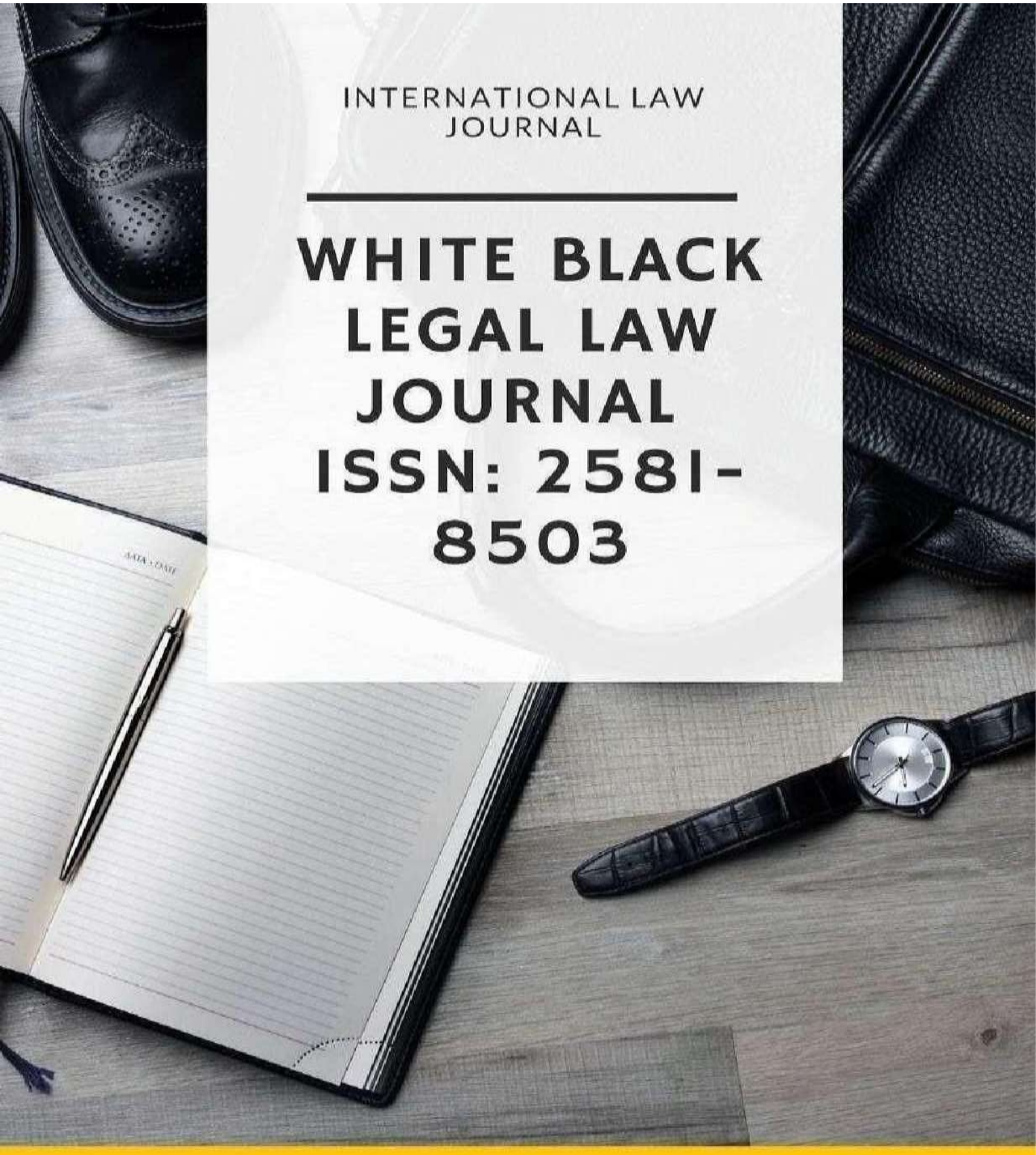

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WHITE BLACK LEGAL is an open access, peer-reviewed and refereed journal providededicated to express views on topical legal issues, thereby generating a cross current of ideas on emerging matters. This platform shall also ignite the initiative and desire of young law students to contribute in the field of law. The erudite response of legal luminaries shall be solicited to enable readers to explore challenges that lie before law makers, lawyers and the society at large, in the event of the ever changing social, economic and technological scenario.

