

MINISTRY OF CORPORATE AFFAIRS

Dated: 16.04.2019

Notice

Ministry of Corporate Affairs invites comments from stakeholders on the Insolvency Resolution of Group Companies, Prepackaged Insolvency Resolution and any other issue relating to the Insolvency and Bankruptcy Code, 2016 (Code) and the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 (AA Rules).

The Government has reconstituted Insolvency Law Committee as a Standing Committee under the Chairmanship of Secretary, MCA vide order dated 06.03.2019 to analyze the functioning and implementation of the Code, identifying issues impacting the efficiency of the insolvency resolution and liquidation framework for corporates, individuals and partnership firms prescribed under the Code and make suitable recommendations to address such issues.

2. Suggestions/comments are invited from the stakeholders along with brief justification through the online facility made available on MCA website/IBBI website up to 7th May, 2019.

3. For providing comments, please follow the process as under:

- I. Visit MCA website www.mca.gov.in and select the notice inviting comments from 'News & Important Updates' and click on the Link (https://ibbi.gov.in/webfront/public_comment.php) given in document; or
Visit IBBI website www.ibbi.gov.in and Select 'Public Comments' and Select 'Comments on the Code/AA Rules';
- II. Provide your Name, Email ID;
- III. Select the stakeholder category, namely-
 - a) Corporate Debtor;
 - b) Creditor to a Corporate Debtor;
 - c) Insolvency Professional;
 - d) Insolvency Professional Agency;
 - e) Insolvency Professional Entity;
 - f) Industry Association;

- g) Lawyer/Law firms;
- h) Academics;
- i) Investors; or
- j) Others.

IV. Select next dropdown which contains 'General' or 'Specific'.

VI-A General

- (i) In General, you may or may not select a part of the Code or AA Rule, depending upon nature of your comments.
- (ii) Then select any of following points and write comment in comment box next to it:
 - (a) Suggestions for implementation of Prepackaged Insolvency Resolution
 - (b) Suggestions for handling Insolvency Resolution of Group Companies
 - (c) Inconsistencies, if any, between the provisions of the Code/AA Rules
 - (d) Inconsistencies, if any, with the provisions of any other Acts
 - (e) Any difficulty in implementation of any provision of the Code/AA rules
 - (f) Any provision that should have provided in the Code/ AA Rules, but not provided
 - (g) Any provision that has been provided in the Code/ AA Rules, but should not have been provided
- (iii) Write comments under the 'Write Comment' option.

VI-B Specific

- (i) Select the Part of the Code/ AA Rules, on which you wish to make comments upon, from the dropdown menu as under:
 - (a) IBC Part I
 - (b) IBC Part II
 - (c) IBC Part III
 - (d) IBC Part IV
 - (e) IBC Part V
 - (f) IBC Schedule
 - (g) AA Rules

- (ii) Then, please select the section number and then sub-section number, and write comments under the 'Write Comment' option.

V. One can make comments on more than one section, by clicking on more comments and repeating the process outlined above from point VI onwards.

VI. Click 'submit', if you have no more comments to make.

4. Illustration

I. If you are a creditor to a corporate debtor and wish to make a specific comment on section 43(1) of the Insolvency and Bankruptcy Code, 2016 relating to preferential transactions, then the steps that you need to follow are:

- i. Visit MCA website www.mca.gov.in and select the notice inviting comments from 'News & Important Updates' and click on the Link (https://ibbi.gov.in/webfront/public_comment.php) given in document; or Visit IBBI website www.ibbi.gov.in and Select 'Public Comments' and Select 'Comments on the Code/AA Rules';
- ii. Provide your Name and Email ID;
- iii. Select the stakeholder category, which in this case is 'Creditor to a Corporate Debtor';
- iv. Select "Specific" in select kind of comment.
- v. Select IBC Part II;
- vi. Then select the section/sub-section number, which in this case is 'section 43' and 'sub-section (1)';
- vii. Write comment in the box 'comments';
- viii. If you wish to make comment on any other section, repeat the process from point '4 (I) (v)' onwards by clicking the icon 'More Comments';
- ix. Click 'Submit', after you have made all comments.

II. If you are a creditor to a corporate debtor and wish to make comment on 'Insolvency Resolution of Group Companies', then the steps that you need to follow are:

- i. Visit MCA website www.mca.gov.in and select the notice inviting comments from 'News & Important Updates' and click on the Link (https://ibbi.gov.in/webfront/public_comment.php) given in document; or

Visit IBBI website www.ibbi.gov.in and Select '**Public Comments**' and Select '**Comments on the Code/AA Rules**';

- ii. Provide your Name and Email ID;
- iii. Select the stakeholder category, which in this case is 'Creditor to a Corporate Debtor'
- iv. Select the 'Select Comment Option' which contain Specific and General. Out of them please select 'General'. In General, then in next menu please select 'Group Insolvency'
- v. Write comment in the box 'Comments';
- vi. If you wish to make comment on any other section, repeat the process from point '4(II)(v)' onwards by clicking the icon 'More Comments';
- vii. Click 'Submit', after you have made all comments.

III. If one wants to make comments for 'Prepackaged Insolvency Resolution', then the steps that you need to follow are -

- i. Visit MCA website www.mca.gov.in and select the notice inviting comments from '**News & Important Updates**' and click on the **Link (https://ibbi.gov.in/webfront/public_comment.php)** given in document; or Visit IBBI website www.ibbi.gov.in and Select '**Public Comments**' and Select '**Comments on the Code/AA Rules**';
- ii. Provide your Name and Email ID;
- iii. Select the stakeholder category, which in this case is 'Creditor to a Corporate Debtor'
- iv. Select the 'Select Comment Option' which contain Specific and General. Out of them please select 'General'. In General, then in next menu please select 'Suggestions for implementation of prepackaged insolvency resolution'.
- v. Write comment in the box 'Comments';
- vi. If you wish to make comment on any other section, repeat the process from point '4(III)(v)' onwards by clicking the icon 'More Comments';
- vii. Click 'Submit', after you have made all comments.
