



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

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“The Union Minister of Finance, Defence and Corporate Affairs, Shri Arun Jaitley said that since the Insolvency and Bankruptcy code has been implemented a few months back, this has changed the debtor and creditor relationship. Shri Jaitley was 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 Finance Minister further said that the banking, finance and corporate sectors have given major support for this branch of the law .This National Conference was jointly organised by the Ministry of Corporate Affairs, Government of India; Insolvency and Bankruptcy Board of India (IBBI) and the National Foundation for Corporate Governance(NFCG) .

At the National Conference, the Finance Minister Shri Arun Jaitley also inaugurated the website of the National Foundation for Corporate Governance(NGCG) .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 .

Earlier in his address, the Chairman, Securities and Exchange Board of India (SEBI), Shri Ajay Tyagi said 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 .

In his address, Governor, Reserve Bank of India (RBI), Dr Urjit Patel said 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.

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