

National Conference on Insolvency and Bankruptcy :Changing Paradigm Creditors and Debtors perspective –Striking the balance

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“The Insolvency and bankruptcy code has been implemented since a few months ,this has changed and debtor and creditor relationship ” said Shri Arun Jaitley, Minister for Finance and Corporate Affairs while delivering the inaugural address at the National Conference on Insolvency and Bankruptcy :Changing Paradigm in Mumbai today .He said “A legislation is a skeletal structure ,the flesh and blood is provided by judicial Interpretation .The new legislation should see that effective functioning of a company does not come to a standstill .Debtors will have to make sure that debts are serviced .For endless years we lived in a system that protected debtors and allowed assets to rust.” The Minister stated that the banking, finance and corporate sectors have given major support for this branch of the law .This conference was organised by the Ministry of Corporate Affairs ,Government of India; Insolvency and Bankruptcy Board of India and the National Foundation for Corporate Governance .

At the National Conference Shri Arun Jaitley inaugurated the website of the National Foundation for Corporate Governance .The NFCG is bestowed with the responsibility of shaping the insolvency regime as the adjudicating forum under the code .Cases admitted till now ,which include some larger cases of default ,have helped in evolving certain jurisprudence and present a unique learning experience for insolvency professionals and certain stakeholders .

The Chairman Securities and Exchange Board of India Shri Ajay Tyagi said in his address that the Insolvency and Bankruptcy code is an important piece of legislation in recent times with clearly defined roles for professionals and quasi judicial bodies .He emphasised that SEBI is fully committed to act with other regulators in implementation of this code .

Governor Reserve Bank of India Shri Urjit Patel said during the inaugural session that the enactment of the Insolvency and Bankruptcy code in 2016 is a watershed towards improving the credit culture in the country. He elaborated that the Insolvency and Bankruptcy code in essence provides for a single window time bound process for resolution of an asset with emphasis on promotion of entrepreneurship, maximization of assets and balances the interest of all stakeholders .

