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NOTICE

Invitation of comments from the public on changes being considered to the Insolvency and Bankruptcy Code, 2016

Background

An efficient insolvency resolution framework is key to economic stability and growth. In 2016, India took a landmark step in this direction with the enactment of a robust, modern, and sophisticated insolvency framework, the Insolvency and Bankruptcy Code, 2016 ("**IBC**" or "**Code**"). The IBC is the nation's first comprehensive law to address the insolvency of corporate persons and individuals. The provisions of the Code were brought into force for the insolvency resolution and liquidation of corporate persons in December 2016. In December 2019, provisions for insolvency resolution and liquidation for individual insolvency were brought into force concerning personal guarantors ("**PG**") to corporate persons. In addition, a separate customised framework was also notified under the Code for the financial service providers in November 2019. Further, in April 2021, a separate framework for pre-packaged insolvency resolution for micro small and medium enterprises ("**MSMEs**") was introduced.

In November-December, 2021, the Ministry of Corporate Affairs invited public comments on issues related to the corporate insolvency resolution and liquidation frameworks, and the introduction of a cross-border insolvency framework. Since receipt of public comments in response to such invitation, further changes are being considered to bolster the frameworks under the Code.

Changes under consideration

To strengthen the functioning of the IBC, changes to the Code are being considered in relation to the admission of corporate insolvency resolution process (**"CIRP"**) applications, streamlining the insolvency resolution process, recasting the liquidation process, and the role of service providers under the Code.

USE OF TECHNOLOGY IN THE IBC ECOSYSTEM

1.1. The institutions forming pillars of the Code, including the Ministry of Corporate Affairs, the Adjudicating Authority ("**AA**"), the Insolvency and Bankruptcy Board of India ("**IBBI**"), information utilities ("**IUs**") and service providers, operate on separate technological platforms. However, there are challenges posed by the fragmented nature of this approach. It is expected that streamlining their interactions would lead to better transparency, minimisation of delays, and facilitate more effective decision-making. Thus, there is a strong case for developing a state-of-the-art electronic platform,

which can handle several processes under the Code with minimum human interface. **It is being considered that this e-platform may provide for a case management system**, **automated processes to file applications with the AAs, delivery of notices, enabling interaction of IPs with stakeholders, storage of records of CDs undergoing the process, and incentivising participation of other market players in the IBC ecosystem. It may also allow regulators and the AAs to exercise better oversight over their respective domains of functioning through the consolidated information available on the e-platform**.

ADMISSION OF CIRP APPLICATIONS

2. *Increasing reliance on the record submitted with the Information Utilities during the Admission Process*

2.1. The Code adopts an objective criterion, the *default test*, for admitting an application to initiate the CIRP concerning a corporate debtor (**"CD"**). The AA is only required to be satisfied whether the CD has not paid a debt when it became due and payable. If the procedural prerequisites are met, the AA must admit the application on being satisfied about the occurrence of a default. In practice, substantial time is spent in determining if a default has occurred, mainly due to the time taken to produce evidence, contesting arguments of the necessary parties on the occurrence of a default, or existence of a dispute (in case of an application by an operational creditor ("**OC**")), and requests for consideration of extraneous factors. The time spent in these activities can be reduced if only the relevant material is placed before the AA, and it is only required to determine the occurrence of a default, or the existence of a genuine dispute related to it.

2.2. Therefore, **it is being considered that before making an application to initiate the CIRP, the relevant information regarding the occurrence of a default or dispute may be ascertained at the IUs by the financial creditors ("FCs"), OCs and CDs.** When applying under sections 7 and 9, the evidence stored with the IUs will be required to be produced before the AA, which can be relied on for speedy default verification and swift initiation of the CIRP. The additional preparatory time, which is otherwise spent before the AA may be better covered at the level of IUs, ensuring a quicker admission process, and saving the AA's judicial time. To effectuate this proposal, the following changes are being considered to the provisions of the Code:

a) Section 215 (2) of the Code makes it mandatory for the FCs to submit financial information to the IUs. In the event of a default, the record can be presented to the AA to determine that the default has in fact taken place. While submission of such information is a mandatory requirement for the FCs under section 215 (2), it is only a directory requirement for the OCs. **It is being considered that section 215 may be amended to provide that where an OC intends to apply to the AA to initiate the CIRP against a CD, she shall also be required to file the relevant financial information with the IUs in advance.** Unlike the FCs, this

mandatory requirement will only be applicable where the OCs intend to make an application for initiating the CIRP.

b) Once the financial information is submitted to the IUs under section 215, there is no requirement for the CD or the debtor to respond to such information. Section 214 (e) only creates an obligation for the IUs to get the information authenticated by all concerned parties before storing such information. To effectuate the proposal described above, it is essential to ensure the validity of the financial information submitted to the IUs and that the CD's views supplement it. Therefore, the CD should be required to respond to the financial information submitted before the IUs and either authenticate it or decline to do so. Consequently, **it is being considered that section 215 be amended to provide a reasonable opportunity to the CD or the debtor to respond to the financial information submitted concerning them. To prevent recalcitrant debtors from causing delays at this stage, the financial information will be considered authenticated if the CD or the debtor does not respond within a stipulated period.**

c) Presently, sections 7 and 9 provide that in addition to the record of default available with the IUs, other evidence can also be furnished to establish that a default has occurred. Once the changes being considered above are implemented, the financial information relating to a default from the FCs and OCs will be accumulated by the IUs, and also be verified by the CD before anyone applies to initiate the CIRP. Accordingly, the AA can rely on the record of default available with the IUs to be satisfied about the occurrence of a default, and an evaluation of any other evidence will not be required. Therefore, **it is being considered that the Code may be amended to provide that while considering an application filed under sections 7 and 9, the AA will only rely on the record of the default available with the IUs to determine if a default has taken place.** Further, to strengthen the sanctity of the record of the default available with the IUs, **it is also being considered that such a record will be conclusive proof about the occurrence of a default.** However, there may be circumstances where the record is not available with the IU. **In such limited cases, the AA, on genuine reasons to be shown, may consider other evidence.**

3. ***Mandatory to admit an application filed under section 7 where occurrence of a default is established***

3.1. Section 7 of the Code provides for an application by a financial creditor for the commencement of the CIRP in respect of a CD. Under sub-section (5) of section 7, where the AA is satisfied that the CD has committed a default and other procedural requirements are fulfilled, it is required to admit the application and initiate the CIRP. The scope of the AA's power in this regard is limited to the determination of default, and the provision does not require the AA to consider other factors or circumstances regarding the inability of the CD to repay its debts. The legislative intent, in this regard, was also clarified in the

Notes on Clauses to Clause 7 of the Insolvency and Bankruptcy Code Bill, 2015, when the law was originally introduced in the Parliament.