With this thought, we hereby present to you

THE NEED OF INSTITUTIONAL FRAMEWORK OF CROSS BORDER INSOLVENCY UNDER NCLT: COMPARATIVE ANALYSIS OF UNICITRAL MODEL AGAINST INDIAN COMMITTEE REPORTS

AUTHORED BY - TEJAS CHANDNA

ABSTRACT

Critically, S.P. Sampath Kumar v. Union of India[1] has not just framed de jure and institutional component hypothesis for tribunals but also de facto jurisdiction in efficiency to constitutional limitations under equality of law (Article 14), no discrimination against any citizen (Article 15) and equality of opportunity (Article 16).[2] The fundamental ground of autonomy for formation of NCLT, according to Shah Committee report[3], becomes questionable since Section 234 and Section 235 of the Code leaves it to the government to make reciprocal arrangements for evidence or letter of request relating to assets in question. Recommending co-operation between other states and foreign jurisdictions, neither does Justice Eradi Committee[4] nor does the IBC, 2016 delves deeper into drafting a framework of passage through bilateral treaty or other options empowering NCLT and time limits (similar to Section 11(c), Section 68(i)) and preamble of Insolvency and Bankruptcy Code, 2016 (hereinafter IBC Code) for cross-border disputes. This article argues cross border resolution through NCLT's role under Section 234 and 235 of IBC Code, 2016[5] and whether the UNICITRAL Model on Cross Border Insolvency[6] (hereinafter UNICITRAL Model) is competent to corporate needs in India. It also contends infrastructural dearth in co-operation through international treaties, inclusion of a new chapter under IBC on cross-border insolvency to not just

[1] S.P. Sampath Kumar Etc vs Union Of India & Ors 1987 SCR (1) 435.
[2] *Ibid.*
[3] Law Commission of India, *Assessment of Statutory Frameworks of Tribunals in India,* Report No. 272, 8 (October 2017).
[4] Justice e V. Balakrishna Eradi Committee, *Report of the High Level Committee on Law relating to Insolvency and Winding up of companies*, 4 (2000).
[5] The Insolvency and Bankruptcy Code, 2016 § 234-235
[6] Model Law on Cross-Border Insolvency of the United Nations Commission on International Trade Law A/RES/52/158 (30 January 1998).

resolve such challenges but intend suggestions in IBC, 2016, NCLT's administrative changes and international co-operation.

Keywords: Cross Border insolvency, NCLT, UNICITRAL Model, J. Eradi Committee report

INTRODUCTION

Questions arise when petition by State bank of India at National Company Law Tribunal (NCLT) in April 2019[7] comes in conflict to Dutch foreign creditor, who petitioned at the Mumbai Bench for 'foreign recognition' of judgment by Dutch court. Questionably, NCLT's powers were limited to IBC, 2016[8] carrying series of inferences, where transnational commercial law in India was seen to still not be in tandem to UNCITRAL Model of Cross border Insolvency, 1997. Becoming a signatory to UNICITRAL model in 1997 and accepting the definition of 'foreign proceeding', 'foreign main proceeding' and 'foreign non-main proceeding'[9] but a framework is still to be notified under IBC, 2016 for infrastructure for foreign creditors co-operation, NCLT's administrative re-structuring to its subordinate foreign jurisdictions and bilateral treaties for automatic recognition by NCLT to certified foreign creditors in insolvency proceedings and resolution.

India's ease of doing business rank of 10th in EIU's BER[10] advocates for stringent cross-border insolvency framework in globalised and transnational commercial world. Theoretically, this article also argues that NCLT requires modified universalism by J.K Fincke[11] and resolving problems in Corporate-charter- contractualism, which would allow NCLT to allow foreign creditors as well as foreign proceedings to reduce gaps in proceedings before it starts.

[7] SBI v. Jet Airways (India) Ltd., 2019 SCC OnLine NCLT 23735

[8] Kent Anderson, *The Cross-Border Insolvency Paradigm: A Defense of the Modified Universal Approach Considering the Japanese Experience*, 21 U. PA. J. INT'l ECON. L. 679 (2000)

[9] G.A. Res. 52/158 ¶ 2 A/RES/52/158 (30 January 1998).

