


Professional Opportunities and Processes under IBC 2016

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HSB Partners

- ▶ Founded on 1 April 2005 by TK Bhaskar, Srinath Sridevan and K Harishankar by merging three large pre-existing litigation practices
 - ▶ Full service law firm well known and respected for both litigation and arbitration strengths
 - ▶ Key practice areas:
 - ▶ Litigation (corporate and commercial)
 - ▶ Arbitration
 - ▶ Mergers & Acquisitions (M&A)
 - ▶ Insolvency and debt restructuring
 - ▶ Taxation (direct and indirect)
 - ▶ Labour law and industrial relations
 - ▶ Foreign investment
 - ▶ Succession and estate planning
 - ▶ Real estate, infrastructure, mining
 - ▶ Capital markets
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WHAT IS INSOLVENCY?

Insolvency is when an organization, or individual, can no longer meet its financial obligations with its lender or lenders as debts become due. Before an insolvent company, or person, gets involved in insolvency proceedings, it will likely be involved in informal arrangements with creditors, such as making alternative payment arrangements. Insolvency can arise from poor cash management, a reduction in cash inflow forecasts or from an increase in expenses.

Source: <http://www.investopedia.com>

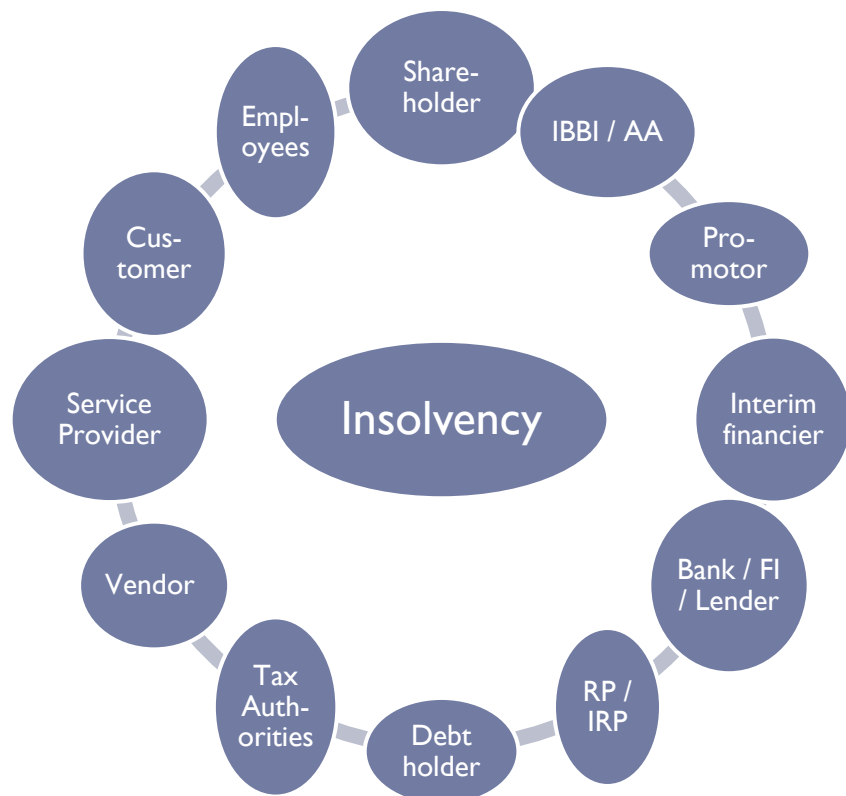
Situation where an entity cannot raise enough cash to meet its obligations, or to pay debts as they become due for payment. Insolvency may occur even when the value of an entity's total assets exceeds its total liabilities. Mere insolvency does not afford enough ground for lenders to petition for involuntary bankruptcy of the borrower, or force a liquidation of his or her assets.

Source:

<http://www.businessdictionary.com/definition/insolvency.html>



Stakeholders and interests?