3.2. The Supreme Court, in *Vidarbha Industries Power Limited v. Axis Bank Limited,* (Civil Appeal No. 4633 of 2021), has interpreted the use of 'may' in section 7(5) to indicate that the AA has the discretion to admit or reject despite existence of a default. Consequently, it is observed that the AAs delve into detailed factors relating to the solvency and financial health of the corporate debtor, which is not required as per the original intent of the law. This has resulted in confusion in the market regarding the scope of AA's discretion at the admission stage. To alleviate any doubts in this regard, **it is proposed that section 7 may be amended to clarify that while considering an application for initiation of the CIRP by the financial creditors, the AA is only required to be satisfied about the occurrence of a default and fulfilment of procedural requirements for this specific purpose (and nothing more). Where a default is established, it is mandatory for the AA to admit the application and initiate the CIRP.**

3.3. Further, the timeline of 14 days provided in section 7 has also been interpreted to apply only for ascertainment of default in this case. However, it is also intended to apply to the AA's decision to admit or reject the application under section 7(5). **Accordingly, it is proposed that a suitable amendment may be made to clarify the applicability of the timeline to that provision as well.**

4. *Restricting the right of the promoters to propose an interim resolution professional*

4.1. Under section 10 of the Code, a CD is empowered to apply to initiate the CIRP voluntarily on occurrence of a default. Along with the application for initiating CIRP, the CD can propose an insolvency professional (**"IP"**) to be appointed as an interim resolution professional ("**IRP**"). As per section 16 (2), the proposed IP is appointed as an IRP after admission of the case. It is felt that since the IRP is required to hold the trust and confidence of the Committee of Creditors ("**CoC**") upon commencement of the CIRP, it often becomes incongruous for a person being considered by the CD to be appointed as an IRP. She is responsible for accumulating relevant information from the CD and scrutinising its affairs to trace avoidable transactions or transactions amounting to wrongful or fraudulent trading. Thus, it may be appropriate to appoint an independent person as the IRP to prevent misuse of this provision. **It is being considered that section 10 may be amended to delete the right of the CD to propose an IRP. In such instances, the IRP should be appointed by the AA on the recommendation of the IBBI.**

5. *Empowering the AA to impose penalties for violations of the Code*

5.1. Section 235A of the Code provides the punishments to be imposed for contravention of the provisions of the Code or rules or regulations framed thereunder, for which no penalty or punishment is specifically provided under the Code. The punishment under this provision is administered by the Special Court, established under Chapter XXVIII of the

Companies Act, 2013, through criminal proceedings. In furtherance of the Central Government's policy to decriminalise offences in business law statutes wherever feasible, it is felt that section 235A should be converted into a civil penalty. Therefore, **it is being considered that section 235A may be amended to empower the AA to impose penalties where any person fails to comply with the provisions of the Code or any rules or regulations made thereunder, where such compliance was required. The proceedings in relation to this may be initiated on an application made by the IBBI or any other person authorised by it in this regard**. Since AAs, the National Company Law Tribunal ("**NCLT**") or the Debt Recovery Tribunal, oversee the conduct of the different processes under the Code, as the case may be, they may be better equipped to determine penalties if any contravention is found. For instance, if the promoter of a CD does not cooperate with the resolution professional ("**RP"**) or a liquidator, then such conduct may be proceeded against under this provision for the levy of penalties on such promoter.

5.2. Further, it is observed that several proceedings are maliciously instituted before the AA to delay the conduct of processes. Proceedings are also initiated with no reasonable prospect of success or based on insufficient evidence submitted without any purpose to determine the actual issue. These proceedings take up a substantial time of the AA, which can be utilised for other matters, resulting in draining of resources for the concerned parties and causing delays in the conduct of insolvency resolution processes under the Code. Therefore, it is being considered that the Code should have a mechanism to discourage the initiation of such proceedings. Section 65 of the Code provides a penalty against fraudulent or malicious initiation of admission proceedings. However, no penalty is imposed on other proceedings filed before the AA. Hence, **it is being considered that the AA should also be empowered to impose a penalty where it believes that such a person has filed frivolous or vexatious applications**.

5.3. Additionally, it is felt appropriate that considering the collective nature of proceedings undertaken under the Code and the interdependence of interests of different stakeholders, the quantum of the penalty that can be imposed for the contraventions mentioned above should be linked to the loss caused to any person or the unlawful gain made by the concerned person responsible for such contravention. Therefore, **the minimum penalty that the AA may impose for the contraventions mentioned above should not be less than one lakh rupees per day, which may extend to three times the loss caused or unlawful gain, whichever is higher**. Since the precise type of contravention is not identified under the kind of wrongs discussed above, linking the penalty to the loss caused or unlawful gain made will ensure that the consequence of the contravention determines the extent of penalty that the AA may impose. Pursuant to this, the AA may determine an appropriate penalty within the given range based on the gravity of the contravention.

5.4. To ensure that the promoters of the corporate debtors comply with their obligations under the Code and to deter them from committing repeated or substantial contraventions, **it is being considered that section 29A of the Code may be amended to empower the AA**

to bar such a promoter from being a resolution applicant and submitting a resolution plan in the CIRP of any CD. The AA, while exercising this power, shall be required to consider the conduct of the promoter in the relevant CIRP and the gravity of the contraventions committed.