[10] Economic Intelligence Unit Update*, Singapore retains its position as world's best business Environment for 15 consecutive years*, EIU, London (13th April 2023)

[11] Adrian Walters, *Modified Universalisms & the Role of Local Legal Culture in the Making of Cross-Border Insolvency Law*, 93 AM. BANKR. L.J. 47 (2019).

JUSTICE ERADI COMMITTEE RECOMMENDATIONS ON CROSS BORDER INSOLVENCY

A. Inferences from UNICITRAL Modeled principles on NCLT's foundation

Attached under Annexure A of Justice Eradi Committee report, Article 21(2) of UNICITRAL Model can empower NCLT to entrust the debtor's assets to foreign representative and under Article 24[12], allowing a foreign representative to interfere in proceedings in India in which debtor is a party.[13] This modified universalism can helm NCLT on four principles of UNICITRAL Model directing (1) Access (2) Recognition (3) Cooperation and (4) Coordination.

In the draft chapter Part Z of Insolvency Law Committee, 2018, an intention to limit cross border resolution to only corporate debtors can be observed. However, such narrowed approach of resolution is further narrowed to only countries part of UNICITRAL Model. A further narrowed approach can be observed under Section 14, where guidance is provided for determining Centre of Main Interests (COMI).[14]

Presuming registered office of corporate debtor to be COMI, it empowers NCLT to assess whether such office has not been moved to another state three months prior to the proceedings.[15] Arguably, this leaves separation of powers of NCLT and Ministry of Corporate Affairs[16] in contention on two grounds. *Firstly*, such assessment is left on factors determined by the ministry and *Secondly*, leaving Joint Insolvency resolution process to a quasi judicial body like NCLT, with no specific framework for multiplicity of suits in different jurisdictions.[17]

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[12] Ananya Kukreti, *Insolvency Reforms in India: History, Growth and Cross Border Issues*, 4 INT'l J.L. MGMT. & HUMAN. 2820 (2021).

[13]Cristina-Marilena Gheorghe, *Branch Status in Cross-Border Insolvency Procedure*, 2013 AGORA INT'l J. JURID. Sci. 64 (2013).

[14]Himanshu Handa, *Orchestrating the UNCITRAL Model Law on Cross-Border Insolvency in India*, 1 INT'l J.L. MGMT. & HUMAN. 11 (2018).

[15] Sayak Banerjee & Akash Mukherjee, *Examining India's New Cross-Border Insolvency Regime and Its Potential Challenges*, 14 Insolvency & Restructuring INT'l 7 (2020).

[16] Saarang Kaushik, *National Company Law Tribunal (NCLT) under the Indian Company Law Regime*, 22 Supremo Amicus [93] (2020).

[17] Vikalp, *Critical Analysis of the Transformation of the Company Law Board into the National Company Law Tribunal in the Light of Various Committee Reports*, 4 RGNUL FIN. & MERCANTILE L. REV. 67 (2017).

B. Probable effects on NCLT of legislative reciprocity on strict implementation

The UNICITRAL model empowers domestic courts to adjudicate equity and equality on corporate insolvency proceedings, which in Indian scenario[18], would not only include NCLT but also local district courts in India.[19] However, the CBIRC recommends localisation of registered office of corporate debtor company (which is Indian) to under nearest jurisdiction of NCLT bench and further leaves limited liability (outside India) to Principal benches. The minimalistic authorisation on foreign representatives that Section 234 and 235 of the Code gives to NCLT is recommended to be given to IBBI by CBIRC.[20] However, in protocol to adopt JIN guidelines for co-operation and communication between NCLT and foreign jurisdictions, CBIRC leaves recognition to directly go for co-operation.[21] Now, this undermines the definition of 'foreign proceeding' under Article 2 of UNICITRAL Model as this imbibes the national laws to empower courts to adjudicate foreign proceedings as a pre-requisite.

The UNICITRAL Model Law grants domestic courts the authority to handle matters of equity and fairness in corporate insolvency cases. In India, this would typically involve not just the National Company Law Tribunal (NCLT) but also local district courts across the country. Despite this, the Cross Border Insolvency Rules/Regulations Committee (CBIRC) has suggested a more localized approach. It recommends that the registered office of an Indian corporate debtor be positioned within the jurisdiction of the nearest NCLT bench. Additionally, the committee proposes that issues related to the limited liability of entities outside India be managed exclusively by the principal benches of the NCLT.

