



**A GLANCE OF THE FOURTH ROUND OF THE PANEL DISCUSSION
ON THE
EXAMINING THE PRACTICAL CHALLENGES ASSOCIATED WITH THE CIRP
WITH EMPHASIS ON WORKABLE SOLUTIONS**

The GNLU Centre of Law and Economics organised the 6th International Conference on Economic Analysis of Law, Governance and Public Policy. A Panel Discussion on the topic, “Examining the Practical Challenges associated with the CIRP with emphasis on workable solutions” was organised as part of the Conference. The discussion was presided over by eminent personalities, namely, Dr. M.B. Gosavi (Judicial Member- NCLT Ahmedabad Bench), Mr. Sudhaker Shukla (Whole time member of IBBI), Mr. Bahram N. Vakil (Founding & Senior Partner of AZB & Partners), Prof. (Dr.) Mamata Biswal (Professor of Law, GNLU), CA Anil Goel (Founder of AAA), Mr. Vishal Joishar (Partner of Ernst & Young), and Adv. (CA) Nipun Singhvi (Managing Partner of NSA Legal).





Dr. MB Gosavi, while starting the discussion, highlighted that once the companies enter into CIRP, most of the cases go for liquidation but very few cases get actually resolved. He described the Vidurbha judgement as a ray of hope in this regard. Mr. Sudhker Shukla, while furthering the discussion, pointed out the practical difficulties in the implementation of the CIRP regulations by stating that these regulations have been amended more than 18 times by the IBBI. He also pointed out the evaluation of resolution plans as a major hurdle in the CIRP. According to him, valuation should not be a driving force of the CIRP process and should just remain a market determinant. Mr. Bahram Vakil further drew a comparison in the CIRP process in the pre-COVID and the post-COVID era by highlighting that during the pre-COVID scenario, we brought down the time period of recovery from 6 years to just one year by the CIRP. According to him, in the post-COVID era, the speed of the process has dropped and hence, the recoveries made have also dropped. CA Anil Goel emphasised the importance of faster resolution in the discussion. While emphasising on the faster resolution process, he also stated that it is not the duty of the liquidator to ensure funds for the CIRP. Prof. (Dr.) Mamata Biswal mentioned the role of the Resolution Professional as another challenge in the CIRP. She further stressed on the decision of the Hon'ble Supreme Court, according to which, the CIRP is triggered only when the debt is defaulted and not when the debt is just due. CA Nipun Singhvi brought to light the issues related to the CIRP in the state of Gujarat, like rainbow papers. According to him, the intersection between real estate and insolvency is a big area, in which there is a huge scope of research. While concluding the discussion, Mr. Vishal Joishar, mentioned the success of the IBC from 2016 till now. According to him, the baby steps taken by the IBC have helped 45% of the recovery.



The discussion was concluded by felicitating the Hon'ble panellists.