



Report on  
**CONFERENCE ON 'INSOLVENCY AND BANKRUPTCY CODE – RERA AND BTA'**  
24<sup>th</sup> June 2017 (Saturday) at Hotel Hilton, Guindy, Chennai

FICCI Tamil Nadu State Council organized the Conference on Insolvency and Bankruptcy Code – RERA and BTA at Chennai on 24<sup>th</sup> June 2017 wherein more than 150 senior representatives from various sectors such as Banking, Financial Services and Insurance (BFSI), Taxation, Auditors, Exports & Imports, Manufacturing, IT & ITES companies participated. **Karur Vysya Bank** and **SAPR, Chennai** sponsored the conference.

**Dr. M. S. Sahoo**, Chairperson, Insolvency and Bankruptcy Board of India, New Delhi in his inaugural address said "Every one of the stakeholders to the Insolvency & Bankruptcy Code is on the learning curve and those learnings are yet to get codified. Once a few successful transactions are completed, the learnings will get better and the process can be speeded up".

He said the World Economic Forum brings out year after year a document called the Competitiveness Index. The most important component of this Index is the ability of the economy to foster innovation and competition. Economies which score well on these two indexes lead the pack with a per capita GNP of US \$ 17,000/= while the economies which score low on these two indices lag behind with a per capita GNP of US\$ 2,000/-. Thus it is clear that efficient economies thrive while the inefficient ones drag. Like the efficient firms drive inefficient firms from the market. Competition and innovation give us growth. We cannot demand growth without competition and innovation or risking failure. We cannot wish away failure, we need to learn to deal with failure. Genghis Khan had a habit of hanging people who became bankrupt for the third time. We have moved away significantly from this. Today, we recognize that failures can and are the pillars of success. Today, we have Thomas Alva Edison who failed scores of times before he perfected the electric lamp. He recounts that he had discovered scores of ways in which the electric lamp will not function at all. Today, the Insolvency and Bankruptcy Code allows us to move from failure to success from US \$ 2000 to US \$ 17000".

**Mr. CA. M. Razzack**, President, Hindustan Chamber of Commerce recounted that businesses often failed for competitive reasons and for unscrupulous people, for other reasons. He said "For organizations seeking liquidation, the expenses for maintaining the office of the Official Liquidator is often enough to ensure that nothing is left for any of the creditors. Under the earlier rule, genuine people were denied an honourable exit. The present code seeks to correct this phenomenon".

**Mr. Vikram Vijayaraghavan**, Convener - Finance, Banking, Insurance & Taxation, FICCI - TNSC & Partner, Subbaraya Aiyar, Padmanabhan & Ramamani, Advocates stated that the Insolvency & Bankruptcy Code is an important legislation seeking to put an end to a plethora of legislations, procedures and processes which ended up in courts and also consumed enormous amount of time. The present code seeks to address this issue in a comprehensive and time-bound manner. In 2015, the World Bank had done a study to determine the average resolution of insolvencies in countries around the world. In UK, this was around a year and in the USA, it was around a year and a half. In India, this was about 4 years and a half to 5 years. The key position is moving away from a debtor in possession to a committee of creditors concept. This is a very important change and a paradigm shift

**Mr Ar Rm Arun**, Chairman, Tamil Nadu State Council welcomed the gathering and **Mr P Murari**, IAS (Retd.), Advisor to FICCI President and Former Secretary to President of India provided concluding remarks. Mr Ruban Hobday, Head, FICCI Tamil Nadu State Council delivered a vote of thanks.

After Inauguration, the conference had three plenary sessions (1) A Review of the Corporate Insolvency framework and its Resolution Process for Individuals / Unlimited Partnerships (2) Impact of the Real Estate (Regulation and Development) Act (RERA) 2016 (3) Benami Transactions (Prohibition) Amended Act (BTA) 2016 which was addressed by eminent speakers including **Mr. S. Balasubramanian**, Former Chairman, Company Law Board (CLB), **Mr. P.H. Arvinth Pandian**, Senior Advocate, High Court, Madras, **Mr. G. Shyam Sunder**, Practising Advocate, **CS. S Dhanapal**, Managing Partner, S Dhanapal & Associates and **CA. A. Gopal Krishna Raju**, Partner - Taxation & Assurance, M/s. K. Gopal Rao & Co., Chartered Accountants.

*Caption L to R:* **Mr. Ruban Hobday**, Head – FICCI – TNSC, **Mr. Ar Rm Arun**, Chairman, FICCI Tamil Nadu State Council, **Dr. M. S. Sahoo**, Chairperson, Insolvency and Bankruptcy Board of India, New Delhi, **Mr. P. Murari IAS (Retd.)**, Adviser to FICCI President & Former Secretary to President of India, **Mr. CA. M. Razzack**, President, Hindustan Chamber of Commerce, **Mr. Vikram Vijayaraghavan**, Convener - Finance, Banking, Insurance & Taxation, FICCI - TNSC & Partner, Subbaraya Aiyar, Padmanabhan & Ramamani, Advocates.

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