Moreover, the CBIRC suggests shifting the minimal authority granted to the NCLT under Sections 234 and 235 of the Insolvency and Bankruptcy Code (IBC) to the Insolvency and Bankruptcy Board of India (IBBI). This recommendation aims to streamline cross-border insolvency processes by centralizing authority. However, the CBIRC's protocol for adopting the Judicial Insolvency

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[18] Bhavi Shah & Shaivi Awasthy, *Inefficacy of Cross Border Insolvency Framework in India*, 2 INDIAN J.L. & LEGAL Rsch. 1 (2021).

[19] Feibelman, Adam and M, Priya, The Institutional Challenges of a Cross-Border Insolvency Regime, Arizona St. Univ. Commercial and Business Law Journal (July 25, 2021).

[20] Sharlin Puppal, *Powers of National Company Law Tribunal in Cases of Oppression and Mismanagement*, 17 Supremo Amicus 491 (2020).

[21] Cristina-Marilena Gheorghe, *Branch Status in Cross-Border Insolvency Procedure*, 2013 AGORA INT'l J. JURID. Sci. 64 (2013).

Network (JIN) guidelines—intended to improve cooperation and communication between the NCLT and foreign jurisdictions—allows for recognition and cooperation to proceed directly rather than through a structured framework.

This approach challenges the UNICITRAL Model's definition of 'foreign proceeding' as outlined in Article 2, which assumes that national laws must empower domestic courts to handle foreign proceedings. By not fully adhering to this principle, the CBIRC's recommendations might result in inconsistencies in managing and recognizing foreign insolvency cases. This could potentially affect the effectiveness of cross-border insolvency resolutions. Therefore, it is essential to develop a more unified approach that aligns with international standards while accommodating domestic needs to ensure effective and fair cross-border insolvency outcomes.

PRACTICAL INSTUITIONAL CHALLENGES ON NCLT AGAINST CORPORATE NEEDS

A. Categorisation of Non-UNICITRAL countries conflicts resolution on NCLT

This empowerment has been done under Section 234 and 235 of the Code, without which co-operation would lead an unreasonable process, including (1) countries, who have signed bilateral treaty with India (2) countries which have not signed bilateral treaty with India (3) Countries having or not having to adopt UNICITRAL Model on Insolvency.[22]

Engulfed in Civil Procedure Code, 1908, a local court can enforce foreign judgements under Section 13 of the code, but structuring, resolution process and administrative decisions for insolvency proceedings, inspired by resolution professionals under IBC, 2016, cannot be inferred under CPC, 1908.

The authority granted to domestic courts for managing cross-border insolvency cases under Sections 234 and 235 of the Insolvency and Bankruptcy Code (IBC), 2016, is vital for fostering international collaboration in insolvency matters. However, to effectively implement this

[22] Ananya Kukreti, *Insolvency Reforms in India: History, Growth and Cross Border Issues*, 4 INT'l J.L. MGMT. & HUMAN. 2820 (2021).

authority, a nuanced approach is necessary to navigate the complexities arising from different countries' legal systems and treaties.

Sections 234 and 235 of the IBC outline mechanisms for recognizing and enforcing foreign insolvency proceedings. Nevertheless, without a well-defined process for cooperation, handling these cases can become complicated and inefficient. This challenge is evident in several scenarios:

1. **Countries with Bilateral Treaties with India:** When dealing with nations that have signed bilateral investment treaties (BITs) with India, the process tends to be more straightforward, as these treaties usually specify procedures for addressing cross-border insolvency. The key issue here is ensuring that both domestic courts and resolution professionals follow the treaty's provisions and adhere to international standards.
2. **Countries without Bilateral Treaties with India:** For countries lacking bilateral treaties with India, the situation becomes more intricate. In the absence of established agreements, the recognition and enforcement of insolvency proceedings depend heavily on domestic legal frameworks and the willingness of courts to engage with foreign insolvency cases. This lack of formal agreements can introduce uncertainty and inefficiencies into the resolution process.
3. **Countries Adopting or Not Adopting the UNICITRAL Model:** The UNICITRAL Model Law on Cross-Border Insolvency offers a standardized approach for handling international insolvency cases. Countries that have adopted this model generally align their procedures with global best practices, facilitating smoother cooperation. Conversely, countries that have not adopted the UNICITRAL Model may have significant differences in their insolvency management procedures, further complicating cross-border insolvency resolutions.