STREAMLINING THE INSOLVENCY RESOLUTION PROCESS

6. *Rethinking the Fast-Track Corporate Insolvency Resolution Process*

6.1. It is being considered that the Fast-Track Corporate Insolvency Resolution Process (**"FIRP"**) may be redesigned to provide an opportunity for the FCs to drive the insolvency resolution process for a CD outside of the judicial process while retaining some involvement of the AA to improve the legal certainty of the final outcome. It is suggested that the proposed framework may be of particular use in cases where the FCs have taken direct or indirect control over the CD, allowing them to initiate the process with ease. Accordingly, **it is being considered that the provisions dealing with FIRP may be amended to provide that unrelated FCs of a CD may select and approve a resolution plan through an informal out-of-court process and involve the AA only for its final approval (or a moratorium, if needed). Insolvency resolution through this procedure will be available for CDs with such asset size as notified by the Central Government.** Further, the resolution plan approved through this procedure will have the same sanctity as a regular plan approved during the CIRP. To prevent abuse of the process, the following **checks and balances can be included**: -

a) **The application for approval of the resolution plan under this process will be made after obtaining the approval of sixty-six per cent of the FCs not being related parties of the CD**. This is identical to the voting threshold required for approving a resolution plan during the CIRP.

b) **The FCs shall be responsible for overseeing the conduct of the process before an application is filed, and they will be required to appoint an IP to facilitate this**. Further, IBBI will specify a detailed procedure to be complied with before making an application, ensuring that the out-of-court process retains the core elements of the CIRP. For instance, at the pre-filing stage, she will be required to invite and collate claims against the CD through a public announcement, issue an invitation calling for resolution plans, and ensure that the resolution applicant complies with section 29A.

c) The resolution plan submitted to the AA under this process shall comply with all the mandatory requirements and safeguards stipulated for the resolution plan approved during the CIRP. Further, **before admitting an application for approval of such plans, the AA must be satisfied that all the procedural pre-conditions (to be laid down in the Code and regulations) are fulfilled and that the plan complies with all the mandatory requirements**.

d) To protect and preserve the assets of the CD during the pendency of this process and to avoid any recovery actions or syphoning off of assets, **the applicant shall have the option to approach the AA to seek a moratorium (with the approval of a requisite majority of unrelated FCs)**. The scope of the moratorium shall be similar to the one provided during the CIRP under section 14 (1).

7. *Expanding the applicability of the Pre-packaged Insolvency Resolution framework*

7.1. Pre-Packaged Insolvency Resolution Process ("**PPIRP**") was introduced during the Covid-19 pandemic to provide an efficient alternative insolvency resolution process for corporate persons classified as MSMEs. It seeks to provide quicker, cost-effective, and value-maximising outcomes for all the stakeholders in a manner that is least disruptive to the continuity of their business and helps in preserving jobs. After the PPIRP framework was implemented, public consultations and stakeholder comments on its functioning indicated that the framework should be expanded to apply to a broader range of CDs as observed for similar frameworks in other jurisdictions. Accordingly, **it is being considered that section 54A be amended to provide that the framework shall apply to prescribed categories of CDs in addition to the MSMEs.**

7.2. Further, **it is being considered that the following modifications and relaxations be made to the procedures stipulated under Chapter IIIA of Part II of the Code**: -

a) The PPIRP framework may involve a diverse range of FCs who will be required to approve its initiation at the pre-commencement stage by confirming the proposed RP under section 54A (2) (e). Thus, **to facilitate quicker and more efficient decision-making at this stage, the sixty-six per cent threshold for unrelated FCs may be lowered to fifty-one per cent.** Similarly, under section 54A (3), the sixty-six per cent threshold for unrelated FCs may be replaced by **an enabling provision for the IBBI to specify the appropriate threshold, not being less than fifty-one per cent of the unrelated FCs, for approving the filing of an application.**

b) In practice, it is observed that the MSME CDs face challenges in furnishing a declaration regarding avoidance transactions or improper trading under section 54C (3) (c). Such transactions or trading may not be easy to identify as it is often not the nature of the transaction or trading but the zone of insolvency, which renders transactions or trading suspect. Further, in the case of larger companies too, this may be a cumbersome requirement. Such a requirement should not discourage *bona fide* CDs from utilising the PPIRP for insolvency resolution. **Accordingly, it is being considered to omit clause (c) of sub-section (3) of section 54C.** The possibility of abuse of this relaxation is mitigated by the CoC's power to terminate the PPIRP or direct the initiation of separate proceedings where it is made aware of such transactions or trading. Notably, during the CIRP, where an application is filed by the CD, such declaration is not required to be furnished before and after the commencement of the process.

c) Further, *bona fide* CDs attempting to resolve insolvency through this process should not be concerned about the possibility of a change of management pursuant to section 54J or conversion to CIRP or liquidation under sections 54O or 54N (4). Stakeholders' feedback also highlights similar concerns. **Hence, it is being considered that these provisions may be omitted.** Since the CoC has the discretion to terminate the PPIRP at any stage if it believes that the continuation of PPIRP is not viable or the management is involved in any fraudulent activities, this discretion should serve as a sufficient safeguard against abuse of the process.

8. *Improving outcomes in real estate cases*

8.1. It is observed that insolvency resolution of CDs that are promoters of the real estate projects have posed a major challenge due to the peculiarities of this sector. Though the law has clarified the status of the allottees in a real estate project as FCs and made them a core part of the CoC, at times, their divergent interests do not align with the scheme of the CIRP. For instance, unlike other FCs, allottees prefer ownership and possession of the plot, apartment, or building rather than repayment of their advances with suitable haircuts or commencement of the liquidation process. Thus, there is an inherent tension between the interests of other FCs (like banks) who would accept repayments, even with haircuts, or agree to liquidate the CD, and the interests of allottees.

8.2. Further, to protect the interests of allottees, several judicial experiments have been conducted to adapt CIRPs to the nature of the real estate sector, such as 'reverse CIRP' and 'project-wise resolution'. In practice, it is observed that there are situations where because of the default in one project, the CIRP is initiated against the entire company. This is counterproductive as other solvent projects are also stalled post-commencement. It is also noted that in real estate cases, the default often pertains to specific projects (while other projects continue to do well). Thus, it is felt that the Code should provide a specialised framework to deal with cases involving CDs that are promoters of real estate projects.

8.3. Therefore, it is being considered that **when an application is filed to initiate the CIRP in respect of a CD who is the promoter of a real estate project, and the default pertains to one or more of its real estate projects; the AA, at its discretion, shall admit the case but apply the CIRP provisions only with respect to such real estate projects, which have defaulted. Accordingly, such projects shall be recognised as distinct from the larger entity for the limited purpose of resolution.** This will serve a dual purpose. First, the stressed projects, which caused the CD's insolvency, can be resolved separately. The debtor can continue to focus on other projects where it has not defaulted. Second, a suitably tailored resolution can be achieved based on the status of the real estate project and the objectives of the relevant stakeholders, which will primarily include the allottees of that project.

8.4. While exercising its discretion pursuant to this framework, the AA will consider the concerns of all stakeholders and the extent of defaults made by the CD and determine

whether a particular case requires a comprehensive insolvency resolution against the entire CD or only a specific project or projects. **The provisions of the Code as they apply to the CIRP of a corporate person shall, with necessary modifications, be made applicable to the CIRP of such real estate projects**.

