

From Chairman- Governing Board, IIPI



Dr. Ashok Kumar Mishra
Chairman-Governing Board,
IIPI

Dear Member,

As India continues to reinforce its commitment to financial discipline and corporate governance, the significance of the insolvency ecosystem has become increasingly paramount. Today, Insolvency Professionals are being looked upon as catalysts for corporate revival and long-term value creation. Therefore, the ability of IPs to balance competing interests, navigate complex negotiations, and uphold ethical standards makes them indispensable to sustaining investor confidence and fostering a culture of accountability in India's business ecosystem. To strengthen the profession and ensure its well-rounded development, IIPI has recently constituted a study group to examine the challenges faced by IPs, regulatory or otherwise, and suggest the way forward.

In the past over eight years, we have witnessed significant progress in the insolvency ecosystem. From enhanced resolution outcomes to increased transparency in processes, the collective efforts of all stakeholders have strengthened the credibility of the IBC framework and improved its effectiveness in resolving financially stressed companies. The number of resolution plans approved by the NCLT annually has increased by about 39 per cent between 2022-23 and 2024-25. The rescued companies have been immensely contributing to value generation as well as employment creation in the country.

Furthering the cause of a robust insolvency ecosystem in the country, IBBI has recently empowered the Committee of Creditors (CoC) to invite, through the Resolution Professional, the providers of interim finance to attend CoC meetings as observers which will enable the latter to make well-informed decisions for financing the Corporate Debtor during the

Corporate Insolvency Resolution Process (CIRP). Besides, the introduction of part-wise resolution of the CD can reduce timelines, prevent value erosion in viable segments, and encourage broader investor participation. In fact, many such suggestions are part of a IIPI's study group report on 'developing market for stressed assets in India' as released recently.

However, the one aspect which we all need to focus upon is – timeliness of insolvency process, which has been matter of concern across the stakeholders. Presently, the resolution under the IBC takes 597 days, which is much higher than 180 days (extendable up to 330 days) mandated in the Code. As of March 31, 2025, 78% CIRP cases were pending in NCLTs for more than 270 days. We need to reimagine to find out ways to reduce this pendency to a minimum and ensure that maximum CIRP cases are disposed of within the timeline prescribed under the IBC. Based upon the initial feedback, IIPI has recently constituted another study group to examine and propose ways to make IBC law, being a commercial and economic legislation, more expedient.

Since its inception in 2016, IIPI remains at the forefront of this transformation, empowering professionals with the knowledge, ethics, and tools necessary to uphold the objectives of the Insolvency and Bankruptcy Code (IBC), 2016. Through various cutting-edge programs, research activities, publications, and a peer-review mechanism, among other initiatives, IIPI consistently strives to provide its members with the best possible industry exposure. We are also engaging actively with national and international forums to share best practices and ensure that Indian insolvency professionals remain globally competitive.

The Resolution Professional research journal of IIPI, through research articles, case studies, addresses, interviews, and timely updates, serves as a dynamic platform for providing value addition to stakeholders across the insolvency ecosystem. I hope the July 2025 edition of the journal will meet your expectations, besides equipping and motivating you towards taking the IBC regime to greater heights.

Let us work together to uphold the trust placed in us and build a robust and resilient insolvency ecosystem.

With Regards

Dr. Ashok Kumar Mishra
Chairman
IIPI