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A Decade Of The Insolvency And Bankruptcy Code, 2016: Reflections On Speed, Value Maximisation, And Stakeholder Protection

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Abstract

The Insolvency and Bankruptcy Code, 2016 (IBC) is among the most radical legal changes in the Indian economic regulation that have been introduced in a decade since its enactment. The Code was developed in the middle of a crisis of non-performing assets (NPAs) and disjointed insolvency systems, with a view to ensuring three fundamental purposes, which included speed, value maximisation and stakeholder protection. This paper is an assessment of how much the IBC has achieved these legislative pledges. It examines the performance in practice, judicial interpretation, institutional evolution, and comparative experiences of the international regimes of insolvency. As can be seen in the discussion, the IBC has greatly enhanced creditor confidence and discipline in the resolution process yet it is perpetually battling with the evils of delay, fairness, and consistency. The paper ends with some policy recommendations on how the insolvency jurisprudence in India could be enhanced in the coming decade to be more predictable, inclusive, and sustainable.

Keywords: *Insolvency and Bankruptcy Code, Value Maximisation, Speed of Resolution, Stakeholder Protection, Judicial Intervention, Creditor-in-Control, Insolvency Law Reform, India.*

I. Introduction

The Insolvency and Bankruptcy Code, 2016 (IBC) transformed the insolvency laws in India by making a patchwork of insolvency legislations such as the Sick industrial companies (Special provisions) Act 1985 (SICA), Recovery of debts act 1993, and the companies act 1956 a single and time-bound, and market-based legislation.[1] The IBC came into effect when the banking system of India was encumbered with a plethora of non-performing assets which was estimated to be in excess of 10 lakh crore and the conventional mechanisms were not efficient in value recovery.[2]

The key design of the Code was a break with debtor-controlled insolvency towards a creditor-in-control one.[3] It was supported by three purposes that are also interrelated, and they include: (1) insolvency resolution is a time-bound process, (2) enterprise value is maximised, and (3) fair treatment of stakeholders. These are the direct objectives of the Bankruptcy Law Reforms Committee (BLRC) Report, 2015, which cautioned that insolvency proceedings will always lack time, as the longer the uncertainty and ambiguity persist, the more value will be destroyed, and the more parties will be fighting over it.[4]

During the decade since its adoption, the IBC has transformed the credit culture of India in a pronounced way; it reinstated creditor confidence, discouraged wilful defaults, and increased the position of the country in the credit ranking in the Doing Business tables of the World Bank, the country is making progress in the Resolving Insolvency category.[5] However, its integrity is still being tested by constant delays, the uneven recoveries and unfairness issues. This study examines the development of the Code and revises its ability to realise the trifecta of speed, maximisation of values and protection of stakeholders.

II. Literature Review

Much of the early academic work on the IBC was based on its potential to empower creditors and resolve more effectively. A unified time-limited insolvency process is theoretically based on the report of a Bankruptcy Law Reforms Committee (2015).

Empirical analysis by IBBI (2018-2024) and RBI (2022) showed that the Code has detrimental effects as a deterrent of wilful defaults. Kumar and Gupta (2019) observed the development of the so-called

[1] *The Insolvency and Bankruptcy Code, 2016*, No. 31, Acts of Parliament, 2016 (India).
[2] Reserve Bank of India, *Financial Stability Report* (December 2016) https://rbi.org.in accessed 5 November 2025.
[3] ibid.
[4] Bankruptcy Law Reforms Committee, *Report* (November 2015) https://ibbi.gov.in accessed 5 November 2025.
[5] World Bank, *Doing Business 2020: Resolving Insolvency* (2020) https://www.worldbank.org accessed 5 November 2025.

creditor republic, preventing the failure to focus on the rehabilitation of the debtor. Dutta (2020) identified systemic injustices to which operational creditors and homebuyers were exposed.

In 2024, the Economic Survey (2024-25) has complimented the IBC on its impact in positively influencing credit culture but cautioned that the issue of tribunal congestion and inconsistent decisions are affecting speed. Recent remarks by IBBI (2025) suggest the adoption of technology-enabled insolvency systems and the enhancement of the institutional base to avoid backlogs in court.