8.5. Further, it is observed that allottees may, during a CIRP or a project specific resolution process as being considered herein, request ownership and possession of a completed unit of the real estate project, which cannot be permitted during the moratorium under the Code. To benefit such allottees, **it is being considered that section 28 of the Code may be amended to enable the RP to transfer the ownership and possession of a plot, apartment or building to the allottees with the consent of the CoC.**

9. *Reimagining the consideration of the resolution plan and the manner of distribution of the proceeds from the same during the CIRP*

a) Approval of multiple resolution plans in respect of the same CD

9.1. During the CIRP, only one resolution plan can be approved by the CoC. Such a plan must provide for insolvency resolution of the CD as a *going concern* and may include provisions for its corporate restructuring. The CoC cannot approve two or more resolution plans, either providing for the sale of the assets of the CD or its insolvency resolution as a going concern. Finding one resolution applicant willing to take over the CD in its entirety is difficult at times. Consequently, the CD gets pushed to liquidation, and there is substantial erosion in the value of its assets during the liquidation process. The current provisions do not envisage the invitation of separate resolution plans for separate assets of the CD as part of its insolvency resolution. Accordingly, to ensure value maximisation, there is a case for empowering the CoC to invite separate plans for separate parts of the CD in appropriate cases (for instance, separate plans for viable and unviable parts).

9.2. **Therefore, it is being considered that the Code may be amended to enable that the CoC may approve that individual or collective assets of the CD may be resolved in one or more resolution plans.** However, it may be clarified that **at least one of the plans ought to provide for insolvency resolution of the CD as a going concern, which may include provisions for its corporate restructuring and other mandatory requirements such as management of affairs of the CD after approval by the AA**.

9.3. **As and when the CoC approves and finalises a resolution plan in respect of the assets of the CD or for insolvency resolution of the CD as a going concern, that resolution plan shall be submitted to the AA for approval. Upon approval of such a resolution plan by the AA, it shall be implemented pending approval of other plans in the CIRP, if any. Once the CoC and the AA have approved and finalised resolution plans for all the assets of the CD and insolvency resolution of the CD as a going concern, the CIRP will be terminated.**

b) Separation of resolution plans and the distribution of proceeds

9.4. While approving a resolution plan under section 31 of the Code, the AA must confirm whether the CoC approved the resolution plan with the requisite majority and whether the mandatory requirements under section 30(2) are fulfilled. If these requirements are not fulfilled, the AA is required to reject the resolution plan. Section 30(2) provides for two types of requirements: the manner of distribution and the minimum entitlement for the OCs and dissenting FCs, and other implementation-related requirements. It is observed that several objections regarding the distribution of proceeds are raised when the resolution plan is pending approval before the AA. Since this requirement is a pre-condition for a plan's approval, the process cannot move forward, or the successful resolution applicant ("**SRA**") cannot take over the CD's management unless these disputes are settled. As a result, a substantial amount of time is wasted in these proceedings, which results in value deterioration. The time lag often makes the negotiation between the CoC and the SRAs infructuous.

9.5. Therefore, **it is being considered that the Code may be amended to segregate the concept of the resolution plan from the manner of distribution of proceeds received from the SRA(s)**. The resolution plan approved by the CoC will be required to comply with implementation-related requirements. It will contain provisions related to the inflow of funds to the CD or any other measures required for reorganising the corporate debtor. A scheme of distribution will be separately prepared (in accordance with the manner suggested in para 9.6) to distribute the funds offered under the resolution plans. **Whenever finalised and approved by the CoC, the resolution plan(s) or the scheme of distribution, as the case may be, shall be placed before the AA for its approval**. Further, as and when the AA receives the resolution plan(s) or the scheme of distribution, as the case may be, it shall confirm whether they comply with the respective mandatory requirements and approve or reject them accordingly.

9.6. Further, it is felt that during the CIRP, many disputes are raised in relation to the distribution of proceeds, and there are concerns regarding inequitable distributions amongst the creditors. To alleviate these concerns, an objective formula may be devised to distribute proceeds during the CIRP, which shall be fair and equitable towards all creditors. Therefore, it is proposed **that the Code may be amended to statutorily provide an equitable scheme of distribution of proceeds received pursuant to a resolution plan(s) through a separate waterfall mechanism in the CIRP. As per this scheme, creditors will receive proceeds up to the CD's liquidation value for their claims in the order of priority provided in section 53. Any surplus over such liquidation value will be rateably distributed between all creditors in the ratio of their unsatisfied claims. Finally, any remaining amount or further surplus would be distributed to the shareholders and partners of the corporate debtor, as the case may be. It is expected that this will make the distribution process fairer and more equitable for all the stakeholders.**

c) Mandating the use of a challenge mechanism

9.7. It is observed that several stakeholders challenge resolution plans after its approval. This leads to delays in implementation of the plan and causes judicial delays. Further, such litigation can be value destructive for the corporate debtor, and disincentivise prospective resolution applicants from submitting resolution plans in the first place. **To mitigate such delays and value destruction, it is being considered that the CoC may be mandated to transparently consider competing plans through an appropriately designed challenge mechanism.**

d) Monitoring the implementation of the plan

9.8. To ensure a smooth implementation of the plan, it is felt that the Code may require the constitution of a monitoring committee to oversee the implementation of the resolution plan after approval by the AA. This mechanism may prove helpful in providing information about the status of the implementation of resolution plans and introducing a mechanism for fixing accountability in this regard. **It is being considered that section 30 may be amended to provide that the CoC may provide for constitution of a monitoring committee for monitoring and supervising the implementation of the resolution plan(s) after its approval by the AA.**

e) AA to provide an opportunity to cure the defects in the resolution plan

9.9. When a resolution plan approved by the CoC is submitted to the AA, there may be instances where it contains certain curable defects, which the CoC can cure. **It is being considered that section 31 may be amended to clarify that the AA can send the resolution plan back to the CoC for curing such defects.**

10. *Reinstating CIRP*

10.1. The liquidation process under the Code commences after the CIRP, and the CD is dissolved after its assets are completely liquidated. The liquidator may carry on the CD's business during the liquidation process if she considers it necessary for its beneficial liquidation. In some limited situations, due to the change in market conditions, it may be possible for the CD to be resolved while the liquidator is running the CD's business. Therefore, **it is being considered that the Code may enable reinstatement of the CIRP during the liquidation process, where the liquidator continues to carry on the CD's business, and it is possible to revive the CD as determined by the CoC (see para 25.1).**

10.2. Further, under the current regime, the liquidation process under the Code may also be commenced if the resolution plan does not get implemented as per its terms or gets rejected under section 33 (1) (b) due to the non-compliance of mandatory pre-conditions for approval of the resolution plan. However, even in those cases, there might be situations where the CD still has the potential to be revived in the CIRP if the CoC finds merit in such a proposal. Thus, **where an approved resolution plan is not implemented**

or a plan gets rejected under section 33 (1) (b), and the CoC believes that the CIRP may be reinstated, it may be empowered to apply to the AA for such reinstatement.