1. Promoter (initial idea, competence and investment)
 2. Shareholders (risk capital)
 3. **Banks/Debt holders/Financial Creditors (finance/debt capital)**
1. Customers
 2. **Vendors/Suppliers/Service Providers/Operational Creditors (operating cycle)**
 3. **Workers/Employees**
 4. Tax Authorities (GST/Income Tax/Other taxes and fees)
 5. Professional Service Providers (compliances)
1. **Resolution Professional (RP/IRP)**
 2. Interim Financier
 3. Other Professionals
 4. IBBI / Adjudicating Authority
 5. Debt/Equity market players

Why IBC?

- ▶ **Powers of creditor and debtor under insolvency provided for under different Acts**
 - ▶ Different laws being implemented in different judicial fora leading to multiple judicial fora and lack of clarity on jurisdiction
 - ▶ Fora entrusted with adjudicating on matters relating to insolvency may not have adequate financial or business expertise, information or bandwidth
 - ▶ Decisions readily appealed against and either stayed or overturned in a higher court with a matrix of fragmented and contrary outcomes rather than coherent and consistent, being set as precedents
 - ▶ **Need for single forum which hears both sides and makes a judgment based on both**
 - ▶ Average time to resolve insolvency in India is 4 years against 0.8 years in Singapore and 1 year in London (World Bank, 2014)
 - ▶ Need to create legal framework to make debt contracts as credible channels of financing
 - ▶ **Quick and time bound resolution needed to preserve value (of business).**
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Key Elements of Insolvency Process

- ▶ **Submission of the debtor to the proceedings (whether on its own application or on the basis of an application by creditors), which may or may not involve judicial control or supervision**
- ▶ Automatic and mandatory stay or suspension of actions and proceedings against the assets of the debtor affecting all creditors for a limited period of time
- ▶ Continuation of the business of the debtor, either by existing management, an independent manager or a combination of both
- ▶ **Formulation of a plan that proposes the manner in which creditors, equity holders and the debtor itself will be treated**
- ▶ Consideration of, and voting on, acceptance of the plan by creditors
- ▶ Possibly, the judicial approval or confirmation of an accepted plan
- ▶ Implementation of the plan.

Source: UNCITRAL Legislative Guide http://www.uncitral.org/uncitral/en/uncitral_texts/insolvency/2004Guide.html



Steps to Liquidation

- ▶ **An application to a court or other competent body either by the debtor or by creditors**
- ▶ An order or judgement that the debtor be liquidated
- ▶ Appointment of an independent person to conduct and administer the liquidation
- ▶ Closure of the business activities of the debtor, if the business of the debtor cannot be sold as a going concern, and termination of the powers of owners and management and the employment of employees
- ▶ Sale or realization of the debtor's assets, either piecemeal or as a going concern
- ▶ Adjudication of the claims of creditors
- ▶ Distribution of available funds to creditors (under some form of priority)
- ▶ Dissolution of the debtor, where it is a corporation or some other form of legal person, or discharge, in the case of a natural person.

Legislative Framework

- ▶ **Insolvency and Bankruptcy Code 2016**
 - ▶ Part I : Preliminary
 - ▶ Part II : Insolvency Resolution and Liquidation for Corporate Persons
 - ▶ Part III : Insolvency Resolution and Bankruptcy for Individuals and Partnership Firms
 - ▶ Part IV : Regulation of Insolvency Professionals, Agencies and Information Utilities
 - ▶ Part V : Miscellaneous
 - ▶ **Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016**
 - ▶ **Regulations:**
 - ▶ Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016
 - ▶ Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016
 - ▶ Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017
 - ▶ Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016
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Triggering the CIRP

Committee of creditors (CoC)

Consists of financial creditors only, excluding related parties
To approve several actions of RP

