



# भारतीय दिवाला और शोधन अक्षमता-बोर्ड Insolvency and Bankruptcy Board of India

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**5<sup>th</sup> March 2020**

Dear Insolvency Professional,

**Subject: Insolvency Professionals' Conclave**

The Insolvency and Bankruptcy Code, 2016 (Code) constitutes a key economic reform. It was enacted on 28<sup>th</sup> May, 2016. The provisions in the Code relating to corporate insolvency came into force on 1st December, 2016. The entire regulatory framework and the ecosystem relating to corporate insolvency are in place. Debtors and creditors alike are undertaking corporate insolvency resolution processes. Further, Central Government, on 15<sup>th</sup> November 2019 notified the provisions of the Code relating to Personal Guarantors to Corporate Debtors as well as the Rules to provide a generic framework for insolvency and liquidation proceedings of systemically important Financial Service Providers (FSPs) other than banks.

2. The Code provides for processes for resolution of insolvency, wherever possible, and closure of firms, wherever required. Through these processes, it addresses firm failures by (i) reducing the possibility of failure; (ii) rehabilitating failing, but viable firms; and (iii) releasing resources from failed, but unviable firms to other uses. It enables the optimum utilisation of resources, all the time, by (a) preventing use of resources below the optimum potential; (b) ensuring efficient resource use within the firm through resolution of insolvency; and (c) releasing unutilised or under-utilised resources for efficient uses through closure of the firm. It improves availability of credit by (i) preventing default; (ii) recovering default from future earnings of the firm, post-resolution; and (iii) recovering default from sale of liquidation assets. It liberates resources stuck up in inefficient and defunct firms for continuous recycling and changes the journey from 'Hopeless End' to 'Endless Hope'.

3. A key pillar of the institutional infrastructure for implementation of the Code is a class of regulated persons, namely, insolvency professionals. An insolvency professional has key responsibilities envisaged under the Code viz. (a) a fresh start process; (b) individual insolvency resolution process; (c) corporate insolvency resolution process; (d) individual bankruptcy process; (e) corporate liquidation process and (f) voluntary liquidation process. For example, as provided in section 23 of the Code, an insolvency professional conducts the entire corporate insolvency resolution process and manages the operations of the corporate debtor during the corporate insolvency resolution process. Under section 30(2) of the Code, he examines each resolution plan to confirm that it does not contravene any provision of any law. He is the hub that connects all the spokes, co-ordinating and communicating with all the stakeholders and facilitating commercial decision with equity. In fact, the profession of insolvency professionals is a key institution of the insolvency and bankruptcy regime.

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4. Institutions do matter. A key differentiator among nations is the quality of its institutions. The success of the insolvency and bankruptcy regime hinges to a large extent on the quality of the institution of insolvency professionals. The quality of this profession in terms of capability and ethics depends on institutional environment and institutional arrangement that incentivises the insolvency professionals to perform while holding them accountable for their performance. While the profession is new, there has been considerable learning over the last few years. Clarity about mutual expectations of the insolvency professionals and the society (represented by other stakeholders) has emerged. As a continuing trend, let us hear the expectations of a few well-wishers of the profession keeping in mind the developments that have taken place so far.

5. In this background, organisation of IP Conclave by the Insolvency and Bankruptcy Board of India (IBBI) has become key feature. First IP Conclave was held in New Delhi on 10<sup>th</sup> February, 2018 followed by another IP Conclave in Mumbai on 26<sup>th</sup> May 2018 and thereafter in Hyderabad on 1<sup>st</sup> December 2018. Encouraged by huge response and enthusiasm at these IP Conclaves, IBBI has scheduled 4<sup>th</sup> IP Conclave on **Monday, the 16<sup>th</sup> March 2020 in Mumbai at ICAI Tower, WIRC, Plot No. C-40, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051.** The well-wishers namely **Shri Rajnish Kumar, Chairman, State Bank of India, Shri U K Sinha, Former Chairman, Securities and Exchange Board of India, Shri Anil Agarwal, Executive Chairman, Vedanta Resources Ltd, Dr. M. S. Sahoo, Chairperson, IBBI, and Shri Sudhaker Shukla, Whole Time Member, IBBI,** will address the insolvency professionals at the Conclave. It will conclude with lunch.

6. This Conclave is being organised in association with the three Insolvency Professional Agencies, namely, IPA of ICAI (Cost) (being a lead partner for the Conclave), ICSI IIP, and IIIP of ICAI. Since, the capacity of the venue is limited, participation will be limited on '*first come, first served*' basis, without any registration fees. In case you are interested to attend the IP Conclave, **kindly confirm your participation at [assistant.director@ipaicmai.in](mailto:assistant.director@ipaicmai.in) by 11<sup>th</sup> March, 2020. For further clarifications, please contact Ms. Suparna Chowdhary, Assistant Director, IPA of ICAI (Cost) at +91-9836669010.** Please carry your identity card issued by your IPA or any other identity card to facilitate your entry to the venue of the Conclave.

7. Kindly note that the insolvency professionals participating in the Conclave will be entitled to CPE credit hours as per Insolvency and Bankruptcy Board of India (Continuing Professional Education for Insolvency Professionals) Guidelines, 2019.

8. The Programme schedule along with venue details is enclosed.

Yours sincerely,



(Pawan K. Kumar)



## SCHEDULE

### Insolvency Professionals' Conclave

Venue for the event:

ICAI Tower  
WIRC, Plot No. C-40, G Block  
Bandra Kurla Complex, Bandra (East)  
Mumbai 400 051

On

Monday, 16<sup>th</sup> March 2020

Time	Thought Leaders
09.00 am – 9.30 am	Registration
09.30 am –10.30 am	<p><i>“Building the Institution of Insolvency Professionals”</i></p> <p><b>Shri Sudhaker Shukla</b> Whole Time Member</p> <p><b>Dr. M. S. Sahoo</b> Chairperson Insolvency and Bankruptcy Board of India</p>
10:30 am - 11:30 am	<p><i>“IP from the Perspective of Financial Creditor”</i></p> <p><b>Shri Rajnish Kumar</b> Chairman State Bank of India</p>
11:30 am-12:00 noon	Tea Break
12:00 noon – 01:15 pm	<p><i>“IP from the Perspective of Resolution Applicant”</i></p> <p><b>Shri U K Sinha</b> Former Chairman Securities and Exchange Board of India</p> <p><b>Shri Anil Agarwal</b> Executive Chairman Vedanta Resources Ltd</p>
01.15 pm - 1.30 pm	Questions and Answers
01.30 pm - 1.35 pm	<i>Vote of Thanks</i>
01.35 pm	Lunch