III. Research Methodology

This study is a doctrinal and empirical study, which involves both qualitative research of statutes, case laws, and committee reports and quantitative research of IBBI data and RBI recovery trends (2016-2025). Doctrinal method entails critical analysis of the statutory provisions of IBC, judicial interpretations and intent of the legislation based on the report of Bankruptcy Law Reforms Committee (BLRC), 2015. The real world impact of the Code on speed, recovery and stakeholders protection has been evaluated using empirical data involving the IBBI quarterly and annual reports. This has been compared to the insolvency systems of the U.S., U.K and Malaysia to put in perspective the emerging insolvency jurisprudence in India.

IV. The Legislative Vision: The Trifecta of Objectives

A. Origins and Framework

The IBC was built in accordance with the BLRC Report (2015). It supported the idea of one unified insolvency law that could deal with financial problems in quick time to save the enterprise value.[6] The Report emphasized that in case of default, the shareholders need to give way to the creditors so that restructuring would take place before value is annihilated.

The Code introduced:

- Time bound process (Section 12) - The Corporate Insolvency Resolution Process (CIRP) should be completed within 180 days which can be extended to 330 days.[7]
- Creditor-in-control system (Sections 21-22) - The Committee of Creditors (CoC) which is a group of financial creditors is vested with the sole power of decision making.[8]
- Going concern principle (Section 20) -The Resolution Professional (RP) has to act as a going

[6] BLRC Report, supra note 4.
[7] *Insolvency and Bankruptcy Code 2016*, s 12.
[8] ibid ss 21–22.

concern on behalf of the debtor.[9]

- Fairness to persons in operational credit (Section 30(2)(b)) -The persons in operational credit must be appointed to at least liquidation value in a resolution plan.[10]
- Waterfall mechanism (Section 53) - Determines waterfall of claim in the liquidation.[11]

These were meant to achieve efficiency, re-establish credit discipline and preserving the market trust - creating creditor decisiveness and stakeholder fairness.

B. Creditor-Centric Philosophy

In contrast to the Chapter 11 pattern in the U.S. (debtor-in-possession), the creditor-in-control model of the IBC is the reflexion of the prior practice of promoting delays and asset looting in India.[12] The shift was aimed at making viable decisions which are professional and objective by the financial creditors who are more positioned to evaluate viability.[13]

Nevertheless, this architecture too has received criticism. The non-equity stakeholders like the operational creditors, employees and consumers are not always represented in deliberations of CoCs. This has cast doubt on distributive justice in the insolvency procedures - a strain which the judiciary and the regulators have been struggling to overcome.

V. Speed and Delay: Aspirations and Reality

A. Judicial Affirmation of Timeliness

Speed has been reinstated severally by the Supreme Court as part of the IBC operation. The Swiss Ribbons Pvt. Ltd. v. Union of India[14] case allowed the strict timelines in the Code to prevail by observing that time is the soul of the legislation and procrastination results in value destruction. On the same note, the Court in Committee of Creditors of Essar Steel India Ltd. v. Satish Kumar Gupta[15] noted that although tribunals ought to defer to the commercial wisdom of CoC they should not deny procedural fairness.

Such judgments have laid down two guidelines: (1) time limits are compulsory to avoid value destruction, and (2) courts must play a small role in business decisions.

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[9] ibid s 20.
[10] ibid s 30(2)(b).
[11] ibid s 53.
[12] *Swiss Ribbons Pvt Ltd v Union of India* (2019) 4 SCC 17 (India).
[13] ibid.
[14] ibid.
[15] *Committee of Creditors of Essar Steel India Ltd v Satish Kumar Gupta* (2020) 8 SCC 531 (India).

B. The Empirical Picture

Even though it is precise in legislative terms, empirical evidence tells of significant time wastage. The Insolvency and Bankruptcy Board of India (IBBI) in its Annual Newsletter 2025 reported that the average resolution period was more than 700 days, which is more than the statutory period of 330 days.[16] Approximately, 74 percent of the current cases have overrun the specified time limit.[17]

The delays are mostly caused by:

- Stage of pre-admission to NCLTs.
- Court congestion and a weak bench.
- Lawsuits at each level, even appeal to NCLAT and Supreme Court.
- Sophistication of group memberships and valuation arguments.
- Information asymmetry and absence of diligence at the pre-filing stage.

