

Message from Chairman, IIIPI-Board



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

Dear Member,

The dialogues and deliberations are crucial to the capacity building of professional members in any profession. It is even more pertinent in the context of the insolvency profession, which impacts multiple stakeholders and is considered one of the most complex professions. On the shoulders of an insolvency professional as an important pillar, lie critical responsibilities, which are onerous at times, during and around the process of rescuing the corporate lives. In this backdrop, it can be said that the performance of the IBC ecosystem, to a great extent, is directly linked to the capacity building of IPs.

In the first five years, the foundation for the insolvency regime in India has been set and cemented. The evolving jurisprudence, regulatory pro-activeness, and newer frameworks on an anvil like Cross Border Insolvency, Group Insolvency, full-fledged Individual Insolvency, and Pre-Pack Insolvency for all corporates, have heightened the prospects of insolvency law as a global profession. IIIPI, the largest IPA in the country, has taken up this challenge as an opportunity to lead by example.

Most recently, IIIPI, jointly with IBBI, organized International Conference (Virtual) on “IBC in India & International Perspective” on 26th March. On this

occasion, we had the opportunity to listen to the views of Shri Bhupender Yadav, Hon'ble Union Minister, Ministry of Labour and Employment, and Ministry of Environment, Forest & Climate Change. As the Chairperson of the Joint Parliamentary Committee on Insolvency and Bankruptcy Bill 2015, Shri Yadav has been one of the architects of the IBC. Speaking as the Chief Guest, Hon'ble Minister appreciated the role of IIIPI in strengthening the IBC in past five years and emphasized that given the rising globalization, it is imperative to align the Indian Insolvency system with best international practices for managing Cross Border Insolvency. He also expressed confidence that IBC would continue to evolve and reach many more milestones before its 10th anniversary. In addition to the Insolvency Professionals (IPs), experts and officials, insolvency/bankruptcy professionals/experts from five nations including UK, South Africa, Australia, and Singapore participated in the conference. Besides, the representatives of IBBI, Ministry of Law & Justice, World Bank Group, State Bank of India, INSOL International, High Court of London, were also among the guest speakers.

During the conference, three publications were also released viz. Peer Review Policy, Background Guidance on Quality Control Mechanism and Background Guidance on Code of Ethics. Trust, quality and ethical conduct constitute the key benchmarks for assessing credibility of professional services. The insolvency profession is synonym for integrity and independence. These three documents shall help IPs to deliver outcomes in accordance of law and meet stakeholders' expectations in letter and spirit. Further, in near future IIIPI shall also be organizing capacity building training on Cross Border/ Group Insolvency matters, in association with reputed international professional organization(s).

Peer Review Mechanism, Guidance on Quality Control and Code of Ethics

An independent peer-review is considered as an effective mechanism for ensuring quality control and enthusing confidence in the stakeholders. A Study Group constituted

by the IIIPI after wider consultations, has come up with draft of a Peer Review Policy, the publication of which was released by CA. (Dr.) Debashis Mitra, President-ICAI during the International Conference on 26th March. The peer review process allows the review of qualitative aspects by another experienced professional, which can be seen as an independent process among equals. This would also enhance the image of profession and enthuse confidence of stakeholders. With this proactive initiative, IIIPI has become the first IPA in India to have a peer-review policy. This mechanism shall be rolled out soon. 'Background Guidance on Quality Control' provides guidance to IPs in maintaining and enhancing quality of their services while discharging responsibilities in relation to the professional assignments under IBC. The guidance in this document is based on international best practices, directory in nature. We hope that these guidelines will help the IPs in designing a system of quality control to provide reasonable assurance that the IP and his team comply with professional standards, best practices, regulatory and legal requirements.

'Background Guidance on Code of Ethics' aims to provide an ethical framework within which the IPs need to discharge their professional responsibilities keeping in mind. Drawing upon the international best practices, this document lays down the fundamental principles and the conceptual framework, etc. to be followed by IPs in all their actions, whether carried out with or without reward and in other circumstances where to fail to do so would bring discredit to the insolvency profession.

We are confident that being the largest IPA with about 63% IPs in India who hold about 75% of professional assignments and have experience of conducting most of marquee resolutions so far, IIIPI will be able to pioneer more such initiatives in future as well.

Research Initiatives

In yet another initiative, IIIPI has become the first IPA to constitute a dedicated 'Research Committee' to produce high quality research in the field of insolvency and bankruptcy on various topics related to insolvency ecosystem. This initiative is aimed at sponsoring research projects and publishing the research outputs on various

platforms for wider knowledge dissemination to various stakeholders. Moreover, IIIPI has decided to commission studies/best practices on contemporary topics viz Valuation under IBC, Individual Insolvency (Personal Guarantor to CD), and Role of IPs across Value Chain of Distress Asset Resolution.

Recent Amendments

IBBI has recently amended the IBBI (Voluntary Liquidation Process) Regulations, 2017. Through such amendments, timelines have been modified for certain stipulated activities undertaken during the voluntary liquidation process, with a view to curtail delays and ensure faster exit for firms. Such amendment is another example of prompt regulatory intervention to ensure smooth functioning of IBC. Further, IBBI has also issued two discussion papers, for public comments, on 'Review of Redressal and Enforcement Mechanism' and 'Enhancing Effectiveness of Information Utility' respectively. The members are requested to provide their feedback on the same, through the online platform provided by IBBI.

The overall success of the IBC regime depends on capacity of its various stakeholders. IIIPI's responsibilities, inter alia, lies in enhancing such capacity and thus strengthening the ecosystem. IIIPI has been making sustained efforts to pursue the objectives and goals carved out for it under the IBC regime. In the past three months, IIIPI conducted eight webinars, five Executive Development Programs (EDPs), three Pre-Registration Educational Courses (PRECs), among other initiatives.

With this I request and invite all the professional members of IIIPI to active participation in various initiatives of the institute, give their best and provide feedback for the further betterment of the profession.

Wish you all the best.

Dr. Ashok Haldia
Chairman, Governing Board - IIIPI