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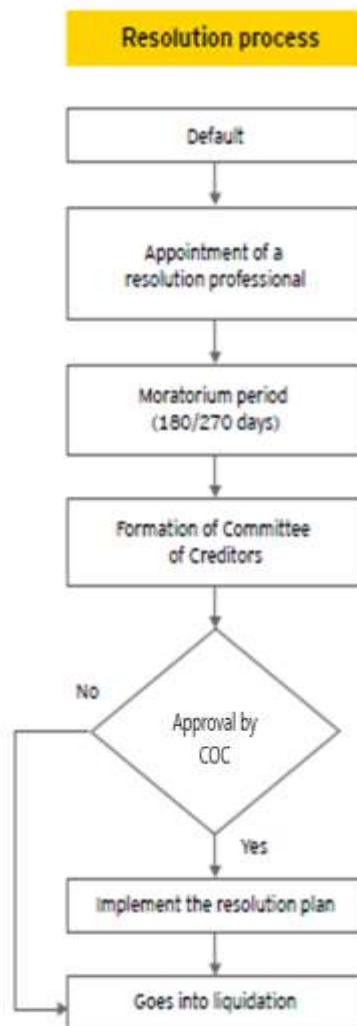
min INR 1 lakh; even a single day

Who can file the application?

Financial & Operational creditors (including Government & employees/workmen), and Corporate debtor

Resolution plan

The resolution plan must provide for:
 payment of insolvency resolution process costs
 repayment of the debts of operational creditors
 management of the affairs of the borrower after the plan is approved
 implementation and supervision of the approved plan



Resolution Professional (IRP/ RP)

Financial creditor and/ or corporate applicant shall propose the name of an IRP in the application
All powers of the board and management shall vest with the IRP/ RP

Voting power

Only financial creditors have voting power in the committee in the ratio of debt owed
All decision of the committee shall be approved by 50/66/90% of financial creditors as applicable

Moratorium

Moratorium shall prohibit:
 Institution of suits
 Transfer of assets
 Foreclosure, recovery or enforcement under SARFAESI
 Recovery of assets

CIRP = Corporate Insolvency Resolution Process.
 Source: http://www.ipaicmai.in/IPANEW/UploadFiles/PPT/PPT-IBC_Opportunities%20for%20CMAs.pptx (with modifications)

Model Timelines for CIRP (1 / 3)

Section / Regulation	Description of Activity	Norm	Latest Timeline
Section 16(1)	Commencement of CIRP and appointment of IRP	T
Regulation 6(1)	Public announcement inviting claims	Within 3 Days of Appointment of IRP	T+3
Section 15(1)(c) / Regulations 6(2)(c) and 12 (1)	Submission of claims	For 14 Days from Appointment of IRP	T+14
Regulation 12(2)	Submission of claims	Up to 90 th day of commencement	T+90
⁷⁰ [Regulation 13(1)	Verification of claims received under regulation 12(1)	Within 7 days from the receipt of the claim	T+21
	Verification of claims received under regulation 12 (2)		T+97]
Section 21(6A) (b) / Regulation 16A	Application for appointment of AR	Within 2 days from verification of claims received under regulation	T+23
Regulation 17(1)	Report certifying constitution of CoC	12(1)	T+23

Source: Regulation 40A of IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016

Model Timelines for CIRP (2/3)