The success of the Code therefore depends not only upon the design of legislations but on the institutional capacity as well. The individual tribunal strength and standardised procedures are critical to ensure that the time-bound ideal does not turn into an aspiration.[18]

VI. Value Maximisation: Resolution over Liquidation

A. Conceptual Shift

Prior to the IBC, insolvency in India usually implied that it is a matter of liquidation. The Code reverted this attitude by laying emphasis on resolution i.e. maintaining viable enterprises as going concerns.[19] Section 20 makes RPs control the activities of the debtor and Section 30(2)(b) makes sure that the operational creditors do not suffer as compared to the liquidation.

This philosophy acknowledges that liquidation generates paltry returns, whereas resolution has the ability to save jobs, supply chains and economic continuity. Even the preamble of the Code highlights on maximisation of value of assets.

B. Recovery Outcomes and Data Trends

The results of the empirical study are inconsistent. A total of 1,119 corporate debtors were resolved

[16] Insolvency and Bankruptcy Board of India (IBBI), *Annual Newsletter* (2025) https://ibbi.gov.in accessed 5 November 2025.
[17] ibid.
[18] Insolvency Law Committee (ILC), *Report on Institutional Capacity under the Insolvency and Bankruptcy Code* (2024) https://mca.gov.in accessed 5 November 2025.
[19] *Insolvency and Bankruptcy Code 2016*, Preamble.

in the period between 2016 and 2024 with realisation of 3,57 lakh crore on admitted claims of about 11.4 lakh crore.[20] Creditors recovered 31-35 percent of all claims turned in and approximately 88 percent of the fair value of the assets, or on the other hand, the proportion of these recoveries is good compared with the 100 percent seen in a liquidation, but absolute recoveries are very small.[21]

Recovery through the old borrowing laws including the SARFAESI Act and the Debt Recovery Tribunals was considerably under 10 percent and IBC has a significant higher recovery ratio. This shows its effect in deterring: it was alleged that almost 14 lakh crore of debt was paid off prior to admission and this indicates the preventive nature of the Code.[22]

C. The Essar Steel Benchmark

The Essar Steel India Ltd. resolution is still the demonstration of the IBC success. The 42000 resolution that was spearheaded by ArcelorMittal showed that the competitive bidding approach and creditor coordination had the potential to create significant value. The Supreme Court affirmed the autonomy of the CoC, stating that tribunals cannot reformulate commercial terms.[23]

However, Essar Steel is a kind of an exception. Numerous medium and smaller cases are still getting insignificant recoveries or they are heading down to liquidation because of poor asset markets and procedural delays.[24]

D. Pre-packaged Insolvency for MSMEs

The Pre-packaged Insolvency Resolution Process (PPIRP), was designed to maintain value in smaller businesses, and was launched in 2021 to Micro, Small and Medium Enterprises (MSMEs). PPIRP gives an opportunity to negotiate a debtor creditor plan in advance of formal filing, and complete in 120 days. It is not adopted as fast as it can be, but it has faster and consensual solutions.[25]

To have greater effects, it is suggested by experts to make pre-pack eligibility extendable to bigger corporations, as it has been done in the U.K. and Singapore.[26]

VII. Stakeholder Protection: Inclusion and Fairness

A. Addressing the Creditor Hierarchy

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[20] IBBI, *Quarterly Newsletter* (March 2025) https://ibbi.gov.in accessed 5 November 2025.
[21] ibid.
[22] Reserve Bank of India, *Trends and Progress of Banking in India* (2024) https://rbi.org.in accessed 5 November 2025.
[23] *Essar Steel* (n 15).
[24] ibid.
[25] Ministry of Corporate Affairs, *The Insolvency and Bankruptcy (Pre-Packaged Insolvency Resolution Process) Rules 2021* (India) https://mca.gov.in accessed 5 November 2025.
[26] Enterprise Act 2002 (UK).

