



**INSOLVENCY
LAW ACADEMY**
An Indian Institute of Excellence in Insolvency



SYNTHESIS NOTE
2nd ROUNDTABLE
SYNERGIES
BETWEEN

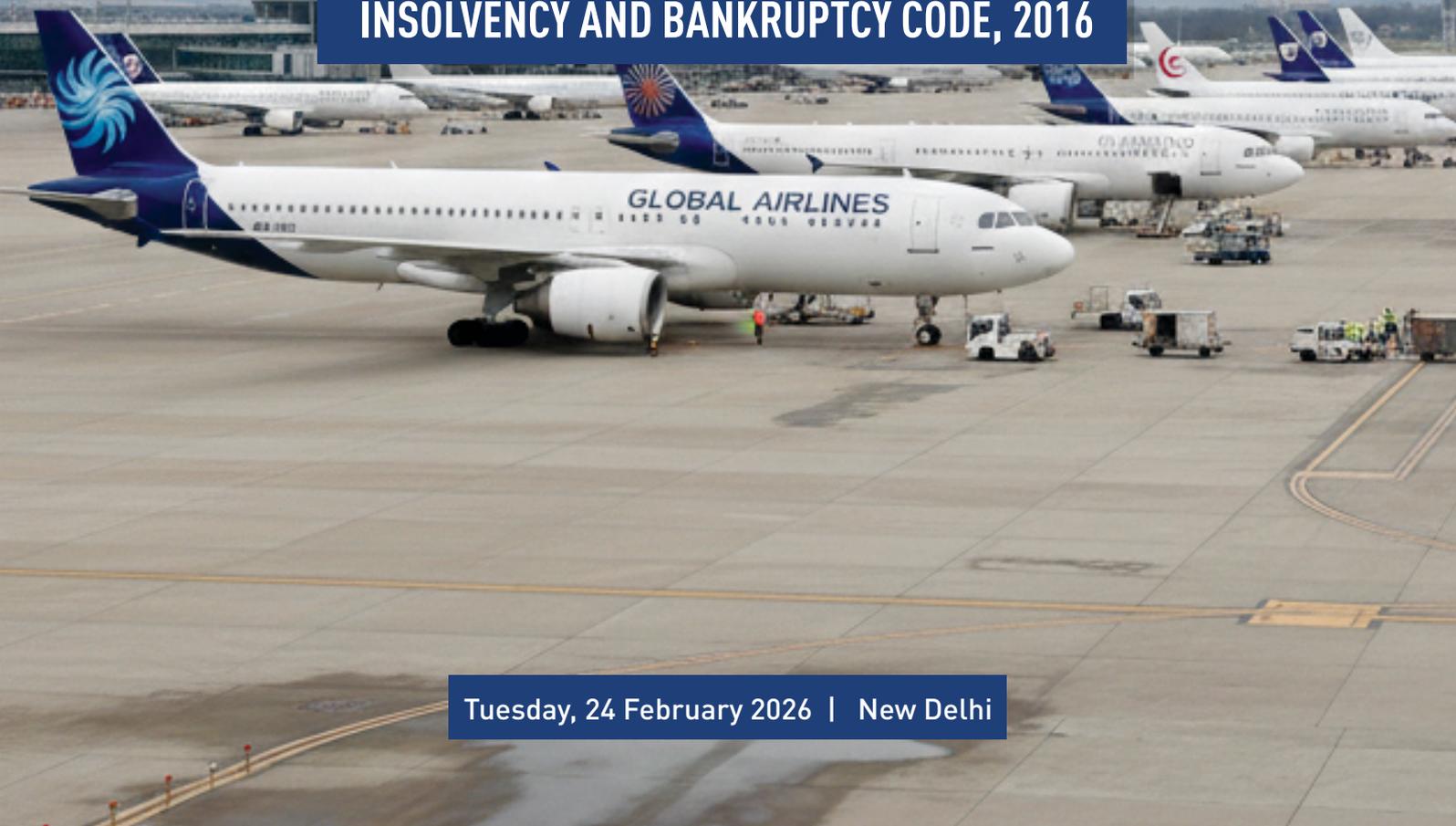
PROTECTION OF INTERESTS IN AIRCRAFT OBJECTS ACT, 2025

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PROTECTION OF INTERESTS IN AIRCRAFT OBJECTS RULES, 2026

AND

INSOLVENCY AND BANKRUPTCY CODE, 2016



Tuesday, 24 February 2026 | New Delhi



INSOLVENCY LAW ACADEMY

The Insolvency Law Academy (ILA) is an independent institute of excellence dedicated to advancing the field of insolvency in India. As a think tank and research institution, ILA contributes to robust policymaking and the continuous enhancement of professional standards within the insolvency ecosystem through cutting-edge research, innovation, and the development of global best practices.