10.3. In the above situations, **it will be at the discretion of the AA to either reinstate the CIRP or pass a liquidation order for the CD, or continue with the liquidation process, as the case may be.**

11. ***Intermingling the assets of the CD and its guarantors***

11.1. Under the Code, the resolution process of a CD is restricted to the assets of that CD. However, in several cases, assets of the CD and its guarantor (corporate or personal) are so closely or inseparably linked that the meaningful resolution of the CD is not viable in a separate proceeding. For instance, while a building, plant, or machinery may belong to the CD, the land on which it is situated may belong to a guarantor. In such cases, restricting the resolution process of the CD to its assets results in inefficient outcomes. **Therefore, it is being considered that a mechanism should be provided under the Code to include such assets of the guarantor in the general pool of assets available for the CIRP for efficient resolution of the CD.**

11.2. Further, in several cases, it is observed that secured FCs like banks are often common to the CD and one or more of its guarantors. In such cases, it is seen that the security interest created in favour of the bank on the underlying assets of the guarantor is closely linked with the assets of the CD, causing similar problems in legal proceedings as outlined in the previous paragraph. Under the SARFAESI Act, 2002, secured creditors have the right to take possession of the secured asset of such guarantor and sell them through a public auction. Considering this scheme under the SARFAESI Act, 2002, **it is being considered that the Code may be amended to provide that in a case where the secured creditor has taken possession of a secured asset of the guarantors of the CD (security interest over which was created to secure the repayment of the CD's debt) under the SARFAESI Act, 2002, that is linked to the CD's assets, she may have the option to sell such assets through a special window created under the CIRP process.** However, the amendment will ensure that the rights of the guarantors as applicable to such sales as enshrined under the SARFAESI Act, 2002, in respect of such secured assets shall be protected under the Code.

12. ***Resolving inter-dependent entities***

12.1. Inter-linkages, especially those owing to related party transactions, may be prevalent in corporate groups. There are situations where a company is linked to one or more companies in terms of operations and finances, all of which may be in financial distress. It is suggested that where separate CIRPs are concurrently ongoing in respect of multiple CDs, which may belong to the same corporate group, the costs of extricating inter-linkages between them may increase with duplication of effort by stakeholders across each CIRP. In some cases, the cost of disentangling the inter-linkages may be high. At the same time, such inter-linkages might be beneficial for value maximisation and continuing all the concerned companies as going concerns after completing their

respective CIRPs. Therefore, dealing with these companies in a consolidated manner is likely to have significant benefits in terms of improved synergies, cost efficiency and value maximisation for the creditors of the entire group.

12.2. Presently, the Code is silent on conducting the CIRPs of related parties in a consolidated manner. However, in some cases, the AAs have consolidated the CIRP proceedings of related CDs to maximise the benefits outlined above. In such cases, CIRPs of the CDs are being conducted concurrently by a single RP. This ensures a higher possibility of revival, improved procedural coordination and better value realisation. **Thus, it is being considered that there may be a common AA and IP for the CD and its related parties in such cases.** For this purpose, the 'related party' to the company shall be limited to a body corporate, which is a holding, subsidiary or an associate company of the CD, or a subsidiary of a holding company to which the CD is a subsidiary as referred to in section 5 (24) (i) of the Code. Similarly, the 'related party' for a limited liability partnership will be as referred in section 5 (24) (c). Further, **the CoCs of two or more CDs may apply to the AA seeking cooperation and coordination of the CIRPs concerning the CDs.** Where AA passes an order in this respect, the CIRPs of the two CDs shall be conducted by the procedure specified by the IBBI, which shall provide details related to the cooperation and coordination.

12.3. It is also being considered that the Code may be amended to provide a detailed framework for the domestic group insolvency procedure. In this regard, the Report of the Cross Border Insolvency Rules/Regulations Committee-II (**"CBIRC-II"**) under the chairpersonship of Dr KP Krishnan may be referred. https://www.mca.gov.in/content/mca/global/en/data-and-reports/reports/other-reports/miscellaneous.html

13. ***Improving recoveries for operational creditors in liquidation***

13.1. There have been several judicial opinions in favour of granting equitable distribution to OCs under the processes of the Code. The recoveries made by OCs under liquidation are seemingly inadequate, even compared to unsecured FCs. Thus, to improve their position in the priorities for distribution under a plan or in liquidation, **it is being considered that all unsecured creditors (FCs, OCs and any government or authority) other than the workmen and employees shall be treated equally for distribution under section 53**. The order of priority for the secured creditors, workmen and employees shall be retained as stipulated under section 53.

14. ***Clarity in the treatment of security interests created by statutes***

14.1. Section 3 (30) defines a 'secured creditor' as a creditor in favour of whom security interest is created. In *State Tax Officer v. Rainbow Papers Limited* (Civil Appeal No. 1661 of 2020), the Supreme Court interpreted the definition of 'secured creditor' to hold that any government or governmental authority shall be a secured creditor as the charge created by a statutory law can be considered as a 'security interest'. The definition of 'security interest' under the Code means that a right, title or interest or a claim to

property, created in favour of, or provided for a secured creditor by a transaction, which secures payment of performance of an obligation. It is intended to be restricted to 'transactions', which means that the security interest should be created pursuant to an agreement on the part of the asset holder while giving rights to the other party. Further, 'transaction', as defined under section 3 (33), includes an agreement or arrangement in writing to transfer assets, funds, goods, or services from or to the CD. Thus, it is clear that the concept of security interest was intended to cover a consensual transaction between parties (and not any similar interest created through mere operation of a statute).