⁷¹ [Section 22(1) / Regulation 19(2)]	1 st meeting of the CoC	Within 7 days of filing of the report certifying constitution of the CoC, but with five days' notice.	T+30]
Section 22(2)	Resolution to appoint RP by the CoC	In the first meeting of the CoC	T+30
Section 16(5)	Appointment of RP	On approval by the AA
Regulation 17(3)	IRP performs the functions of RP till the RP is appointed.	If RP is not appointed by 40 th day of commencement	T+40
⁷² [Regulation 27	Appointment of valuer	Within 7 days of appointment of RP, but not later than 47 th day of commencement.	T+47]
Section 12(A) / Regulation 30A	Submission of application for withdrawal of application admitted	Before issue of EoI	W
	CoC to dispose of the application	Within 7 days of its receipt or 7 days of constitution of CoC, whichever is later.	W+7
	Filing application of withdrawal, if approved by CoC with 90% majority voting, by RP to AA	Within 3 days of approval by CoC	W+10
Regulation 35A	RP to form an opinion on preferential and other transactions	Within 75 days of the commencement	T+75
	RP to make a determination on preferential and other transactions	Within 115 days of commencement	T+115
	RP to file applications to AA for appropriate relief	Within 135 days of commencement	T+135
Regulation 36 (1)	Submission of IM to CoC	Within 2 weeks of appointment of RP, but not later than 54 th day of commencement	T+54
Regulation 36A	Publish Form G	Within 75 days of commencement	T+75
	Invitation of EoI		
	Submission of EoI	At least 15 days from issue of EoI (Assume 15 days)	T+90
	Provisional List of RAs by RP	Within 10 days from the last day of receipt of EoI	T+100
	Submission of objections to provisional list	For 5 days from the date of provisional list	T+105
	Final List of RAs by RP	Within 10 days of the receipt of objections	T+115

Source: Regulation 40A of IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016

Model Timelines for CIRP (3/3)


Regulation 36B	Issue of RFRP, including Evaluation Matrix and IM	Within 5 days of the issue of the provisional list	T+105
	Receipt of Resolution Plans	At least 30 days from issue of RFRP (Assume 30 days)	T+135
Regulation 39(4)	Submission of CoC approved Resolution Plan to AA	As soon as approved by the CoC	T+165
Section 31(1)	Approval of resolution plan by AA		T=180

AA: Adjudicating Authority; AR: Authorised Representative; CIRP: Corporate Insolvency Resolution Process; CoC: Committee of Creditors; EoI: Expression of Interest; IM: Information Memorandum; IRP: Interim Resolution Professional; RA: Resolution Applicant; RP: Resolution Professional; RFRP: Request for Resolution Plan.]

Role of Interim RP

▶ 17. Management of affairs of corporate debtor by IRP

(1) From the date of appointment of the interim resolution professional, -

- a) **the management of the affairs of the corporate debtor shall vest in the interim resolution professional;**
 - b) the powers of the board of directors or the partners of the corporate debtor, as the case may be, shall stand suspended and be exercised by the interim resolution professional;
 - c) **the officers and managers of the corporate debtor shall report to the interim resolution professional and provide access to such documents and records of the corporate debtor as may be required by the interim resolution professional;**
 - d) the financial institutions maintaining accounts of the corporate debtor shall act on the instructions of the interim resolution professional in relation to such accounts and furnish all information relating to the corporate debtor available with them to the interim resolution professional.
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Role of Interim RP (cont'd)

- ▶ (2) The interim resolution professional vested with the management of the corporate debtor, shall-
 - a) **act and execute in the name and on behalf of the corporate debtor all deeds, receipts, and other documents, if any;**
 - b) take such actions, in the manner and subject to such restrictions, as may be specified by the Board;
 - c) have the authority to access the electronic records of corporate debtor from information utility having financial information of the corporate debtor;
 - d) have the authority to access the books of accounts, records and other relevant documents of corporate debtor available with government authorities, statutory auditors, accountants and such other persons as may be specified; and
 - e) **be responsible for complying with the requirements under any law for the time being in force on behalf of the corporate debtor.**
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Role of Interim RP (cont'd)

▶ 18. Duties of interim resolution professional. –

The interim resolution professional shall perform the following duties, namely: -

(d) **monitor the assets of the corporate debtor and manage its operations** until a resolution professional is appointed by the committee of creditors

(f) take control and custody of any asset over which the corporate debtor has ownership rights as recorded in the balance sheet of the corporate debtor, or with information utility or the depository of securities or any other registry that records the ownership of assets *including* –

(i) assets over which the corporate debtor has ownership rights which may be located in a foreign country;

(ii) assets that may or may not be in possession of the corporate debtor;

(iii) tangible assets, whether movable or immovable;

(iv) intangible assets including intellectual property;

(v) securities including shares held in any subsidiary of the corporate debtor, financial instruments, insurance policies;

(vi) assets subject to the determination of ownership by a court or authority;

(g) to perform such other duties as may be specified by the Board.