Under its visionary leadership and Mr. Sumant Batra, President, Insolvency Law Academy, the Academy has emerged as a leading voice in insolvency reforms, thought leadership, and capacity building through its research initiatives, scholarly engagement, and collaborative platforms.

www.insolvencylawacademy.com



AVIATION WORKING GROUP

Aviation Working Group (AWG) is a not-for-profit entity, co-chaired by Airbus and Boeing and comprised of the world's major aviation manufacturers, leasing companies, and financial institutions, formed to contribute to the development of the Cape Town Convention and its Aircraft Protocol. Aviation Working Group chaired the group that drafted the original version of the Protocol, chairs the advisory board for the Cape Town Convention International Registry, and works around the world on matters relating to Cape Town Convention compliance, including country scorings on its respected and impactful Cape Town Convention compliance index.

Mr. Jeffrey Wool, Secretary General of the Aviation Working Group, USA, plays a pivotal leadership role in guiding these global initiatives, strengthening international cooperation, and advancing best practices in aviation finance and insolvency compliance frameworks.

www.awg.aero



Background

1. On 16 April 2025, the Government of India notified The Protection of Interests in Aircraft Objects Act, 2025 (CTC Act), to implement the Convention on International Interests in Mobile Equipment and the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment signed at Cape Town on 16 November 2001 (Cape Town Convention). India signed and ratified the Cape Town Convention. After the enactment of CTC Act, the Aviation Working Group (AWG) upgraded India's score on the global CTC compliance Index.
2. The Insolvency Law Academy (ILA) and AWG hosted a roundtable on Tuesday, 10 June 2025 in New Delhi (1st Roundtable) to discuss the issues arising from the enactment of CTC Act, which became effective from 1 May 2025, and its impact on aviation cases under the Insolvency and Bankruptcy Code 2016 (IBC). The 1st Roundtable was jointly chaired by Mr. Sumant Batra, President, ILA and Mr. Jeffrey Wool, Secretary General, AWG. It was attended by global experts and members of the Indian legal and insolvency industry.
3. The participants of the 1st Roundtable applauded the enactment of the CTC Act, noting that its legislative recognition of the importance of the Cape Town Convention has plugged a glaring gap in the existing insolvency framework. It was, however, also noted that the success of the CTC Act will depend on the drafting of a robust subordinate legislation, effective implementation of CTC Act, and interpretation of its provisions that advances the CTC Act's objectives. It was decided that the AWG and ILA shall continue to cooperate and assist to address these concerns.
4. On 30 January 2026, the Ministry of Civil Aviation, Government of India notified the Protection of Interests in Aircraft Objects Rules, 2026 (Aircraft Rules), which provides the procedural architecture and a number of substantive rules for the implementation of CTC Act.
5. In this background the ILA in association with AWG hosted the second roundtable on Tuesday, 24 February 2026 (2nd Roundtable) in New Delhi, to deliberate the issues arising from the Aviation Rules and discuss the way forward. The roundtable was chaired by Dr. M. S. Sahoo, an eminent economist and former Chairperson of the Insolvency and Bankruptcy Board of India.

Deliberations of the Second Roundtable

6. The participants agreed that certainty and predictability in insolvency proceedings are fundamental to both an efficient insolvency system and the terms and conditions of leasing and financing prior to insolvency. In particular, in cases involving insolvency of airlines, predictability and certainty is of paramount importance as it has a direct bearing on cost of leasing and financing of aircraft. This, in turn, impact the cost of services in the airline industry and ticket prices to the traveling public. To achieve this, it is imperative that the supremacy of CTC Act is recognised in insolvency cases.
7. The legal experts examined key matters relating to the consistency between the provisions of the CTC Act, Aircraft Rules, the IBC and the regulations framed thereunder. In any case, a harmonious reading of the non-obstante clauses in the two statutes - Section 9 of the CTC Act and Section 238 of the IBC, read with the Parliamentary intent behind the enactment of CTC Act and the construct of the Aircraft Rules makes it abundantly clear that in the event of any inconsistency between the two statutes (CTC Act and the IBC), the provisions of CTC Act will prevail. The CTC Act is a special legislation enacted to give effect to India's international obligations concerning aircraft objects; it is aimed to complement the IBC while preserving the sanctity of the Cape Town Convention, in letter and spirit.