The IBC was criticised in its early years of favouring the financial creditors at the expense of the operational creditors. Since CoC voting power is only available to financial creditors, operational creditors usually had little power even though they were very important in the running of the debtor.[27]

In Swiss Ribbons, the Supreme Court affirmed the constitutional validity of this classification, but emphasized that in any resolution plan operation creditors deserve fair treatment. Plans have since been required by tribunals to provide a basis of any differentiated treatment of classes of creditors.

B. Homebuyers and Social Stakeholders

The 2018 amendment acknowledged homebuyers as financial creditors, with homebuyers being allowed to commence insolvency proceedings and engage in CoC decisions. This was upheld in Pioneer Urban Land and Infrastructure Ltd v. Union of India which protects consumer interests within the real estate industry.[28]

In addition, the Supreme Court in Jaypee Infratech Ltd. v. NBCC (India) Ltd. [29] stated that homebuyers and social interests must be taken into account when making resolution plans. These decisions represent a forward expansion of the stakeholder group.

C. Labour, Employees, and Minority Creditors

Although employee dues are rated high in Section 53 waterfall, they are rarely paid because of low value of assets. Trade unions have encouraged more powerful protection and representation systems. On the same note, small creditors in consortiums often complain that big financial institutions overrule them.[30]

In their 2023 and 2024 reports, the Insolvency Law Committee (ILC) suggests reforms to promote procedural fairness, including compulsory disclosures by CoC, reasons as to why different treatment is warranted, and codified transparency during voting.[31]

VIII. The Speed–Fairness Tension in Practice

A. Balancing Judicial Oversight and Commercial Wisdom

The tension between two imperatives, namely, speed and fairness, has created one of the main tensions in the Code. The courts need to provide procedural justice without imposing its opinion to overrule the CoC in its commercial decisions.

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[27] *Swiss Ribbons* (n 12).
[28] *Pioneer Urban Land & Infrastructure Ltd v Union of India* (2019) 8 SCC 416 (India).
[29] *Jaypee Infratech Ltd v NBCC (India) Ltd* (2021) 10 SCC 760 (India).
[30] *Insolvency and Bankruptcy Code 2016*, s 53.
[31] Insolvency Law Committee, *Annual Report 2023–24* (2024) https://mca.gov.in accessed 5 November 2025.

The Essar Steel case ruled by the Supreme Court under-pinned judicial restraint, yet the later case under Bhushan Power and Steel (BPSL) verdict demonstrates that there is still a lack of understanding. In BPSL, the Court came back to an approved resolution scheme long after its execution causing a shaky investor confidence. Even well intentioned such interventions, according to legal scholars undermine the finality that IBC promised.

B. Videocon and Group Insolvency.

In the Videocon Industries case[32], various related companies were brought together on one insolvency proceeding in order to be efficient. Though this was a quicker process, critics claim that it was to the detriment of minority creditors of solvent subsidiaries. The case indicates the importance of a formal group insolvency framework in order to provide fairness in multi-entity cases.

C. Institutional Developments.

Recent institutional solutions are designed to balance quickness and justice[33]:

- Reduce backlog by allocating IBC benches in NCLTs.\
- E-filing and digital case management enhancing transparency.
- There is more training and accountability of Insolvency Professionals (IPs).
- Data reliability and claim verification by the use of Information Utilities (IUs).

Although these steps are a step in the right direction, transforming the system in terms of capacity and coordination is critical.

IX. Learning Institutional and Emerging Reforms

Since 2016 the IBC ecosystem has developed significantly. The Insolvency and Bankruptcy Board of India (IBBI) is now a strong regulator; there is transparency in information through the use of Utility Information; and an extensive number of trained Insolvency Professionals deal with turnarounds of complex corporations.

However, there are a number of areas still to be fixed:

- Cross-border insolvency regime - adoption of the UNCITRAL Model Law is yet to be adopted.
- Treatment of government dues — there is still ambiguity as to liquidation tax claims.
- Responsibility of Resolution Professionals - there should be more articulate codes of conduct

[32] *State Bank of India v Videocon Industries Ltd* NCLT Mumbai (2022) (India).
[33] IBBI, *Handbook on Institutional Reforms* (2024) https://ibbi.gov.in accessed 5 November 2025.

and liability.

