

Message from Chairman, Editorial Board



CA. Nihar N. Jambusaria

President, ICAI

Chairman, Editorial Board-IIPI

Dear Member,

Wish you a happy and prosperous 2022!

Despite the hardships caused by the second wave of Covid-19 pandemic, 2021 will always be remembered as the year for paradigm shifts at multiple levels. The year witnessed completion of five years of the IBC regime, besides introduction of many changes. The most significant of them, is introduction of Pre-Packaged Insolvency Resolution Process (PIRP) framework for MSMEs thereby, making the IBC diversified and wide-ranged. However, we have yet to make diligent efforts to see this framework being used effectively. The reasons for such underutilization may lie in lack of awareness or incentive among stakeholders, especially MSME segment therefore, there is a need to put in efforts in this direction. IIPI has been working towards improving the awareness and usage of PIRP.

By the year end, the stage has been set for the Cross Border Insolvency. I feel proud in acknowledging the efforts and contribution of Insolvency Professionals (IPs) in building sufficient knowledge and experience in CIRPs and setting the stage for the cross-border insolvency framework as a next logical step. Furthermore, such knowledge and

experiences have helped building up the base for policy formulation thereby ensuring a robust legal framework.

In addition, the recommendations of Shri G N Bajpai panel to set up a national dashboard for 'reliable and real-time insolvency data' would go a long way in ensuring vibrant and dynamic insolvency resolution market in India. In yet another significant development, the Central Government has unveiled the policy for privatization or closure of non-strategic state-run firms, including through IBC route. Further, the operationalization of Bad Bank – National Asset Reconstruction Company Ltd. (NARCL) has brought about a significant change in resolving distressed assets in India. The Ministry of Finance has reportedly given the NARCL a target to complete the takeover of 22 identified top non-performing accounts (NPAs) involving Rs.80,000 crore by March 31, 2022. These policy initiatives under the IBC coupled with judicial interpretations have redefined the IBC regime during 2021 which will influence insolvency resolution in time to come.

It is pleasant to see that the IBC is gradually approaching towards a holistic resolution framework. We are hoping that the Central Government will soon come up with drafts on two important aspects of the IBC – Individual Insolvency and Group Insolvency. Keeping in mind the importance of the IBC's objectives, it has become even more important for IPs to carry out responsibilities entrusted upon them, ethically and remain mindful about the public interest as the underlying theme.

I hope you all will continue with this pace of innovating, experimenting, setting professional standards, and leading reforms in the IBC ecosystem. While the country is celebrating 'Azadi Ka Amrit Mahotsava', let's resolve to make IBC beneficial for all the stakeholders.

Wish you all the best.

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