In the Indian legal framework, while the Civil Procedure Code (CPC), 1908, allows local courts to enforce foreign judgments under Section 13, it does not cover the structured resolution processes and administrative decisions necessary for insolvency proceedings. The CPC focuses on the recognition and enforcement of judgments rather than the comprehensive process required for insolvency resolution.

The IBC, 2016, incorporates a resolution process managed by resolution professionals, encompassing steps such as developing resolution plans, managing debtor assets, and coordinating with various stakeholders. These detailed procedures cannot be effectively managed under the CPC, 1908, as it lacks the specific provisions necessary for insolvency resolution.

Therefore, the implementation of Sections 234 and 235 requires the development of a robust framework for cooperation. This framework should address the needs of both countries with and without bilateral treaties, as well as those adhering to or diverging from the UNICITRAL Model. It should ensure that the process of recognizing and enforcing foreign insolvency proceedings is fair, efficient, and consistent with international standards while also accommodating the distinctive features of domestic legal systems.

B. Why cross border insolvency framework should institutionalize separation of powers?

Although NCLAT had set aside the NCLT order, which declared the Dutch Court to have no jurisdiction in the insolvency resolution process of Jet Airways (India) Limited[23], it directed two inferences on application of cross border resolution under Section 234 of IBC, 2016. *Firstly*, NCLT has not been authorized to direct recognition of 'foreign proceeding' or 'Foreign main proceeding' or 'foreign non- main proceeding' under Article 2(a), (b) and (c) of UNICITRAL Model Law on Cross Border Insolvency. *Secondly*, the need for UNICITRAL model as recommended by Justice Eradi Committee lacks framework with respect to countries with no bilateral treaty with India under Section 234 of IBC, 2016.[24] Despite the National Company Law Appellate Tribunal (NCLAT) overturning the NCLT ruling that the Dutch Court did not have jurisdiction over the insolvency proceedings of Jet Airways (India) Limited, it issued important directives concerning cross-border insolvency under Section 234 of the Insolvency and Bankruptcy Code (IBC), 2016.

Firstly, the NCLAT emphasized that the NCLT does not have the authority to recognize or grant status to any 'foreign proceeding,' 'foreign main proceeding,' or 'foreign non-main proceeding' as

[23] SBI v. Jet Airways (India) Ltd., 2019 SCC OnLine NCLT 23735
[24] ABG Shipyard Liquidator v Central Board of Indirect Taxes & Customs (2023) 1 SCC 472

outlined in Article 2(a), (b), and (c) of the UNICITRAL Model Law on Cross-Border Insolvency. This decision underscores that the NCLT's jurisdiction does not extend to the formal recognition of international insolvency processes.

Secondly, the NCLAT highlighted a significant gap in the current legal framework: the recommendations of the Justice Eradi Committee regarding the UNICITRAL Model Law are insufficient for situations involving countries without a bilateral treaty with India. Section 234 of the IBC, 2016, lacks a robust mechanism for addressing cross-border insolvency with such jurisdictions, pointing to the need for a more comprehensive and adaptable legal framework to manage international insolvency cases involving countries with no existing bilateral agreements with India.

Suggestions To Ministry Of Corporate Affairs And Ibc, 2016

Hence breaking all the recommendations based on Report on the rules and regulations for cross-border insolvency resolution, 2020[25] by Cross Border Insolvency Rules/ Regulations Committee (CBIRC) Ministry of Corporate Affairs:-

1. **Proposed Notification and Cross Border Insolvency Rules on legal reciprocity under Section 234 and Section 235 of IBC, 2016:**

Though Justice Eradi Committee and various other committees have recommended additional Part Z in IBC, 2016 on cross border insolvency, however the analysis shows a need to structure bilateral and UNICITRAL co-operation through rules and guidelines empowering NCT as institutional representative to other UN countries with India for foreign creditor, foreign main proceedings and foreign non main proceedings.