14.2. Thus, **it is being considered that all debts owed to Central Government and the State Government, irrespective of whether they are secured creditors pursuant to a security interest created by a mere operation of statute, shall be treated equally with other unsecured creditors (see para 13.1). Further, it will be clarified that only where the security interest is created pursuant to a transaction of the Central Government or a State Government with CD, the Government in question will continue to be treated as a secured creditor in the order of priority.**

15. ***Disclosure of valuation estimate of assets in the IM***

15.1. Presently, the information memorandum shared with the resolution applicants for preparing the resolution plan does not contain a valuation estimate of the assets. It is observed that providing such an estimate to all the resolution applicants will make the procedure more transparent and may help in obtaining better resolution plans from the market. Thus, **it is being considered to amend section 29 to provide that the information memorandum shall contain an estimation of the valuation of the corporate debtor's assets**.

16. ***Certain categories of OCs to honour the agreement with the CD for the remaining useful life of the agreement***

16.1. Presently, the moratorium under section 14 ensures that all services, licences, permits, registrations, quotas, concessions, clearances, or similar grants or rights given by any authority shall not be suspended or terminated on the grounds of insolvency, subject to the condition that there is no default in payment of dues arising during the moratorium period. After the approval of the resolution plan, since the CD continues as a going concern, such grants or rights should not be terminated as long as the resolved CD complies with the terms of the arrangement. However, in certain cases, SRAs have faced difficulties where certain OCs do not comply with subsisting agreements with the CD claiming extinguishment of their liability on account of insolvency after the plan is approved. In anticipation of the hindrance caused by such difficulties in the operationalisation of the resolution plan, resolution applicants submit resolution plans of lower value.

16.2. **Therefore, it is being considered that under section 31 an explanation may be provided to make it abundantly clear that after approval of the resolution plan, unless the CD fails to fulfil any obligations arising from any arrangement with**

respect to such grants or rights, the Central Government, State Government, local authority, or any statutory authority with whom such an arrangement subsists, shall continue to honour the arrangement during its term.

17. ***Protection of a resolution applicant post implementation of the resolution plan concerning civil liabilities***

17.1. After approval of a resolution plan by the AA, it is binding on all stakeholders and pursuant to the 'clean-slate' principle laid down by the Supreme Court, all claims, unless otherwise provided for in the resolution plan, stand extinguished. Therefore, once the AA approves a resolution plan, any proceedings regarding such claims should be terminated. In practice, it is observed that authorities either continue proceedings concerning the claims covered by the resolution plan or initiate fresh proceedings for past claims. Therefore, **it is being considered that the Code may be amended to clarify that post-approval of the resolution plan, no proceedings may be commenced or be continued by any government or authority regarding the claims arising before the commencement of the CIRP, unless otherwise provided for in the resolution plan, and such claims shall stand extinguished**. Since the resolution plan only concerns the CD, such a clarification is not intended to extinguish any liabilities of CD's promoters.

18. ***Clarity on the computation of voting share and treatment of abstention***

18.1. Section 5 (28) of the Code provides that *'voting share'* means the share of the voting rights of a single FC in the CoC, which is based on the proportion of the financial debt owed to such FC concerning the entire *'financial debt owed by the corporate debtor'*. It is felt that this definition might be interpreted as contradictory as the share of financial debt held by related parties of the CD (who are otherwise excluded from voting) is also included in computing the voting share in the denominator. **Thus, it is being considered that section 5 (28) may be amended to clarify that 'voting share' will be computed as the financial debt owed to the concerned FC in relation to the financial debt owed to only the members of the CoC who are eligible to vote as per section 21.**

18.2. Further, a need to address abstention from voting was felt for the smooth conduct of the process. For instance, in cases where one or two members of the CoC, having a significant voting share, abstain from voting on key decisions, it unnecessarily prevents the process from progressing. **It is being considered that the voting threshold for major decisions should be revised to two-thirds of the CoC members *present and voting in a meeting*. However, when such decisions are undertaken, it should be ensured that the voting share of the members of the CoC who approve the decision should constitute at least fifty-one per cent or more of the total voting share of the CoC.**

19. ***Incentivising interim finance providers***

19.1. Interim finance is a crucial aspect of the CIRP, which is often used to cover the costs involved in running the process and may also be used to support the CD's operations.

Creditors providing interim finance during the CIRP are given priority as it forms a part of the CIRP costs. However, the interim finance provider has no right to participate in the CoC meetings to oversee the conduct of the CIRP and remains largely unaware. Therefore, **it is being considered that to incentivise the interim finance providers, they may be allowed to participate in the meetings of the CoC as non-voting members to keep themselves informed about the proceedings under the Code.**

20. ***Appointment of Administrator by the Central Government***

20.1. Section 241 (2) of the Companies Act, 2013 empowers the Central Government to apply to the NCLT for appropriate relief against 'oppression and mismanagement' if it believes that the affairs of the company are being conducted in a manner prejudicial to the public interest. In practice, it is observed that such a mechanism might be well-suited for certain CDs requiring a quick and guided resolution under the Code. Accordingly, **it is being considered to insert an enabling provision in the Code for the Central Government or any other authority as may be prescribed or authorised in this behalf, to propose the appointment of an 'Administrator' in specific CIRP cases involving public interest for performing all the duties of an IP, IRP, RP, or liquidator, as the case may be. Under this proposal, the processes will be conducted as per the Code's provisions for regular cases, except that the CoC will not have the power to remove or replace such an Administrator (and such power shall only vest with the Central Government or any other authority as may be prescribed or authorised in this behalf).**

21. ***Power to exempt a class or classes of corporate persons from provisions of this Code***

21.1. It is observed that certain sectors, such as the real estate sector, as discussed above, witness several insolvencies involving myriad stakeholders and high-value companies with substantial public interest. Such sectors may require customised resolution frameworks to address the peculiarities of the market and all stakeholders' concerns comprehensively. It is felt that there is a need to design customised insolvency frameworks for certain classes of companies where the market conditions and nature of the stakeholders warrant it. By way of an example, section 462 of the Companies Act, 2013 empowers the Central Government to exempt a class or classes of companies from the applicability of the provisions of the Act or apply its provisions with certain exceptions, modifications, and adaptations. In this regard, it further provides that a copy of every notification of such exemption shall be laid in draft before each House of Parliament while it is in session for a total period of thirty days. Such notifications shall be issued only in such modified form as may be agreed upon by both Houses. **It is being considered that a provision similar to section 462 of Companies Act, 2013 may be inserted in the Code to exempt a class or certain classes of debtors from the applicability of the provisions of the Act or apply its provisions with certain exceptions, modifications and adaptations as may be specified in the notification, subject to procedural safeguards provided therein.**

22. *Individual insolvency related proposals*

22.1. Part III of the Code provides for individual and partnership firms' insolvency resolution and bankruptcy. In 2018, the Code was amended to bifurcate the individuals into the following categories: PGs to CDs; partnership firms and proprietorship firms; and other individuals to implement the provisions in a phased manner. The Central Government notified the provisions related to the insolvency resolution and bankruptcy process of PGs to corporate persons in November 2019. The Supreme Court, in the matter of *Lalit Kumar Jain v Union of India* Transferred (Case (Civil) No. 245/2020), observed that PGs are a separate class of individuals owing to their proximity with the CDs and the complex nature of cases.