- Group insolvency and pre-insolvency restructuring — the Insolvency and bankruptcy (amendment) Bill, 2024, proposes lean liquidation and pre-insolvency tools.

These processes represent the shift of initial-generation structural reforms to the second generation process-refinement.

X. Comparative International Jurisdictional Insights.

Practical experience shows that there are different proportions between creditor and participation of debtors.

- United States: Under the Bankruptcy Code of Chapter 11, the debtor can be in possession, where creditors and courts can oversee restructuring. This model promotes early rehabilitation and exposes it to delay.[34]
- United Kingdom: The Enterprise Act 2002 now favours business rescue by way of administration. The reason is to save the company as a going concern first before thinking of liquidation.[35]
- Singapore and EU: Hybrid models are those that involve a combination of court supervision and out-of-court negotiation.[36]

The creditor based policy adopted in India has been found to be successful in punishing borrowers but can be enhanced with hybrid measures like structured mediation and pre-insolvency negotiation. To extend the pre-pack structure to all corporate debtors would only suit India with the best practices experienced globally and also protects value.

XI. The Way Forward: Policy Recommendations

A. Improving Tribunal Capacity and Consistency.

The National Company Law Tribunal (NCLT[37]) and the National Company Law Appellate Tribunal (NCLAT) still continue to form the backbone of IBC ecosystem. Their accumulating case backlog is however undermining the time mandate of the Code. Pendency can be minimized by increasing the number of benches and evenly distributing the cases to the zones. The unification of case management systems and procedural templates will implement predictability and decrease the delays caused by

[34] *US Bankruptcy Code*, 11 USC §1101 *et seq* (2018).
[35] Directive (EU) 2019/1023 of the European Parliament and of the Council of 20 June 2019 on Preventive Restructuring Frameworks [2019] OJ L172/18.
[36] *Insolvency, Restructuring and Dissolution Act 2018* (Singapore).
[37] ILC, *Strengthening NCLT Efficiency* (2024) https://mca.gov.in accessed 5 November 2025.

uneven decisions.

B. Making Group Insolvency and Cross-border Frameworks a Code.

The economic environment of India is full of many conglomerates that have networked corporate structures.[38] An insolvency regime codified would permit consolidated solution of affiliated organizations, eliminating partial recoveries. In the same way, the implementation of the UNCITRAL Model Law on Cross-Border Insolvency will move India further towards the international norms and allow the coordination process of multinational insolvency to become more effective. Such reforms would enhance the reputation of India as a reliable and investor friendly destination.

C. Advancement of Pre-Insolvency and Mediation Systems.

The pre-insolvency processes could include mediation or out-of-court restructuring to help lessen the pressure on the tribunal and save enterprise value.[39] Section 7/9 of the Code should be introduced to promote early settlements between creditors and debtors by introducing some form of mediation before admission. The promotion of negotiated workouts (via guidelines or incentives) can avoid premature filing and minimise litigation and the Indian system can be consistent with the UK experience of the Company Voluntary Arrangements and the U.S. experience of the pre-packaged Chapter 11 plans.

D. Enhancing Stakeholder Representation.

One of the existing criticisms surrounding the IBC has been the creditor-based design. In order to make the process more inclusive, the limited voting rights can be granted to the key decisions including the evaluation of the plan to the operational creditors. Representation of employees, homebuyers and small creditors in the Committee of Creditors (CoC) should be institutionalised as by doing so the economic and social interests would not be marginalised. This would make the insolvency regime more legitimate and trusted by people.

E. Assuring Finality and Predictability.

Investors need finality. The bidders are usually confused by judicial interventions that are made after the resolution plans are approved. Commercial reconsideration or merit-based reconsideration of post-approval reviews can contribute to the sanctity of approved resolutions, which can be enhanced by limiting post-approval reviews by looking solely at procedural irregularities. Statutory protection of bona fide resolution applicants against any retrospective challenge would be a way of preserving

[38] UNCITRAL, *Model Law on Cross-Border Insolvency* (1997) https://uncitral.un.org accessed 5 November 2025.
[39] IBBI, *Consultation Paper on Pre-Insolvency Resolution* (2023) https://ibbi.gov.in accessed 5 November 2025.

stability in the market and also fatigue of applicants with serious intentions to apply the resolution will be avoided.