While the Justice Eradi Committee and other advisory bodies have suggested the introduction of an additional Part Z in the IBC, 2016, dedicated to cross-border insolvency, there is an evident need for a more structured approach to bilateral and UNICITRAL cooperation. The current framework lacks specific rules and guidelines that empower the National Company Law Tribunal (NCLT) to act as an institutional representative for foreign creditors, particularly in relation to

[25] Bankruptcy Law Reforms Committee, The report of the Bankruptcy Law Reforms Committee Volume I: Rationale and Design (2014-15) paras 3.4.2 I-II

foreign main proceedings and foreign non-main proceedings.

To address this, it is crucial to develop comprehensive cross-border insolvency rules that enhance legal reciprocity and provide a clear procedural framework for handling cases involving foreign jurisdictions. This would facilitate smoother coordination between Indian and foreign legal systems, ensuring that the NCLT can effectively represent India's interests in international insolvency matters.

2. **Rights of foreign creditors, Centre of Main Interests (COMI) and co-ordination for appeals of more than one foreign proceeding to a new administrative body:**

A deeper risk assessment of UNICITRAL model on NCLT shows lack of infrastructure, constitutional challenges of 'separation of powers' under basic structure and burden of pendency in NCLT on cross border issues. Therefore, a new body, with infrastructure capabilities (electricity, water, railways etc.) to be notified by IBBI can be suggested.[26]

A thorough assessment of the UNICITRAL Model Law as applied by the NCLT reveals significant gaps in infrastructure and constitutional challenges. The NCLT currently faces issues related to the separation of powers, as outlined in the basic structure of the Indian Constitution, and struggles with a high volume of pending cases.

To address these challenges, the establishment of a new administrative body with the necessary infrastructure, such as electricity, water, and transportation facilities—could be beneficial. This new body, to be notified by the Insolvency and Bankruptcy Board of India (IBBI), should be equipped to handle the complexities of cross-border insolvency cases, particularly those involving multiple foreign proceedings. By creating a specialized entity with the requisite capabilities, India can improve its handling of cross-border insolvency matters and better protect the rights of foreign creditors.

[26] Ajay Kumar Radheyshyam Goenka v Tourism Finance Corpn. of India Ltd (2023) SCC OnLine SC 266

Suggestions to NCLT administrative restructuring

3. **Definition of 'adjudicating authority' to include all NCLT benches:** Currently, Section 2(42) of Companies Act, 2013 includes only those foreign companies which have presence in India and limited liability of foreign incorporation is only restricted to principal bench in Delhi. In avoiding such discrimination under Article 14 of the COI, cross border insolvency should be open to all benches and 'foreign companies' should also include NBFCs.

To ensure equitable treatment in cross-border insolvency cases, it is recommended that the definition of 'adjudicating authority' be expanded to include all NCLT benches. Currently, Section 2(42) of the Companies Act, 2013, restricts the adjudication of foreign insolvency matters to the principal bench in Delhi. This limitation can lead to discrimination and may not align with the principles of equality under Article 14 of the Constitution of India. To address this, cross-border insolvency proceedings should be made accessible to all NCLT benches, and the definition of 'foreign companies' should be broadened to include non-banking financial companies (NBFCs). This restructuring would promote fairness and efficiency in handling international insolvency cases.

Suggestions On International Cooperation

1. **Bilateral Treaties with non-UNICITRAL countries to institutionalize NCLT as sovereign representative for foreign creditors:**

Establishing bilateral treaties with non-UNICITRAL countries is essential for institutionalizing the NCLT as a sovereign representative for foreign creditors.

To address such concerns, it is vital to negotiate and implement bilateral treaties that recognize the NCLT's authority and streamline insolvency proceedings with foreign jurisdictions that do not adhere to the UNICITRAL Model Law. These treaties would help ensure that cross-border insolvency issues are managed effectively, protecting both Indian and foreign creditors and fostering international cooperation in insolvency matters.