22.2. As of September 2022, 1465 applications have been filed to initiate the individual insolvency resolution process ("**IIRP**") of PGs to CDs. Of these cases, 143 have been filed by the PGs and 1322 by creditors under sections 94 and 95. Since the notification of these provisions, stakeholders have provided feedback regarding certain issues relating to implementing these provisions in respect of PGs. Therefore, a need is felt to reconsider certain provisions of Part III to improve the conduct of IIRP cases of PGs. The following changes are being considered to the Code:

a) The interim moratorium under section 96 provides that upon the filing of an application, all legal actions or proceedings pending in respect of the concerned debt shall remain stayed, and creditors shall not initiate any legal action or proceeding in respect of such debt. The NCLT has, on occasion, expressed concerns regarding the misuse of initiation of the IIRP by PGs to take advantage of the interim moratorium. To remove any perverse incentives to initiate IIRP, it is **being considered that section 96 may be amended to be made inapplicable to PGs.** Further, **it is being considered that section 97 may be amended to provide that for better coordination between the IIRP of a PG and the CIRP of a CD to whom the PG has extended a personal guarantee, who are concurrently undergoing insolvency resolution, a common RP may be appointed.**

b) Presently, in an IIRP, the RP recommends the calling of the meeting of the creditors, if necessary. Where the meeting of creditors is not required to be summoned, the RP states the reasons for not calling it. While the provision was intended to provide speedy resolution of matters in low-value cases, it is felt that the meeting of the creditors should be necessary in the case of PGs as such cases are complex in comparison to other cases of individual insolvencies. **It is being considered that section 106 may be amended to provide that the meeting of creditors is compulsory for cases involving PGs to CDs.**

c) The Code does not contemplate any consequence for non-submission of a repayment plan by an insolvent individual during the IIRP under Chapter III of

Part III. Section 105 mandates the PG to submit a repayment plan consisting of a proposal to the creditors for restructuring his debt or affairs. However, there may be a situation where the repayment plan is not submitted. At present, there is no provision for recourse if the repayment plan is not filed. **It is being considered that section 106 may be amended to provide that where the debtor does not submit the repayment plan in the stipulated period, the RP will submit a report intimating the AA of such non-submission and AA shall terminate the insolvency resolution process. Thereafter, sections 106 and 121 may provide that where such a report is filed, the creditors may be granted the right to file for bankruptcy of the debtor.**

d) There is no provision to address fraudulent transactions by insolvent individuals under Part III. However, it does address undervalued transactions, preference transactions, and extortionate credit transactions. **It is being considered that a new provision may be inserted in the Code to address fraudulent transactions by insolvent individuals in a manner consistent with similar provisions applicable to the CIRP**.

e) It is observed that once the IIRP of a PG is initiated, the moratorium affects the adjudication of avoidance applications filed against the PG in the CIRP of a CD. **It is being considered that sections 101 and 124 may be amended to provide that avoidance action proceedings pursuant to any CIRP may be exempted from the moratorium granted under the IIRP of a PG to a CD.**

RECASTING THE LIQUIDATION PROCESS

23. *Direct Dissolution of the CD*

23.1. As per the scheme of the Code (among other grounds), if the CIRP in respect of a CD fails, the liquidation process is commenced. After the assets of the CD are liquidated, the AA passes an order for its dissolution on an application by the liquidator in this regard. Presently, the liquidation process is required to be conducted even if the CD has no meaningful or recoverable assets. Running an entire liquidation process in such a situation becomes cumbersome and is not cost-effective. In practice, it is observed that the AA passes an order for direct dissolution of the CD in several cases when faced with such circumstances.

23.2. Recognising this efficiency-led practice, **it is being considered that the Code may be amended to enable the CoC to request the AA to dissolve the CD if it believes that conducting the liquidation process in such circumstances may not be feasible or beneficial for the stakeholders**. **Thus, where the CoC requests that the CD should be dissolved without undergoing a liquidation process, the AA should allow the dissolution of the CD in such cases where it thinks it is just and reasonable to do so**. Notably, during the winding up process pursuant to the Companies Act 2013, the NCLT has the discretion to pass an order that the company be dissolved if it believes it is *'just and reasonable in the circumstances of the case'*.

24. ***Eliminating duplication of activities between the CIRP and the Liquidation Process***

24.1. Where the CIRP fails, the liquidation process is automatically triggered. Generally, there is no break between the end of the CIRP and the commencement of the liquidation process. However, several activities are required to be performed afresh during the liquidation process. For instance, claims against the CD are received and collated during the CIRP. Under the regulations, the IRP or RP is required to verify and determine the claims. Where aggrieved, a creditor can apply to the AA for appropriate relief. Despite this detailed process, the liquidator is again required to invite and verify the claims during the liquidation process. Similarly, during the CIRP, the RP inquiries into the affairs of the CD and must file applications for avoidable transactions. Post-commencement of the liquidation process, a similar requirement is also present for the liquidator to investigate the financial affairs of the CD to determine similar transactions.

24.2. In practice, it is observed that the duplication of these activities causes unnecessary delays in the liquidation process. Since these activities already occur during a well-regulated process that precedes the commencement of the liquidation, it may not be necessary to repeat them. Doing away with such duplications may make the overall process more efficient.

24.3. Therefore, **it is being considered that the Code may be amended to omit sections 38 to 42 and the requirement to invite fresh claims under section 35 (1) (j).** Also, **the duty to verify claims under section 35 (1) (a) shall be substituted by the responsibility to maintain a list of creditors during the liquidation process.** The IBBI shall be empowered to specify the detailed procedure for this. Similarly, **it is being considered that the positive obligation on the liquidator to investigate the financial affairs of the CD to trace any avoidable proceedings be substituted with a new provision to empower the liquidator to continue such proceedings if initiated during the CIRP while also having the power to initiate fresh proceedings as and when she comes across such transactions during the conduct of the liquidation process**.

