

Message from Chairman, Editorial Board



CA. (Dr.) Debashis Mitra
President, ICAI
Chairman, Editorial Board-IIIPI

Dear Member,

Over the last five years, the Insolvency and Bankruptcy Code, 2016 (IBC) regime has helped the country in overcoming several economic challenges and establish India as a much sought-after destination for investors. Improvements in the Global Insolvency Rank from 136th rank in 2017 to 52nd rank in 2020, reduction in average time for resolution from 4.3 years to 1.6 years and improvement from 62nd to 25th rank in credit ranking, are few among many achievements resulting from the IBC as a beneficial economic legislation in India. In addition, the IBC regime has also produced several tangible achievements as a testimony to its success. As per the recent data released by the Insolvency and Bankruptcy Board of India (IBBI), a total of 4,946 cases were admitted for Corporate Insolvency Resolution Process (CIRP) out of which ~66% have been closed by December 31, 2021. Further analysis of the data shows that out of 3,247 closed cases, ~53% Corporate Debtors (CDs) were settled as going concern some of which through resolution plans while some others through settlements with applicants and other stakeholders. Imagine about the loss of job and loss to the economy if these businesses had succumbed to the financial distress or disputes in the absence of effective resolution process implemented through the IBC 2016.

In comparison to the previous 'recovery regime' which used to take several years, the time taken in insolvency processes has been significantly reduced. Moreover, another beneficial aspect of IBC is the positive shift in behaviour of stakeholders. The stakeholders must exercise caution while abiding the timeline prescribed under the Code. Technological interventions could be of great help in reducing time at various levels of the insolvency processes thereby facilitating time bound outcomes. The technological innovations, for instance, Platform for Distressed Assets (PDA) services provided by Information Utilities (IUs) /market players can provide a greater flexibility, accuracy, and efficiency in managing affairs across Corporate Debtors (CD), Insolvency Professionals (IPs) and other stakeholders. The proposed 'National Dashboard for Insolvency Data', NCLTs digital courts and IBBI's initiative on IBC-21 (integrated portal for IBC processes across IBBI, IPAs, and IPs) are a welcome step in this direction.

Under the IBC regime especially in the context of futuristic Cross Border framework, IPs are expected to deal with assignments which involve multidisciplinary and multidimensional aspects. Interaction and sharing of experiences across global economies on emerging jurisprudence becomes crucial. In this backdrop, IIIPI, on March 26, organized an International Conference on 'IBC in India and International Perspective' in which, besides the eminent personalities from India, thought leaders from UK, Australia, Singapore, and South Africa have also shared their perspectives. I appreciate the efforts of IIIPI in bringing out publications on background guidance on Code of Ethics, Quality Control Mechanism and also on the Peer Review Policy. These initiatives shall go a long way in further standardization and enhancing quality of insolvency services provided by professional members of IIIPI. I am confident that with a united and cohesive approach by all the stakeholders, we can achieve all the objectives of the IBC resoundingly.

Wish you all the best.

CA. (Dr.) Debashis Mitra

President, ICAI
Chairman, Editorial Board-IIIPI