



Datuk Seri Anwar Ibrahim says those who wish to improve their economic circumstances can get help from the National Entrepreneurial Group Economic Fund, Majlis Amanah Rakyat or Perbadanan Usahawan Nasional Bhd. **BERNAMA PIC**

INSOLVENCY ACT AMENDMENTS

CHANGES TO LAW FREE 140,000 BANKRUPTS

There are govt schemes to help these people get new lease of life, says PM

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A TOTAL of 142,510 people are discharged from bankruptcy following amendments to the Insolvency Act.

Prime Minister Datuk Seri Anwar Ibrahim said this had given them a new lease of life.

"Follow-up measures for these individuals are just as important after getting a second chance and breaking free from bankruptcy," he said.

"This means some 140,000 families have been saved and can live comfortably now.

"In the meantime, we have (government assistance including) Rahmah cash aid, with RM10 billion allocated for nine million people," he said.

He was delivering a speech at the Insolvency Department's

centennial celebration here yesterday.

He said the amendments had strengthened the Insolvency Act, while networking among ministries and departments would provide business opportunities to those who wish to improve their economic circumstances, including through initiatives by the National Entrepreneurial Group Economic Fund (Tekun Nasional), Majlis Amanah Rakyat or Perbadanan Usahawan Nasional Bhd, among others.

He said people fell into bankruptcy due to several factors, including recklessness, business mistakes, slow economy and the Covid-19 pandemic.

"It is our duty to drive the economy and give those affected a second chance.

"Proactive measures are needed to ensure that Malaysia remains competitive and prospers."

Anwar also expressed his appreciation to MDI's staff who exceeded the initial, target of discharging 130,000 bankrupt individuals following the revision of the law.

"We are studying the remuneration system recalibration, (and) the role of the Insolvency Department would definitely be given special attention due to the en-

couraging performance."

Minister in the Prime Minister's Department (Law and Institutional Reform) Datuk Seri Azalina Othman Said said the "Second Chance" agenda also emphasised on effective insolvency administration through the management of assets, including properties of companies that went into liquidation.

For this purpose, the government, through MDI, had enhanced strategic cooperation with other agencies and private sector, in particular the Insolvency Practitioners Association of Malaysia, she said.

"In line with the technology modernisation and latest trends, the development of digitalised systems plays a vital role in operational implementation."

The amended Insolvency Act was gazetted on Aug 11 last year and came into force on Oct 6.

Key amendments to the Act include relaxing the conditions for discharge, with Section 33C providing for automatic discharge within three to five years from the date of a bankrupt's submission of his or her statement of affairs.

Section 33C applies retrospectively, covering individuals who had been formally declared bankrupt before the passing of the amendments to this Act.