

KNOWLEDGE PARTNERS



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ADVOCATES

ACUITY LAW

1st EDITION OF GCCIL- IBBI NATIONAL MOCK- CIRP COMPETITION, 2024

04th -06th April, 2024 

GUJARAT NATIONAL LAW UNIVERSITY 



GUIDELINES
1ST EDITION OF GCCIL -IBBI
NATIONAL MOCK-CIRP COMPETITION, 2024

Gujarat National Law University (“GNLU”) is a premier National Law University established by the Government of Gujarat through the Gujarat National Law University Act, 2003. GNLU has carved its name in innovative teaching and research. Over the time since its inception, the University has established itself as a leading National Law University in the country, with its intensive focus on research-based teaching.

GNLU Centre for Corporate and Insolvency Law (“GCCIL”) **{hereinafter referred to as “the Centre”}** is a dedicated centre of GNLU for Corporate and Insolvency Law. The Centre was founded with several goals in mind, including serving as a venue for multifaceted approaches and activities that would broaden the focus and horizon of Corporate and Insolvency Law research and publications. The Centre seeks to close the gaps and remove obstacles in this sector through study, discussion, practical output, legal solutions, and raising awareness. The Centre has been doing research, providing training, and conducting outreach in the area of Corporate and Insolvency Law since 2012.

The Centre is conducting **THE 1ST EDITION OF GCCIL-IBBI NATIONAL MOCK-CIRP COMPETITION, 2024** **(hereinafter referred to as “the Competition”)** with a focus on creating curiosity and providing exposure to the young students in the field of Insolvency and Bankruptcy Law. The Competition will focus on with the practical and procedural aspects related to one of the important processes brought into existence through the Insolvency and Bankruptcy Code, 2016 (“IBC”) in the name of ‘the Corporate Insolvency Resolution Process (“CIRP”)’ with the objective of addressing the insolvency of corporate entities.

A detailed overview of the Competition along with the guidelines applicable to the Competition, its format, evaluation criteria, applicable rules, and proposed dates are provided here for a better understanding of the proposal.

I. PROPOSED DATES OF THE COMPETITION:

Proposed Dates: 04th -06th April, 2024.

Inauguration of the Competition: 04th April, 2024

Preliminary Rounds: 05th April, 2024

Advanced Rounds: 06th April, 2024

II. OVERVIEW OF THE COMPETITION:

The Competition shall consist of two (02) rounds, viz:

- **PRELIMINARY ROUNDS:** All registered teams shall participate in this round.
- **ADVANCED ROUNDS:** The Advanced Rounds will be conducted in two (02) stages:-
 - **FIRST STAGE:** The best four (04) teams on the basis of score in Preliminary Rounds will qualify for the first stage of Advanced Rounds i.e., Semi-final rounds.
 - **SECOND STAGE:** The best two (02) teams from the Semi-final rounds will qualify for the second stage of Advanced Rounds i.e., Final rounds.

1. Preliminary Rounds:

The Competition assumes that the petition under IBC has been admitted by the National Company Law Tribunal ("NCLT") and the Interim Resolution Professional ("IRP") has been appointed by the NCLT. Before the Preliminary Rounds, the registered teams would be required to submit a written CIRP Dossier and Resolution Plan in response to a hypothetical problem to be released. The problem shall be provided by the Centre to the registered teams. The team members as the IRP, the Resolution Professional ("RP") and the Resolution Applicant shall conduct the CIRP process before the Committee of Creditors ("CoC"). The Competition will cover the CIRP process starting from the date of appointment of IRP and declaration of the Moratorium by the Adjudicating Authority till the approval of Resolution Plan by the CoC.

The evaluation will be on the basis of the conduction the CIRP process by the IRP and RP and Resolution Plan to be presented by the teams **before a CoC**.

2. Advanced Rounds:

The Advanced Rounds will be conducted in two (02) stages. The best four (04) teams on the basis of score in Preliminary Rounds will be shortlisted for the first stage of Advanced Rounds i.e. Semi-final rounds, wherein the teams, through their Resolution Applicant, will be required to present the Resolution Plan **before the NCLT Bench (Artificial)**. In this round, the evaluation will be based on the quality of the presentation and the persuasive skills of the team members. The best two (02) teams from these four (04) teams will qualify for the second stage of Advanced Rounds i.e. Final rounds.