Role of Interim RP (cont'd)

- ▶ 20. Management of operations of corporate debtor as going concern. –
 - (1) The interim resolution professional shall make every endeavour to **protect and preserve the value of the property of the corporate debtor and manage the operations of the corporate debtor as a going concern.**
 - (2) For the purposes of sub-section (1), the interim resolution professional shall have the authority –
 - ▶ **to appoint accountants, legal or other professionals as may be necessary;**
 - ▶ to enter into contracts on behalf of the corporate debtor or to amend or modify the contracts or transactions which were entered into before the commencement of corporate insolvency resolution process;
 - ▶ to raise interim finance provided that no security interest shall be created over any encumbered property of the corporate debtor without the prior consent of the creditors whose debt is secured over such encumbered property:
 - ▶ to issue instructions to personnel of the corporate debtor as may be necessary for keeping the corporate debtor as a going concern; and
 - ▶ to take all such actions as are necessary to keep the corporate debtor as a going concern.
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Role of RP

▶ 23. Resolution professional to conduct corporate insolvency resolution process. –

(1) Subject to section 27, **the resolution professional shall conduct the entire corporate insolvency resolution process and manage the operations of the corporate debtor during the corporate insolvency resolution process period.**

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(2) The resolution professional **shall exercise and perform duties as are vested or conferred on the interim resolution professional** under this Chapter.

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Role of RP (cont'd)

▶ 25. Duties of resolution professional. –

(1) It shall be the duty of the resolution professional to **preserve and protect the assets of the corporate debtor, including the continued business operations of the corporate debtor.**

(2) For the purposes of sub-section (1), the resolution professional shall undertake the following actions, namely: -

(a) take immediate custody and control of all the assets of the corporate debtor, including the business records of the corporate debtor;

(b) represent and act on behalf of the corporate debtor with third parties, exercise rights for the benefit of the corporate debtor in judicial, quasi-judicial or arbitration proceedings;

(c) raise interim finances subject to the approval of the committee of creditors under section 28;

(d) appoint accountants, legal or other professionals in the manner as specified by Board;

(e) maintain an updated list of claims;

(f) convene and attend all meetings of the committee of creditors;

(g) prepare the information memorandum in accordance with section 29;

(h) invite prospective resolution applicants, who fulfil such criteria, having regard to the complexity and scale of operations of the business of the corporate debtor, to submit a resolution plan or plans.

(i) present all resolution plans at the meetings of the committee of creditors;

(j) file application for avoidance of transactions in accordance with Chapter III, if any;

....

Other Professionals

- ▶ IP as a 'mother' profession: RP/IRP may require support of the several support professionals including the following.
 - ▶ Registered valuers (RP is mandated to appoint two valuers to determine the fair value and liquidation value. If necessary a third valuer may be appointed)
 - ▶ Domain experts and/or managers (to enable running of the business as a going concern)
 - ▶ Information Technology (IT) professionals (to set up and maintain a data room for claims and financial information)
 - ▶ Company Secretary (to assist in conduct of the COC meetings and to prepare records of the proceedings thereof)
 - ▶ Accountants (to collate and assist in verification of the claims and to maintain accounts)
 - ▶ Forensic auditor (to review transactions during the 'look-back' period for being undervalued or preferential or extortionate or fraudulent)
 - ▶ Lawyers (to represent the IP, COC and CD, as necessary, before the AA, NCLAT and judicial bodies).
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Emerging areas

