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# Debt Restructuring

Debt Restructuring Law Firm in India for RBI Framework, IBC, and Lenders

PRACTICE PROFILE • OCTOBER 2026

## Overview

Our firm offers expert legal support in debt restructuring and reorganization transactions, focusing on strategies that help businesses navigate financial distress while ensuring compliance with relevant laws and regulatory frameworks, including the RBI's Prudential Framework and Insolvency and Bankruptcy Code (IBC).

## Our Services

### Expertise in Debt Restructuring and Resolution Plans

We assist clients in the preparation, drafting, and review of resolution plans under the RBI Prudential Framework, providing comprehensive legal guidance throughout the restructuring process. Our services include:

- Drafting and finalizing inter-creditor agreements (ICAs) among lenders to enable consensus
- Structuring debt restructuring documentation for both corporate debtors and lenders
- Advising on security creation, continuation, and modification to ensure enforceability and compliance
- Implementing strategies to address distressed debt and enable recovery of dues for lenders

### Compliance with Regulatory Frameworks

We ensure that all debt restructuring initiatives comply with applicable regulations, including those under the RBI guidelines, the Insolvency and Bankruptcy Code (IBC), and other relevant laws. Our team keeps clients informed of the regulatory framework and provides ongoing support to manage:

- Compliance with Reserve Bank of India (RBI) guidelines for distressed assets
- Preparation of reports and filings required under regulatory frameworks
- Ongoing monitoring of the restructuring process to avoid default or legal issues

### Representation in Lender Meetings and Creditors' Committees

Our team represents clients in discussions and meetings with creditors, including the Joint Lenders' Forum (JLF), Committee of Creditors (COC), and other bodies involved in debt restructuring. We help ensure that:

- Client interests are strategically protected during negotiations
- Key decisions and resolutions reflect your commercial and legal goals
- The restructuring process moves forward with minimal disruption to business operations

### Filings, Reporting & Documentation

We assist in the preparation and submission of all filings and reports as required by regulatory authorities, ensuring transparency and compliance with guidelines for corporate debt restructuring.

## Key Professionals



**Shiju P V**
Managing Partner



**Shrishail Kittad**
Senior Partner



**Nim Dem Dorjee**
Associate Partner



**Rahul Sundaram**
Partner



**Shweta Tiwari**
Associate Partner

## Frequently Asked Questions

**Q1** **What does debt restructuring involve for Indian businesses?**

Debt restructuring involves renegotiating the terms of existing debt obligations, such as extending repayment timelines, reducing interest rates, converting debt to equity, or agreeing on haircuts. The goal is to restore a borrower's ability to service debt while maximizing recovery for lenders.

**Q2** **When should a company or lender consider initiating debt restructuring?**

Restructuring should be explored when a borrower faces cash flow stress, defaults on repayment obligations, or is classified as a special mention account (SMA) by lenders. Early action, ideally before an account turns NPA, preserves greater value for all stakeholders involved.

**Q3** **Which laws and regulators govern debt restructuring in India?**

The RBI's Prudential Framework for Resolution of Stressed Assets (2019) governs out-of-court restructuring by banks and NBFCs. For formal insolvency, the IBC read with NCLT rules applies. SARFAESI Act and DRT Act provide additional enforcement remedies for secured creditors.

**Q4** **What is the typical timeline for completing a debt restructuring plan?**

Under the RBI Framework, lenders must implement a resolution plan within 180 days of the first default to avoid additional provisioning. IBC proceedings have a 330 day outer limit. Timelines depend on the number of lenders, complexity of the debt stack, and inter-creditor consensus.

**Q5** **What documents are needed to begin a debt restructuring engagement?**

Key documents include existing loan and security agreements, sanction letters, financial statements for at least three years, details of all lenders with outstanding exposures, asset valuation reports, and any prior correspondence with lenders or the RBI regarding stressed account classification.

**Q6** **What common mistakes do borrowers and lenders make during restructuring?**

A frequent error is delaying action until the account becomes an NPA, which triggers higher provisioning for lenders and limits resolution options. Another is failing to execute a proper inter-creditor agreement (ICA) early, leading to holdout creditors blocking or delaying the entire process.

## Related Practice Areas

Banking & Finance | Project Finance | Real Estate Finance | Corporate Finance | Debenture Issuance | Regulatory Advisory/ Digital Lending | Cross-Border lending | Securitisation/ Debt Assignment