Conclusion

Nevertheless, to test waters of extraterritoriality with legislative intent, one needs to analyze legislative intent of NCLT Rules, 2016 in power of Section 408 of Company Act, 2013.[27] Empowering rehabilitation, winding up and insolvency matters, does Justice Eradi Committee report does not see the difference between foreign creditors or foreign companies to domestic creditors or domestic companies nor is the Constitution of India under Article 14 designed to be incompetent to provide equality to be heard.[28] A fair hearing under Article 14 of International Covenant on Civil and Political Rights is not an entitlement as a remedy but a right, which can be remedied by institutional powers from remedy giver.[29]

Conclusively, India cannot merely interpret creditor to include both foreign and domestic under Companies Act, 2013 as done in Rajah of Vizianagaram v/s Official Receiver, Vizianagaram[30] but an automatic recognition to foreign proceedings and foreign creditors can happen through registration, compliance and dispute resolution to a new body for Cross-Border Insolvency. The Draft of Insolvency Law Committee Report, 2020[31] can act as advisory provisions but for UNICITRAL model implementation, NCLT's powers are to be revaluated to foreign main proceedings, recognition and foreign non-main proceedings.[32]

To fully explore the implications of extraterritoriality in the context of insolvency law, it's essential to examine the legislative intent behind the NCLT Rules, 2016, and their relation to Section 408 of the Companies Act, 2013. This analysis provides insights into how insolvency and rehabilitation matters are managed and whether the framework adequately addresses the needs of both domestic and foreign creditors.

Section 408 of the Companies Act, 2013, grants the National Company Law Tribunal (NCLT)

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[27] Sayak Banerjee & Akash Mukherjee, *Gibbs Principle: Examining India's New Cross-Border Insolvency Regime and Its Potential Challenges*, 14 Insolvency & Restructuring INT'l 25 (2020).
[28] Swarnendu Chatterjee & Ridhima Chandani, *Comparative Jurisdictional Study of Cross-Border Insolvency*, 1 LAW Essentials J. 155 (2021).
[29] *Swiss Ribbons (P) Ltd. v Union of India* (2019) 4 SCC 17
[30] The International Covenant on Civil and Political Rights [1966] General Assembly Resolution 2200A (XXI), art 14
[31] Sean E. Story, *Cross-Border Insolvency: A Comparative Analysis*, 32 ARIZ. J. INT'l & COMP. L. 431 (2015).
[32] Priya Misra & Adam Feibelman, *The Institutional Challenges of a Cross-Border Insolvency Regime*, 2 CORP. & Bus. L.J. 329 (2021).

broad powers to oversee and adjudicate matters related to corporate rehabilitation, winding up, and insolvency. This provision, coupled with the NCLT Rules, 2016, is designed to facilitate the effective resolution of insolvency cases within India. However, the legislative intent behind these rules and the broader statutory framework does not explicitly differentiate between foreign creditors or companies and their domestic counterparts.

The Justice Eradi Committee Report, which forms the foundation of many insolvency regulations in India, does not address the distinct needs of foreign creditors in detail. The report's focus was more on ensuring that the insolvency process was fair and efficient within the Indian context. It did not delve deeply into the nuances of how foreign and domestic creditors should be treated differently. This lack of differentiation raises concerns about whether the existing framework adequately upholds the principles of equality and fairness as enshrined in Article 14 of the Constitution of India.

Article 14 guarantees the right to equality before the law and the equal protection of the laws, which includes the right to a fair hearing. This right is also reflected in the International Covenant on Civil and Political Rights, which establishes that fair hearing is not just a remedy but a fundamental right. Ensuring that this right is upheld requires an institutional framework capable of providing equitable treatment to all parties involved, including foreign entities.

In practice, interpreting the term "creditor" to include both foreign and domestic entities, as was done in the case of Rajah of Vizianagaram v. Official Receiver, Vizianagaram, is not sufficient for addressing the complexities of cross-border insolvency. An automatic recognition of foreign proceedings and creditors necessitates a more structured approach. This includes registration, compliance, and dispute resolution mechanisms that are managed by a dedicated body specializing in cross-border insolvency.

The Draft Insolvency Law Committee Report, 2020, offers advisory provisions that could guide the implementation of the UNICITRAL Model Law. However, for effective integration of international standards, the powers of the NCLT need to be reassessed. Specifically, the NCLT's role should be clearly defined with respect to foreign main proceedings, recognition of foreign

insolvency proceedings, and foreign non-main proceedings.

A re-evaluation of NCLT's powers and a structured approach to cross-border insolvency are necessary to ensure that India's insolvency framework aligns with global practices. This would involve the creation of a new administrative body to handle cross-border insolvency matters more effectively and ensure compliance with international standards. Such reforms are crucial for enhancing the efficiency and fairness of insolvency proceedings, both for domestic and foreign creditors, and for strengthening India's position in the global insolvency landscape.

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