▶ Individual insolvency

- ▶ The code replaces two legislations addressing the insolvency and bankruptcy of individuals and partnership firms at present, namely the Presidency-Towns Insolvency Act, 1909 (applies to Chennai, Kolkata and Mumbai only) and the Provincial Insolvency Act, 1920 (applies to rest of India)
 - ▶ Trigger to move to 'default' from 'act of insolvency'
 - ▶ Adjudication by Debt Recovery Tribunal (DRT)
 - ▶ A debtor unable to pay his debt shall be entitled to a Fast Track Mechanism where his annual income is < INR 60000, qualifying debt < 35000 and his assets < 20000.
 - ▶ An application leads automatically to an interim moratorium
 - ▶ Insolvency Resolution Process (IRP) allows for Repayment Plan to be prepared by Resolution Professional and submitted to the creditors for approval (present laws do not allow for this) before Adjudicating Authority grants its approval.
 - ▶ Upon repayment, there shall be a binding discharge order
 - ▶ Bankruptcy will involve administration and distribution of asset proceeds by Bankruptcy Trustee subject to a waterfall mechanism
 - ▶ Implementation proposed in three phases: firstly regarding personal guarantees to corporates (AA being NCLT), secondly to partnership firms and proprietary firms; and finally to other individuals (individuals without business).
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Emerging areas (cont'd)

- ▶ **Cross-border insolvency**
 - ▶ Enforcing the provisions of the Code outside India
 - ▶ Assets or property of corporate debtor or debtor, or a personal guarantor of a corporate debtor, situated at any place in a country outside India with which reciprocal arrangements have been made
 - ▶ Proceedings in countries where the debtor has an “establishment”. Relief can be provided if the foreign proceeding is either a main or a non-main proceeding. Main and non-main proceedings depends on centre of main interests (“COMI”) of the debtor
 - ▶ Framework for cooperation between domestic and foreign courts, and domestic and foreign insolvency professionals, access to foreign representatives
 - ▶ Framework for coordination of two or more concurrent insolvency proceedings in different countries
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Insolvency Professional

- Chapter IV (Insolvency Professionals) of the Code read with **IBBI (Insolvency Professionals) Regulations, 2016**
- Chapter IV provides for –
 - **Enrolled and registered** persons to act as insolvency professionals (sec 206)
 - **Registration** of insolvency professionals (sec 207)
 - **Functions and obligations** of insolvency professionals (sec 208)
- **Enrolment** of IP is with IPA
- **Registration** of IP is with IBBI

Functions of IP

Section 208(1) specifies that where any insolvency resolution, fresh start, liquidation or bankruptcy process has been initiated, it shall be the function of IP to take such actions as may be necessary, in the following manners, namely: –

- a fresh start order process under Chapter II of Part III
- individual insolvency resolution process under Chapter III of Part III
- corporate insolvency resolution process under Chapter II of Part II
- individual bankruptcy process under Chapter IV of Part III; and
- liquidation of a corporate debtor firm under Chapter III of Part II.

**Key Question :Who is the IP working for?
And what are his/her obligations thereto?**

Eligibility criterion

▶ **No individual shall be eligible to be registered as an insolvency professional if he-**

(a) is a minor;

(b) is not a person resident in India;

(c) does not have the qualification and experience specified in Regulation 5 or Regulation 9, as the case may be;

(d) has been convicted by any competent court for an offence punishable with imprisonment for a term exceeding six months or for an offence involving moral turpitude, and a period of five years has not elapsed from the date of expiry of the sentence:

Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be registered;

(e) he is an undischarged insolvent, or has applied to be adjudicated as an insolvent;

(f) he has been declared to be of unsound mind; or

(g) he is not a fit and proper person.

