

Message from Chairman, Editorial Board



CA. (Dr.) Debashis Mitra

President, ICAI
Chairman, Editorial Board-IIPI

Dear Member,

I wish you all a very Happy New Year and hope that the Year 2023 brings lots of positivity and success in your life.

The importance of Insolvency and Bankruptcy Code (IBC) regime has been continuously recognised by the government, institutions, and stakeholders across the board. The IBC has, so far, successfully delivered distinct outcomes owing to the jurisprudence which is continuously evolving and is alive to the ground realities. Government and Regulator have been moving timely and with alacrity to address the challenges as and when noticed. Potential investors are feeling more confident, thanks to salutary ramifications of IBC acting as the deterrent.

During 2022, certain remarkable amendments were made in IBC 2016, which has the potential of changing the behaviour of lenders and borrowers significantly. Further, the amendments related to minimum fees for insolvency professionals and enrolment of the Insolvency Professionals Entities (IPEs) as the IPs, bespeaks the bright and promising prospects of the insolvency regime.

Right from the early recognition of distress to value maximizing insolvency resolution, every phase and step

under the Code requires constant commitment and dedication of all the stakeholders. A total of 5893 Corporate Insolvency Resolution Processes (CIRPs) have commenced by the end of September, 2022 out of which 3946 have been closed including orders for liquidation in 1807 cases. The manufacturing sector has been the most impacted sector under the IBC regime in almost all the categories viz. Admission of CIRPs (39%); Commencement of Liquidation (43%); Appeal, Review, Settled & Withdrawn (37%); and Resolution Plans (50%). Further, till the end of September 2022, the creditors have realised ₹2.43 lakh crore under the resolution plans which is 177.55% of the liquidation value and 84% of the fair value.

Continuous efforts are needed to spread the awareness of IBC and in this backdrop, I appreciate the efforts of IIPI for taking various initiatives including by publishing the (previous) special edition of this journal highlighting the effectiveness of IBC. Promoting excellence and development of its members and stakeholders, has been one of the main objectives of IIPI. In pursuance of said objectives, IIPI has been organising various webinars and seminars, bringing out various publications on contemporary topics etc.

Undoubtedly, the IBC has benefitted the economy in an unprecedented way, but we have a long way to go before its full potential could be realized. The goals of reducing liquidations, reducing adjudication delays, and establishing reasonable haircuts are yet to be achieved. I am confident that, if all the stakeholders are aware of their duties, take actions in a time bound manner and in letter and spirit of the Code, we can achieve the desired outcomes quickly and resoundingly.

I hope you will find this edition of the Journal informative and knowledge accretive.

Wishing you all the best.

CA. (Dr.) Debashis Mitra

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