III. GUIDELINES AND FORMAT OF THE COMPETITION:

1. General Instructions:

- i. The first edition of the Competition will be held at GNLU, Gandhinagar from 04th to 06th April 2024. The Competition will be conducted by the Centre in collaboration with the Insolvency and Bankruptcy Board of India (“IBBI”).
- ii. The Competition provides an opportunity for students from different Institutions/Law-schools/Universities to practice and expand their knowledge in Insolvency and Bankruptcy Law. It provides a platform for the students to compete in a simulated Insolvency and Bankruptcy proceeding, where teams represent different stakeholders. The Competition is carefully structured to judge the participating teams' theoretical knowledge and practical skills.
- iii. The participants will be required to submit the CIRP DOSSIER and Resolution Plan based on the problem.
- iv. The Resolution Plan shall be evaluated based on criteria that shall be specified by the Centre and IBBI.
- v. The NCLT Bench (Artificial) will evaluate the CIRP process and presentation of the Resolution Plans based on the quality of presentations and persuasive skills.

- vi. The Resolution Plans and the oral rounds will be marked on the criteria specified in these guidelines.

2. Specific Instructions:

i. Eligibility & Team Composition:

- a. The Competition is open to students pursuing full-time 3-year or 5-year Under-Graduate/Post-Graduate Programme in Law, Under-Graduate/Post-Graduate programme in Finance, Management and Economics from an accredited Institute in India.

Note: Each team should consist of at least one student pursuing Law.

For example: A team may be constituted of three students of Law or one student of Law and other members from Finance or Management or Economics. At least one member must be a student of Law. The team may decide about the other two members. Any team not adhering to the prescribed composition will be disqualified.

- b. A team shall be composed of three (03) members. The team composed of students from the Same University/ College/Institution or Cross- teams are also allowed.
- c. One member of the team will be IRP, one member will be RP and the third member will be the Resolution Applicant. The participants/team members are not allowed to change their role as IRP/RP/Resolution Applicant within their team during the rounds.
- d. The IRP (member) shall present the CIRP procedure from the date of appointment of IRP till the date of appointment of RP. The RP shall present from the CIRP process from the date of appointment of RP till the date of approval of the Resolution Plan. The Resolution Applicant shall present the Resolution Plan.
- e. Any person other than the registered team members shall not be allowed to participate in the Competition. However, in case of exigencies, a new member may replace any member of the team only with the prior approval of the Centre.

ii. Registration Process & Payment of Fees:

- a. The team shall register by submitting the duly filled registration form and the registration fee before the prescribed deadline.
- b. On receipt of the registration form and payment of fees in the prescribed manner, a Team Code shall be allotted to the team. The successfully registered teams will be provided with the problem.
- c. The registration fee for the Competition is INR 1500 per team at the time of registration and 3500 per team at the time of submission of CIRP Dossier & Resolution Plan. The fee shall be paid only through the link provided in the Competition Brochure.
- d. All teams are required to provide proof of payment to the Centre to confirm their participation in the Competition.

iii. Clarifications:

Clarifications can be sought on any part of the guidelines or the problem via e-mail (gccil@gnlu.ac.in) on or before the date prescribed by the Centre.

iv. Anonymity of Teams:

- a. Teams shall not reveal their or their institution's identity in any manner whatsoever, whether direct or indirect, either expressly or impliedly during the Competition. They are only allowed to use the allotted Team Code for the purpose of identification.
- b. Any violation of the rules shall attract disqualification. The decision of the Centre in this regard shall be final and binding; and not subject to challenge.

v. CIRP DOSSIER and Resolution Plan:

- a. Each team shall submit one (01) set of CIRP DOSSIER and Resolution Plan through the provided submission link. The CIRP DOSSIER must cover the CIRP process conducted by IRP, RP. The top right corner of the cover page of the CIRP DOSSIER and Resolution Plan shall mention the team code.
- b. Plagiarism, in any form, shall be a ground for disqualification at any stage of the competition.

vi. Formatting & Submission of the CIRP DOSSIER and Resolution Plan:

- a. The font and size of the text used in all parts of the Resolution Plan and CIRP DOSSIER (except the cover page) shall be in font size 12 in Times New Roman and footnotes shall be in font size 10 in Times New Roman.
- b. The text in all parts of each Resolution Plan and CIRP DOSSIER shall have 1.5 lines spacing except the text of footnotes and headings which shall be single-spaced, with margins of one inch on all sides.
- c. Submission of the Resolution Plan and CIRP DOSSIER will be done via google form on the prescribed date and the name of the file shall be the Team Code allotted to the respective teams.
- d. Delayed submission will invite a penalty in the form of deductions of marks. One (01) mark shall be deducted for each hour of delay in submission. Any CIRP DOSSIER and the Resolution Plan submitted post 24 hours before the deadline shall not be considered.

vii. Assessment of Resolution Plan:

All the submissions shall be assessed out of 100 marks. The assessment shall be according to the pre-determined parameters: -

- Clarity of thought and expression - 20 Marks.
- Proposals in resolution plan and their viability (including diction and reasoning) - 20 Marks.
- Written Presentation - 10 Marks.
- Originality and Uniqueness - 10 Marks.
- Legal Coherence - 20 Marks.
- Oral Presentation - 20 Marks

viii. Cash Prizes:

- **Best Team: 25000 INR**
- **Runners-up: 20000 INR**
- **Best Resolution Professional (RP): 10000 INR**
- **Best Interim Resolution Professional (IRP): 10000 INR**

- **Best CIRP DOSSIER & Resolution Plan: 5000 INR**

Internship Opportunities at IBBI, AZB & Partners, JSA, Acuity Law and Raval & Raval Associates

ix. Dress Code for Oral Rounds:

The dress code for the team members is Business Formals throughout the Competition.

x. Structure of the Oral Rounds:

a. Preliminary Rounds [From appointment of IRP till approval of Resolution Plan by the CoC (Artificial).]:

In the Preliminary Rounds, the teams have to select their IRP, RP and the Resolution Applicant, who will present the Resolution Plan before the CoC (Artificial) for approval. Each team will get 45 minutes (inclusive of the time for the questions from the CoC constituted). The team can decide the time for IRP, RP and the Resolution Applicant. There is no provision for an extension of the time limit.

The top four (04) teams will qualify for the Semi-finals. In case of any tie, the decision will be based on the draw of lots.

b. Semi-finals [Presentation of the CIRP process and the Resolution Plan before the NCLT Bench (Artificial) for approval]:

Only the member registered as the Resolution Applicant will be entitled to present the Resolution Plan. Each team will get 45 minutes of speaking time to present their CIRP process and Resolution Plan. The winner will be decided solely on the basis of their oral presentation in this round.,

c. Finals:

The top two (02) teams shall qualify for the finals. In case of any tie, the decision will be based on the draw of lots. Each team will get 45 minutes to present their CIRP process and Resolution Plan. The extension of time shall be at the discretion of the judges. The winner will be decided solely on the basis of their oral presentation in this round.

3. Miscellaneous Instructions:

- i. The language to be used during the rounds is British English.
- ii. During the rounds, no communication is permitted between the orator and other team members. The use of mobile phones, laptops, or any other electronic gadgets other than that necessary for the conduct of the rounds is strictly prohibited during the oral rounds.
- iii. The other teammates shall not be permitted to address the Bench during the oral rounds. They may, however, be permitted to pass notes to the speakers at the discretion of the Bench.
- iv. The division of time per speaker is left to the discretion of the team subject to a minimum of eight (08) minutes per speaker.
- v. Participants may use their own bare acts, printouts and commentaries, provided that anonymity is not violated during the rounds. The decision of the Judges as to the marks allotted to each team shall be final and binding.
- vi. The Centre may record the oral rounds for documentation purposes, and it is expected from the participants that they have given their consent and permission to the organising committee to do the same.
- vii. The Competition is an educational event, and it is necessary that personal data be collected for the event's operation. The Centre will not disclose any personal data to third parties unless specific permission has been obtained from the participants. In case of any participants' concerns or queries about their data usage, they may contact the Centre.
- viii. To ensure uniformity in the marking system, all members of the CoC & NCLT Bench (Artificial) will be provided with the scoring criteria.
- ix. **Conduct of Rounds:**
 - a. The team presenting the Resolution Plan will announce the time reserved at the beginning of their presentation. Members of the CoC & NCLT Bench (Artificial) may ask for clarification or remind teams in this regard.
 - b. The timekeeper will keep track of time and indicate the remaining time to Bench and teams.
 - c. During the pleadings, members of the CoC & NCLT Bench (Artificial) may interrupt the speaker to ask questions.

