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In South Africa, how long does an entire insolvency process take?



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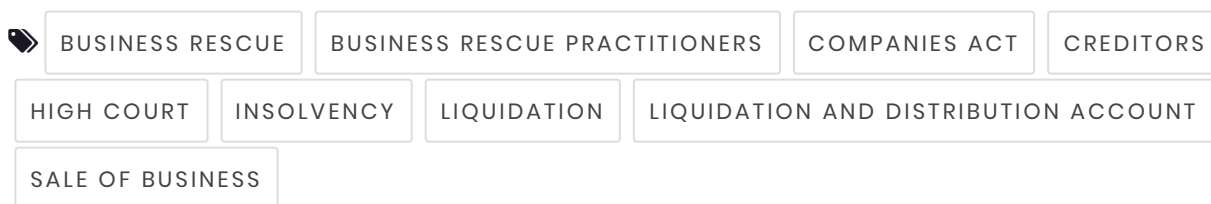
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When reorganisation is converted to liquidation it usually takes approximately 2 years. In accordance with the provisions of the new [Companies Act](#), [business rescue](#) proceedings are designed to last for a period of 3 months from start to finish. However, in practice, business rescue proceedings are extended from time to time with the support of the majority of creditors. If business rescue fails, a creditor or the business rescue practitioner will file for the liquidation of the company in the High Court as soon as possible. The company will then be converted from business rescue to liquidation. It will take approximately 18 months to 2 years for the conversion and completion of the liquidation and for the organisation and execution of the sale, the drafting and approval of the liquidation and distribution account, and until the proceeds of the sale are finally distributed among creditors.

See also:

- [Fluxmans voted 'Best Insolvency & Restructuring Law Firm' in South Africa](#)
- [Considering business rescue](#)
- [What happens to a surety obligation when the principal debtor is in business rescue?](#)
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