▶ **No individual shall be eligible to be registered as an insolvency professional if he-**



Eligibility criterion (cont'd)

- ▶ Subject to the other provisions of these regulations, an individual shall be eligible for registration, if he –
 - (a) has passed the Limited Insolvency Examination within twelve months before the date of his application for enrolment with the insolvency professional agency;
 - (b) has completed a pre-registration educational course, as may be required by the Board, from an insolvency professional agency after his enrolment as a professional member; and
 - (c) has-
 -
 - (iii) **fifteen years' of experience in management**, after receiving a Bachelor's degree from a university established or recognised by law; **or**
 - (iv) **ten years' of experience as –**
 - (a) chartered accountant registered as a member of the Institute of Chartered Accountants of India,
 - (b) company secretary registered as a member of the Institute of Company Secretaries of India,
 - (c) cost accountant registered as a member of the Institute of Cost Accountants of India, or
 - (d) advocate enrolled with the Bar Council.



Statistics on CIRP (Total Numbers)

Quarter	CIRPs at the beginning of the Quarter	Admitted	Closure by				CIRPs at the end of the Quarter
			Appeal/ Review/ Settled	Withdrawal under Section 12A	Approval of Resolution Plan*	Commencement of Liquidation	
Jan - Mar, 2017	0	37	1	0	0	0	36
Apr - Jun, 2017	36	129	8	0	0	0	157
July - Sept, 2017	157	233	18	0	2	8	362
Oct - Dec, 2017	362	147	38	0	7	24	440
Jan - Mar, 2018	440	195	20	0	11	59	545
Apr - Jun, 2018	545	246	20	1	14	52	705
Jul - Sept, 2018	705	241	29	27	31	86	773
Oct - Dec, 2018	773	275	8	36	16	78	910
Jan - Mar, 2019	910	373	20	19	17	81	1145
Apr - Jun, 2019	1145	286	12	18	22	87	1292
Total	NA	2162	174	101	120	475	1292

*These exclude 3 resolutions which have since yielded into liquidation

CIRP = Corporate Insolvency Resolution Process ; Figures in numbers.
Source: IBBI Newsletter April-June 2019

Statistics on CIRP (Sector-wise)

Sector	No. of CIRPs		
	Closed	Ongoing	Total
Manufacturing	382	517	899
Food, Beverages & Tobacco Products	37	68	105
Chemicals & Chemical Products	38	46	84
Electrical Machinery & Apparatus	32	46	78
Fabricated Metal Products	27	31	58
Machinery & Equipment	43	57	100
Textiles, Leather & Apparel Products	64	87	151
Wood, Rubber, Plastic & Paper Products	39	57	96
Basic Metals	76	86	162
Others	26	39	65
Real Estate, Renting & Business Activities	164	257	421
Construction	74	153	227
Wholesale & Retail Trade	97	117	214
Hotels & Restaurants	23	37	60
Electricity & Others	19	36	55
Transport, Storage & Communications	25	35	60
Others	86	140	226
Total	870	1292	2162

CIRP = Corporate Insolvency Resolution Process ; Figures in numbers.

Source: IBBI Newsletter April-June 2019

Statistics on CIRP (who initiated?)

Quarter	No. of CIRPs Initiated by			
	Operational Creditor	Financial Creditor	Corporate Debtor	Total
Jan - Mar, 2017	7	8	22	37
Apr - Jun, 2017	58	37	34	129
Jul - Sept, 2017	101	93	39	233
Oct - Dec, 2017	69	64	14	147
Jan - Mar, 2018	89	84	22	195
Apr - Jun, 2018	129	99	18	246
Jul - Sept, 2018	141	84	16	241
Oct - Dec, 2018	161	98	16	275
Jan - Mar, 2019	174	178	21	373
Apr - Jun, 2019	151	123	12	286
Total	1080	868	214	2162

CIRP = Corporate Insolvency Resolution Process ; Figures in numbers.