- d. The timekeeper will tell when to “STOP”. At this moment, the participant speaking is required to interrupt his/her statement. Please note that only the NCLT Bench (Artificial) has the authority to extend additional time if it is considered that questions have taken considerable time of the presentation.

4. Use of Unfair Means:

- i. The teams are strictly prohibited from indulging, either directly or indirectly, in any form of unfair means i.e. any act/omission with the intention of gaining undue advantage in the Competition. Any violation of this rule shall attract disqualification from the Competition.
- ii. In case of any dispute, the decision of the Centre shall be final and binding.



RULES FOR DRAFTING CIRP DOSSIER AND THE RESOLUTION PLAN

The successfully registered team is required to submit the CIRP DOSSIER before submission of the Resolution Plan. The CIRP DOSSIER must cover the CIRP process conducted by IRP, RP.

The Resolution Plan submitted shall contain the following details:

1. Compliance with the mandatory contents of the Resolution Plan in accordance with the requirements of the IBC, the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 ("**CIRP Regulations**"), relevant rules and regulations issued by the Ministry of Corporate Affairs or the IBBI in this regard and the Request for Resolution Plan ("**RFRP**").
2. The Resolution Plan shall mandatorily include details as set out in sub-section (2) of section 30 of the IBC and regulation 38 of the CIRP Regulations, including, but not limited to, the following:
 - a. Provides for the payment of insolvency resolution process costs in a manner specified by the IBBI in priority to the payment of other debts of the Corporate Debtor.
 - b. Provides for the management of the affairs of the Corporate Debtor after approval of the Resolution Plan.
 - c. The implementation and supervision of the Resolution Plan.
 - d. Does not contravene any of the provisions of the law for the time being in force.
 - e. Conforms to such other requirements as may be specified by the IBBI.
3. **A Resolution Plan shall also provide for the following:**
 - a. It shall include a statement as to how it has dealt with the interest of all Stakeholders including Financial Creditors and Operational Creditors.
 - b. Term of the plan and its implementation schedule.
 - c. Management and control of the business of the Corporate Debtor during its term.
 - d. Adequate means for supervising its implementation.

- e. It shall include a statement giving details if the Resolution Applicant or any of its related parties has failed to implement or contributed to the failure of implementation of any other Resolution Plan approved by the Adjudicating Authority at any time in the past.

4. A Resolution Plan shall demonstrate that:

- a. It addresses the cause of default;
- b. It is feasible and viable;
- c. It has provisions for its effective implementation;
- d. It has provisions for approvals required and the timeline for the same; and
- e. Resolution Applicant has the capability to implement the Resolution Plan.

5. Suggestive list for the Resolution Plan to also provide for details on:

- a. Any infusion and/or arrangement of funds as may be required for working capital and expenditure requirements of the Corporate Debtor shall be in compliance with the following:
 - (i) In the event of an infusion of debt, such debt shall be arranged without any obligation on members of CoC to provide such funds.
 - (ii) Any infusion of fresh equity for (a) improving operations, (b) debt repayment, (c) capital expenditure & (d) any other purpose; shall be clearly specified along with the timelines for such infusion.
 - (iii) Any infusion of funds into the Corporate Debtor as part of the Resolution Plan shall be satisfactorily demonstrated including by way of firm financing proposals.
- b. Financial assumptions, Projections & Business Plan for the Corporate Debtor.
- c. Percentage Shareholding in Corporate Debtor offered to Financial Creditor by way of debt-to-equity conversion.
- d. Prior Experience in managing/turning around of Companies including managerial competence, technical abilities, key management & personal experience.
- e. Indemnity for the CoC, RP, and Resolution Process Advisor for all acts done in good faith. The indemnity will survive the CIRP period.

6. Indicative timeline of events for implementation of proposed Resolution Plan.
7. Supervision of the Resolution Plan [Resolution Applicant to provide the details about how it proposes to supervise the implementation of the Resolution Plan].
8. An indicative specimen of a Resolution Plan is available at <https://ibbi.gov.in/webadmin/pdf/press/2018/Nov/PR-Specimen-compressed.pdf>. However, the same is not a binding format but only for illustrative purposes.