25. ***Role of the creditors during the liquidation process***

25.1. The liquidation process' swiftness and efficiency depends on the liquidator. The Code does not envisage any supervisory role of creditors during the liquidation process. It only recognises a limited requirement to conduct a non-binding consultation with the stakeholders, and that too only at the discretion of the liquidator. However, like CIRP, the liquidation process requires commercial judgement regarding several aspects. To ensure that such aspects of commercial nature benefit from the commercial wisdom of the creditors of the CD and to ensure that the liquidator's activities are monitored more effectively, **it is being considered that the CoC should supervise and support the liquidator's functioning.** It will take commercial decisions and oversee the conduct of the process. Further, the liquidation process involves the rights of all creditors to receive a share in accordance with section 53. Thus, the composition of the CoC for the liquidation process should be modified to include a more broad-based representation of

creditors in the manner specified by the IBBI. Further, **it is also being considered that the CoC in liquidation may take all decisions by a simple majority of fifty-one per cent or more of the voting share.**

26. ***Replacement of the liquidator***

26.1. As per section 34 of the Code, the RP appointed during the CIRP automatically continues as a liquidator during the liquidation process except where a change is recommended by IBBI or if the RP fails to perform its duties related to the examination of the resolution plan. Unlike CIRP, there is no provision to replace liquidators, even if the circumstances warrant, during the liquidation process.

26.2. Thus, **it is being considered that the Code may be amended to enable the CoC to seek replacement of the RP conducting the CIRP from becoming the liquidator by a vote of at least sixty-six per cent of voting shares.** Also, since it is now being considered that the CoC will supervise the liquidation process, **the Code should be amended to empower it to replace the liquidator at any time during the process by a vote of not less than sixty-six per cent of voting shares**.

27. ***Stay on the continuation of proceedings during the liquidation process***

27.1. Section 33 (5) of the Code bars the institution of suits or legal proceedings by or against the CD without the leave of the AA during the liquidation process. However, it does not bar the continuation of any pending suit or legal proceeding once the moratorium imposed during the CIRP is terminated. After that, these proceedings are resumed on commencement of the liquidation process and hinder the liquidator's ability to conduct the liquidation process. **It is being considered that section 33 (5) be amended to prohibit the continuation of the suit or other legal proceedings during the liquidation process, apart from proceedings under section 52. The leave of the AA should also be required for continuing any suit or other legal proceeding by or against a CD undergoing liquidation.**

27.2. Further, to expedite the completion of the liquidation process, it is felt that any pending suit or legal proceeding, concerning a claim against the CD, shall not affect the dissolution of the CD and **such CD may be dissolved under section 54 despite the pendency of any such proceeding against the CD**. However, the liquidator shall, before such dissolution, make appropriate arrangements for pursuing the suit or proceeding against the CD and, where an order is made against the CD, the distribution of proceeds from the sale of the liquidation assets shall be in such manner as may be specified. Similarly, the **passing of the dissolution order shall not affect the continuation of avoidance proceedings, and the CoC shall determine how to pursue and distribute the proceeds from such proceedings.**

28. ***Realisation of security interest by the Secured Creditor***

28.1. Under section 52 of the Code, secured creditors may, during liquidation, choose to recover their dues either by realising their security interest outside of the liquidation

proceedings or by relinquishing their security interest to the liquidation estate. In practice, it is observed that despite a timeline being specified in the regulations, the secured creditors do not inform the liquidator about their decision to relinquish or realise their security interests. As a result, the liquidator waits for a secured creditor's decision for an extended period and cannot determine how the assets should be sold. Further, the liquidator may not have sufficient clarity on the total claims to be processed and considered as part of the liquidation process.

28.2. Thus, **it is being considered that the Code may restrict the secured creditor's right to either realise the security interest or relinquish it within a stipulated period.** Also, it may be clarified that **where secured creditors do not convey their decision to the liquidator within this period, they shall be deemed to have relinquished the security interest**.

29. ***Exercise of the right to relinquish or realise secured asset where more than one secured creditor holds a pari passu charge***

29.1. In instances where multiple secured creditors have a *pari passu* charge over an asset of the CD, some creditors may decide not to relinquish the security interest, while the remaining secured creditors may favour such relinquishment. In such cases, the liquidator will not be able to proceed with the sale of encumbered assets.

29.2. Thus, **it is being considered that the Code may be amended to provide a presumption that all assets owned by the CD shall form part of the liquidation estate unless all secured creditors holding *pari passu* charge over the secured assets of the CD declare to realise their security interest outside the liquidation process. A similar approach may be followed in case of secured assets in which the creditors have an *inter-se* hierarchy of charges**.

ROLE OF SERVICE PROVIDERS AND OTHER STAKEHOLDERS

30. ***Improving the regulation of service providers***

30.1. **To improve the regulatory process regarding service providers,** the following changes to the law are being considered:

a) Considering the importance of the valuation services rendered under the IBC ecosystem, **it is being considered that, similar to the regulatory regime for IPs under the Code, IBBI may be empowered to register and regulate a special class of valuers for rendering all valuation-related services during the processes envisaged under the Code**. Further, in this regard, the IBBI will have the power to investigate their conduct and initiate disciplinary proceedings for contraventions of the Code and the regulations made thereunder, similar to its powers in relation to IPs.

b) Under the Code, IBBI cannot issue a show cause notice (**"SCN"**) without conducting an inspection or investigation. However, it has been observed that in

certain instances, there may be sufficient evidence available on record to issue an SCN without requiring an inspection or investigation by IBBI. Therefore, it is being considered that **section 219 of the Code may be amended to enable IBBI to issue an SCN without inspection or investigation if sufficient material is available on record.**

COMMENTS SOUGHT

Public comments are hereby invited on these changes being considered.

Suggestion/comments, if any, along with brief justification may be submitted online therein at the below mentioned **weblink latest by 5:30 PM on 07.02.2023.**

https://ibbi.gov.in/webfront/discussion_paper/invitation_public/

Stakeholders may please note that comments should not be sent separately through e-mail or hard copy and should be sent only through the weblink created for the purpose.

(Rajan Jain)
Deputy Secretary