code, 2016: Looking Ahead - Global Learning, Local Application’ on 15th - 16th March, 2019 in New Delhi.

2. The Roundtable brought together the key stakeholders, including representatives from the Government, regulators, academics, credit institutions, investment funds, industry, asset reconstruction companies as well as insolvency professionals and legal practitioners, from India and overseas. They tracked developments in the insolvency landscape over the last two years and deliberated the challenges faced by them to identify opportunities and think about the road ahead, keeping in view the global developments and best practices.

3. In his key note address, Mr. Sanjeev Sanyal, Principal Economic Adviser, Ministry of Finance emphasised the need for creative destruction, which is envisaged in the Insolvency and Bankruptcy Code, 2016 (Code), to accelerate economic growth. He believed that implementation of the Code will promote entrepreneurship and credit market. He shared his thoughts on building institutions, including judicial reforms and contract enforcement, and making it easy for firms to do business.

4. In his address, Dr. M. S. Sahoo, Chairperson, IBBI stated that the law is getting refined and clarified by the legislature, the executive and the judiciary and its objectives are getting crystallised. He stated that the law envisages rescuing a viable firm and closing an unviable one. If the stakeholders decide to liquidate a viable firm because of market imperfections or otherwise, the law enables them to rectify the decision by resorting to section 12A of the Code (withdrawal) section 230 of the Companies Act, 2013 (compromise or arrangement) or regulation 32 (e) and (f) of the Liquidation Regulations (Sale of firm as going concern).

5. In his address, Hon’ble Mr. Justice Arjan K. Sikri, Former Judge, Supreme Court of India appreciated the commendable progress made in implementation of the Code. He explained the rationale of emerging jurisprudence and also the changes made in the Code since its enactment. He called for capacity building at all levels and building institutions for effective implementation of the Code, particularly provision of adequate infrastructure with the Adjudicating Authority.

6. In his address, Hon’ble Mr. Justice S. J. Mukhopadhyay, Chairperson, National Company Law Appellate Tribunal explained the nature of timelines under the Code. He stated that the Code does not provide for liquidation; it is the outcome only when attempts to resolve insolvency of a firm fails. He clarified that the Committee of Creditors is supreme as regards commercial decision is concerned. However, the Adjudicating Authority must look at the process and also balance the interests of various stakeholders. He made certain suggestions, including case management and time management, for expediting disposal by the Adjudicating

Authority while admitting a firm into corporate insolvency resolution process or approving a resolution plan.

7. The Roundtable featured presentations and discussions on seven themes, namely, Insolvency of Group Companies: Way Forward in India; Prepacks: A Blueprint for India; Liquidating Companies - Experience in India and UK; Insolvency Case Management; Insolvency of Individuals - The Way Forward; Regulating the Insolvency Professionals - Role of Intermediaries; and Decision making by Committees of Creditors.

8. Dr. Paul J. Omar, Professor, De Montfort University; Mr. Ranesh Ramanathan, Partner, Kirkland Ellis, USA; Mr. Rob Caven, Partner, Grant Thornton, UK; Professor C. Scott Pryor, Campbell University; Mr. Terry Kan, Partner, Shinewing Specialist Advisory Services, Hong Kong; and Mr. Michael Murray, Murray Law Offices, Australia shared the latest global developments and best practices on various themes of the Roundtable.

9. Dr. Navrang Saini, Whole-Time Member, IBBI; Dr. Shubhashis Gangopadhyay, Founder and Director, India Development Foundation; Mr. L. Viswanathan, Partner, Cyril Amarchand Mangaldas; Mr. Shuva Mandal, Group General Counsel, Tata Sons Limited; Mr. Anurag Das, CEO, International Asset Reconstruction Company; Mr. Rohit Santani, Senior Vice President, Avenue Asia Advisors Group; Mr. Ashwin Bishnoi, Partner, Khaitan & Co.; Mr. Abizer Diwanji, Head, Financial Services, Restructuring & Turnaround Services, EY; Mr. Savan Godiavala, Partner, Deloitte; Dr. Mamta Suri, Executive Director, IBBI; Mr. Sumant Batra, President, SiPI; Ms. Bhargavi Zaveri, Indira Gandhi Institute of Development Research; Mr. Gyaneshwar Kumar Singh, Joint Secretary, Ministry of Corporate Affairs; Dr. Renuka Sane, Professor, National Institute of Public Finance and Policy; Mr. K. R. Saji Kumar, Executive Director, IBBI; Mr. Sunil Pant, CEO, IIIPI of ICAI; Mr. Ritesh Kavdia, Executive Director, IBBI; Ms. Shreya Prakash, Research Fellow, Vidhi Centre for Legal Policy; Ms. Anshula Kant, Managing Director, State Bank of India; Mr. R. K. Bansal, Managing Director & CEO, Edelweiss Asset Reconstruction Company; Mr. Sapan Gupta, Partner, Shardul Amarchand Mangaldas; Mr. Piyush Mishra, Partner, AZB & Partners; Dr. Neeti Shikha, Head, Centre for Insolvency and Bankruptcy, Indian Institute of Corporate Affairs; Mr. Pratik Datta, National Institute of Public Finance and Policy; Dr. Mukulita Vijayawargiya, Whole-Time Member, IBBI and other policy makers, researchers, and professionals shared their thoughts at the Roundtable.

10. The Roundtable witnessed the launch of the book “Pre-pack insolvency resolutions: the way forward”, a joint publication of SiPI and EY.