8. The participants further noted that the IBC is expected to undergo amendments as and when the Insolvency and Bankruptcy (Amendment) Bill, 2025 (IBC Amendment Bill) tabled in the Parliament on 12 August 2025, is passed. Even though IBC Amendment Bill would become a latter legislation when passed, the general view was that, as CTC is a *lex specialis*, there should be no concern relating to the overriding effect of CTC Act.
9. Some participants expressed concern that unless the above position is explicitly clarified in the IBC Amendment Bill, it could become a cause for potential lengthy litigation and lead to unpredictability, which would adversely impact the leasing and financing of aircraft.
10. There was broad consensus that based on experience of implementation of IBC over almost a decade, it can be safely stated that IBC recognises the sanctity of commercial contracts, and, with the overriding effect of the CTC Act, the sanctity of terms of aircraft lease arrangements would be preserved.
11. The participants emphasized on the importance of stakeholders' education and capacity building so that they understand the essence of CTC Act and Aircraft Rules and their provisions are applied in letter and spirit in insolvency process under IBC.
12. The participants further observed that some gray areas in IBC would have to be addressed for effective implementation of CTC Act and Aircraft Rules. For instance, the Interim Resolution Professionals and Resolution Professionals (IRPs/RPs) will need to honour the 60-day moratorium (which would start counting from the date of admission of the insolvency petition under the provisions of the IBC) and other obligations under the CTC Act and Aircraft Rules irrespective of the constitution of the committee of creditors (CoC) which can often take 30-45 days for constitution, sometimes longer. The responsibility to ensure compliance with the Cape Town Convention framework and the relevant aircraft-specific statutory provisions rests with the IRP/RP. The RP will have to take necessary steps to preserve the value and airworthiness and operational expenses of the aircraft at the cost of corporate debtor during this period.
13. The meeting ended with the participants suggesting that ILA and AWG jointly formulate best practice guidelines for stakeholders to provide practical guidance to stakeholders and hold educational programmes.

**LOOK GLOBAL,
THINK LOCAL**

List of Participants

Dr. M. S. Sahoo

(Chair) Former Chairperson, Insolvency and Bankruptcy Board of India; Advocate; Former Distinguished Professor, National Law University Delhi

Sumant Batra

President, Insolvency Law Academy

Jeffrey Wool

Secretary General, Aviation Working Group, USA

Ajay Kumar

Managing Partner, KLA Legal Advocates & Solicitors

Anubhav Dutta

Partner, Tuli & Co.

Anuradha Singh

Head of Legal and Transaction Management, BOC Aviation Limited

Aparna Ravi

Partner, S&R Associates

Dharmil Doshi

Lawyer, Shardul Amarchand Mangaldas & Co.

Dr. Risham Garg

Associate Professor, National Law University, Delhi

Fiachra Breslin

Portfolio Risk Management, SMBC Aviation Capital, Dublin

Ishana Tripathi

Co-Chair, ILA-ESG; Director (Research & Innovation), Shardul Amarchand Mangaldas & Co.

Jasveen Kaur**Jyoti Singh**

Founder, AJA Legal

Lovejeet Singh

Partner, Chandhiok & Mahajan Associates

Marylou Bilawala

Joint Managing Partner, Wadia Ghandy & Co.

Nitin Sarin

Managing Partner, Sarin & Co.

Nimisha Shukla

Associate, Tuli & Co., Mumbai, Maharashtra

Pooja Bahry

Insolvency Professional

Pooja Mahajan

Managing Partner, Chandhiok & Mahajan Associates

Pranaya Goyal

Partner, Wadia Ghandy & Co., Delhi

Rahul Madan

Managing Director, Indian Institute of Insolvency Professionals of ICAI

Saakshi Malpekar

Associate (Aviation and General Corporate), Wadia Ghandy & Co.

Salil Gupte

President, Boeing International Corporation India Private Limited

Sanjay Bhatt

Joint Managing Partner, Kesar Dass B. & Associates

Satish Kumar Gupta

Chief Executive Officer, Alternate Assets Solution

Saurav Panda

Partner, Shardul Amarchand Mangaldas & Co.

Sunil Fernandes

Senior Advocate, Supreme Court of India

Sumant Agarwal

Partner, Alfaeon Advisors LLP

Surbhi Pareek

Partner, Cyril Amarchand Mangaldas

Udayraj Patwardhan

Insolvency Professional

Tejaswi Nimmagadda

Senior Advisor

Abha Gupta**Ayush Singh****Karan Vakil****Randeep Bhabra****Vaidehi Gulati**

Senior Research Associate, Insolvency Law Academy

Pranita Raj

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Global Advisory Board



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Founding Vice-Chancellor, O.P. Jindal Global University, India



Dr. M.S. Sahoo

Advocate; Former Distinguished Professor, National Law University Delhi; Former Chairperson, Insolvency and Bankruptcy Board of India



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Immediate Past President, INSOL International; Chairman, Norton Rose Fulbright, Australia



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Shreasha Merla

Former Member (Technical), National Company Law Appellate Tribunal, India



Sumant Batra

Insolvency Lawyer; President, Insolvency Law Academy, India (Ex-officio)

