

SECTION S – ASSESSMENT OF PROCESSES

S1. Is the process for taking of security over land to secure corporate borrowing:

Not expensive	X
Expensive	
* Very expensive	

Easy	X
Difficult	
* Very difficult	

Very efficient	
Efficient	X
* Inefficient	

Quick	X
Slow	
Very slow	

S2. Is the process for taking of security over property other than land to secure corporate borrowing:

Not expensive	X
Expensive	
* Very expensive	

Easy	X
Difficult	
* Very difficult	

Very efficient	
Efficient	X
* Inefficient	

Quick	X
Slow	
* Very slow	

S3. Is the process for enforcement of security over land:

Not expensive	X
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Easy	X
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Very efficient	
Efficient	X
* Inefficient	

Quick	
Slow	X
* Very slow	

S4. Is the process for enforcement of security over property other than land:

Not expensive	X
Expensive	
* Very expensive	

Easy	X
Difficult	
* Very difficult	

Very efficient	
Efficient	X
* Inefficient	

Quick	X
Slow	
* Very slow	

S5. Is the process for debt collection:

Not expensive	X
Expensive	
* Very expensive	

Easy	X
Difficult	
* Very difficult	

Very efficient	
Efficient	X
* Inefficient	

Quick	
Slow	X
Very slow	

S6. Is the process for winding up (liquidating) and insolvent corporate borrower:

Not expensive	
Expensive	X

Easy	X
Difficult	

* Very expensive	
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* Very difficult	
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Very efficient	
Efficient	X
* Inefficient	

Quick	
Slow	X
* Very slow	

S7. Is the process for the possible re-structuring of an insolvent corporate borrower:

Not expensive	
Expensive	X
* Very expensive	

Easy	
Difficult	X
* Very difficult	

Very efficient	
Efficient	X
* Inefficient	

Quick	
Slow	X
* Very slow	

S8. What is the average time period between the filing of an application for the winding up (liquidation of bankruptcy) of an insolvent corporate borrower and the formal pronouncement that the corporate borrower will be liquidated:

1 – 2 Months	
2 – 4 Months	
4 – 6 Months	
Other 6-12 Months	X

Briefly the reason for the time frame given is the considerable amount of ongoing litigation that means the period in between hearing dates tends to be long, and delays due to overcrowded lists can occur. In many cases, the legal practitioners themselves contribute to the delays.

- S9. What is the average time period for the commencement of a formal procedure for the re-organisation or re-structure (including a composition) of an insolvent corporate borrower and the commencement of the implementation of an agreed formal plan of re-organisation or re-structure:**

2- 4 Months	
4 – 8 Months	
8 – 12 Months	X
12 – 18 Months	
Other	

A formal reorganization would mean a section 176 scheme of arrangement. Delays could arise from the fact that in many instances, regulatory body approvals are required and these may take time. Also negotiations between creditors before class meetings can take time.

- S10 What is the average time period for the commencement of an informal procedure (a “work out”) for the re-organisation or re-structure (including a composition) of an insolvent corporate borrower and the commencement of the implementation of an agreed plan of re-organisation or re-structure:**

2- 4 Months	X
4 – 8 Months	
8 – 12 Months	
12 – 18 Months	
Other	

An informal work out can take less time than a formal one because there are no court procedures to be followed. Bank Negara Malaysia’s CDRC framework also encourages timely resolution of a work out.

- S11. If there are relevant statistics available for the incidence of formal insolvency procedures for insolvent corporate borrowers do these show that the incidence for (a) liquidation/bankruptcy and (b) re-organisation/re-structure is:**

(a)

Very high	
High	X
Low	
* Very low	

(b)

Very high	
High	
Low	X
* Very low	

S12. What is your assessment of the predictability (positive, certain outcome) of the following processes in your economy:

(a) Security enforcement of land

Very high	
High	X
Medium	
Low	
* Very low	

(b) Security enforcement of property other than land

Very high	
High	X
Medium	
Low	
* Very low	

(c) Judicial handling of security enforcement

Very high	
High	X
Medium	
Low	
* Very low	

(d) Judicial handling of debt collection

	Very high	
	High	X
	Medium	
	Low	
*	Very low	

(e) Judicial handling of insolvency (liquidation) cases

	Very high	
	High	X
	Medium	
	Low	
*	Very low	

(f) Judicial handling of cases of re-organisation/re-structure

	Very high	
	High	
	Medium	X
	Low	
*	Very low	