

Message from Chairman, IIPI-Board



Dr. Ashok Haldia
Chairman, Governing Board
IIPI, New Delhi

Dear Member,

Happy and Prosperous 2022!

The year gone by has been a roller coaster ride across hope and despair, a year of leaps in learnings and overcoming challenges posed by Covid, among others. After a Covid-driven hiatus, which led to discontinuation of physical events, by the end of the year, IIPI could organize a couple of events in hybrid mode.

For IIPI, the high point of the year culminated into celebrations of our 5th Foundation Day on November 25, 2021, in a physical event in New Delhi, preceded by completion of 5 years of IBC during May 2021. At the celebratory event, we were obliged to have the presence of Shri Piyush Goyal, Hon'ble Union Minister of Commerce & Industry. While exhorting the profession to respond to onerous responsibility, he appreciated the role played by IPs and IIPI in the success of IBC. Besides, eminent personalities from cross section of stakeholders such as Dr. Navrang Saini Chairperson IBBI, CA. Nihar N. Jambusaria President ICAI, Shri Sudhaker Shukla WTM IBBI, Shri Paul Bannister Policy Head Insolvency Service Govt. of UK, Shri J. Swaminathan Managing Director SBI, Prof. Pryor C. Scott Campbell University USA, and Shri A K Bhattacharya Executive Director Business Standard, graced the occasion benefitting the participants with their wisdom.

The event also witnessed the release of IIPI's publication on case studies on successful CIRPs, a first of its kind initiative. We plan to bring out another edition focusing on learnings from unsuccessful CIRPs and smaller cases under IBC.

In a webinar on Individual Insolvency jointly by IBBI, IIPI, and British High Commission, Shri Suresh Prabhu, Former Minister, Govt. of India, highlighted the salutary aspects of insolvency law for ensuring ease of doing business, by giving honourable exit to entrepreneurs due to genuine failures.

The recent data released by the IBBI exhibits that with a share of ~63% or 2,618 IPs, IIPI continues to be the largest IPA carrying forward its legacy to strengthen the insolvency profession. As per the data, 4,708 CIRP cases have so far been admitted by NCLT for insolvency process out of which 3,068 have been closed while 1,640 cases are pending. Notwithstanding thousands of cases waiting at the admission stage, the achievement so far has indeed been credible.

The year has witnessed notification of Pre-Pack insolvency framework for MSMEs and of late, draft Cross Border insolvency framework has been released for public comments. As another significant development, Central Government operationalized Bad Bank (NARCL) towards improving the scenario for resolution of stressed assets in the country.

Though the risk of next wave of Covid has been looming large on the economy, cautious optimism is perceptible among the businesses and their stakeholders about being able to wade through such wave ever striking, successfully. Such optimism is apparently due to previous experience and learnings especially through more digitation across many processes adopted by various stakeholders.

At IIPI, we continue to innovate with an objective to act as one-stop shop to fulfil all the professional requirements of our professional members, some of which have been shared as follows.

Partnering the Reforms

Reforms in legal framework involves a multistage process. It requires intellectual debate from initiation to drafting to final implementation on ground. Under the aegis of IBBI, IIIPI has been an active partner in pushing reforms in the IBC, 2016. It provided wide consultation-based inputs on policy on various matters to IBBI.

During 2021, IIIPI upped the efforts and came out with at least four research-based study group reports, viz. (i) Group Insolvency : Learnings from International Experience (ii) Recommendations on COC's Best Practices (iii) 'Study Group Report: Roles of IPs Prior to During and Post PPIRP for MSMEs' along with 'FAQ on PPIRP for MSMEs' and (iv) 'Enhancing Roles of Small Sized IPs', which would act as guide to Insolvency Professionals (IPs) and create better awareness among other stakeholders. Furthermore, IIIPI made presentations on the above reports to Ministry of MSMEs and IBBI. Acknowledging the need to spread awareness and usage of PPRIP framework especially among MSMEs, IIIPI is in the process of creating a helpline for MSMEs through its website in near future.

IIIPI also developed, in association with other IPAs, best practice papers on (i) appointment of professionals during CIRP/Liquidation and (ii) conducting meetings of the Committee of Creditors (COC) under CIRP. These papers shall be soon released under the aegis of IBBI.

Presently, six different Study Groups constituted by IIIPI, comprising members from across different professional backgrounds, are at various stages of completing their reports. These Study Groups are in respect of:

- Improving and amending IBC framework post-Covid;
- Developing Code of Ethics for IPs in line with international best practices;
- Framework for Quality Control and Assurance Mechanism for Services Rendered by IPs along with Peer Review Mechanism.
- Designing Mentorship Program for IPs';
- Best Practices on Liquidation Process; and
- Cross Border Insolvency Framework: Building Capacity of Professionals and Stakeholders.

Capacity Building

Enhancing the capacity of members and stakeholders, is one of the key roles of IIIPI as a frontline regulator. In addition to mandatory pre-registration educational courses (PRECs), IIIPI has over last quarter or so, taken capacity building measures, among others, on Managing Corporate Debtors as Going Concern Under CIRP; Mastering Legal Skills, Pleadings and Court Processes under IBC; Individual Insolvency - Preparing for Future; Digitalisation of Insolvency Processes. It organized programs in association with IBBI, CII, NeSL, WASME and other organisations. It also organized Interaction with CFOs of CDs and successful Resolution Applicants.

We expect that in year 2022, frameworks for cross border, individual insolvency, and group insolvency may be notified, thus making the IBC a full-fledged and a world-class dispensation. With the expansion of the IBC's scope, the challenges of the capacity building are also rising. IIIPI has recently decided to form a Research Committee to take up various research projects on regular basis. The areas identified for urgent focus, are Individual Insolvency, Cross Border, Group Insolvency and Mediation among others. This will further improve the quality of capacity building initiatives of IIIPI and enable us to serve the members better.

Small practitioners are at the center of IIIPI's work programs. Apart from a targeted study and capacity building measures on areas of concerns, we are launching shortly, a mentorship program benefitting these members. Discussion Forum available on IIP's portal has been found to be very useful.

I am confident the ensuing legislative reforms coupled with the initiatives by IIIPI duly supported by professional commitment of our members, will surely realize the objectives of IBC resolutely.

Wish you all the best.

Dr. Ashok Haldia
Chairman, Governing Board

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