Source: IBBI Newsletter April-June 2019

Service Providers – 1: Insolvency Professionals

Eligibility	Total numbers / In practice	Number of IPs			
		Male	Female	Total	% share
CA	282193 / 132480	1357	126	1483	56%
CS	47624 / 10246	422	75	497	19%
CMA	47371 / 3438 *	139	11	150	6%
Advocate	~ 650000 / 650000	155	19	174	7%
Managerial Exp.	--	345	14	359	13%
Total		2418	245	2663	100%

City / Region	Indian Institute of Insolvency professional of ICAI	ICSI Institute of Insolvency Professionals	Insolvency Professional Agency of Institute of Cost Accountants of India	Total
New Delhi	329	206	55	590
Rest of Northern Region	249	146	39	434
Mumbai	299	93	23	415
Rest of Western Region	210	95	28	333
Chennai	104	67	10	181
Rest of Southern Region	263	139	37	439
Kolkata	155	34	16	205
Rest of Eastern Region	46	15	5	66
Total Registered	1655	795	213	2663
Cancellations	1	3	0	4
Registered as on 30 th June	1654	792	213	2659

Figures in Nos. Source: IBBI Newsletter April-June 2019. Number of members/in practice are based on respective Institute' reports.

* Total CMA membership number (effective numbers not available) as per current website details. Number practicing is as per Annual Report 2017-18.

Service Providers – 1: Insolvency Professionals

Age Group (in years)	IIIP of ICAI	ICSI IIP	IPA of ICMAI	Total
> 33 ≤ 40	220	79	3	302
> 40 ≤ 50	586	290	39	915
> 50 ≤ 60	536	215	55	806
> 60 ≤ 70	292	191	111	594
> 70 ≤ 80	18	17	5	40
> 80 ≤ 90	2	3	-	5
> 90 ≤ 100	1	-	-	1
Total	1655	795	213	2663

Figures in numbers. Source: IBBI Newsletter April-June 2019

Limited Insolvency Exam

Phase/Period	No. of attempts	No. successful	% success
Jan-Jun 2017	5329	1202	22.6%
Jul-Dec 2017	6237	1112	17.8%
Jan-Oct 2018	6344	1011	15.9%
Nov-Dec 2018	625	116	18.6%
Jan-Mar 2019	961	162	16.9%
Apr-Jun 2019	1439	228	15.8%
Total	20935	3831	18.3%

- ▶ Not a competitive exam. Only a qualifying exam with a high bar.
- ▶ Syllabus is open ended. So there is nothing called 100% coverage of syllabus
- ▶ Large question bank means that challenge in every attempt is kept similar levels. Multiple attempts can help based on the extra efforts and learning from earlier attempts.
- ▶ Attempt those which you are sure of first
- ▶ *Elimination of incorrect answers* is key to shortlisting the choices available for selection – Choose the best option from the remaining choices. Many times the question itself gives a hint to the right answer.
- ▶ Do not take unnecessary risk. But left with no choice, you may need to.

Service Providers – 2: Valuation Professionals

		Mar 18-Mar 19	Apr-Jun 19	Total
Land and Building	Attempts	9489	626	10095
	Success	1748	49	1797
	% Success	18%	8%	18%
Plant and Machinery	Attempts	1665	154	1819
	Success	324	16	340
	% Success	19%	10%	19%
Securities or Financial Assets	Attempts	4496	1155	5651
	Success	707	143	850
	% Success	16%	12%	15%

Average age of RVs (as on 30/6/2019):

- Overall : 48 years
- Land & Building: 49
- Plant & M/c: 53
- Securities & FA: 43

Only 8.42% (161 Nos) are female.

City / Region	Land & Building	Plant & Machinery	Securities or Financial Assets	Total
New Delhi	38	21	67	126
Rest of Northern Region	122	23	67	212
Mumbai	67	29	101	197
Rest of Western Region	325	50	91	466
Chennai	84	17	72	173
Rest of Southern Region	471	55	140	666
Kolkata	6	6	43	55
Rest of Eastern Region	14	1	3	18
Total	1127	202	584	1913

RV = Registered Valuer. Figures in numbers. Source: IBBI Newsletter April-June 2019

Questions?



Thank you

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