F. Enhancing Insolvency Professional (IP) Governance.

In the process of resolving insolvency in a Corporate Insolvency Resolution Process (CIRP), insolvency professionals play a crucial role in value preservation and transparency. The quality of administration can be enhanced by the introduction of better qualification standards and lifelong learning. Formal peer review system, coupled with open disciplinary system will result in increased accountability. Such steps would make sure that IPs are not procedural facilitators only but fiduciaries of stakeholder trust.

G. Expanding the Pre-Pack Framework.

The early success of the Pre-Packaged Insolvency Resolution Process (PPIRP), which was introduced in 2021 in the case of MSMEs, is underutilised. As the framework is scaled up to bigger enterprises, it may offer a hybrid debtor-creditor negotiation platform that enables resolutions to happen faster and instead of being adversarial. Pre-packs can be a significant supplement to the formal insolvency by providing a broader eligibility and creditor protection. Such measure would bring the IBC regime of India in tandem with the global best practices and hence efficient and equitable.

XII. Recent Empirical Developments

A. Pre-Admission Settlement and Deterrence Effects

The magnitude of pre-admission settlements is a very important change that happened in the IBC arena. The Insolvency and Bankruptcy Board of India (IBBI) reported that more than 30,000 cases involving underlying bad debts of approximately 13.78 lakh crore were disposed of before being admitted under the IBC until December 2024.[40]

This demonstrates the deterrence aspect of this code: stressed debtors will be more likely to pay out of the formal process when they expect IBC to strike in case of insolvency.

This can be considered as a good sign of behaviour change in the credit ecosystem - prior settlement, reduced depreciation of value, reduced law. It reinforces the argument that the IBC is affecting the debtor behaviour prior to formal invocation.

B. Resolution Results and Recovery percentages. By March 31, 2025, 1,194 corporate resolution procedures (CIRPs) resulting in a resolution plan and restoring creditors approximately ₹3.89 lakh

[40] IBBI, *Quarterly Newsletter* (n 20).

crore had been brought on board through IBC.

This amount is said to reflect the fair value of the corporate debtors involved at admission and of the liquidation value of that amount at admissions, at a rate of about 93 and 170 percent respectively.

Nevertheless, once recovery is compared to the admitted claims the picture is not as bright: average recovery rate is still approximately 30-35% of the claims that are actually admitted i.e. haircuts at about 65-70. The recovery level was 32.6 percent according to the IBBI statistics of large firms (claims exceeding ₹1,000 crore).

Such dichotomy (higher recovery compared to liquidation value, but low compared to admitted claims) reflects a structural fact: that there are far more inflated numbers of arrears and accrued interest and guarantees, and that assets under distress are worth much less than face value. And as one of the founders-chairmen IBBI observed: when one associates realisations to asset value against claims, IBC has provided recovery of about 169% asset value.

C. Sectoral and Size Variation.

Recoveries are sector and size specific. As an illustration, in the real-estate and construction industry, the Union Finance Minister announced average recoveries of 44.7% on 204 cases that had been resolved until March 2025. As compared to this, smaller stressed firms remain to return lower recoveries because of less asset support, geographical diversification, and less appeal to strategic acquirers.[41]

D. Timeline Performance and Accumulation of Delay.

Even though it is provided by statute (180 days plus up to 330 days), a large percentage of CIRPs still surpassed the 270-day mark. Following the ICRA, 270 days had been broken in 78 percent of current cases in March 2025.

It has been estimated that an average resolution time of most cases now is much more than 600 days, according to the complexity. Such delays enhance value erosion, decrease competition between bidders, and hike haircuts.

E. Impact on Banking Sector.

There is also macro-impact that the IBC has had. One such example can be given the recovery of about ₹96,325 crore by the Scheduled Commercial Banks (SCBs) in FY 2023-24 as shown below in various channels, including IBC actually recovering around ₹46,340 crores, i.e., almost 48.1 percent

[41] Ministry of Finance, *Economic Survey 2024–25* (India) https://finmin.gov.in accessed 5 November 2025.

of all the recoveries. Concurrently, the gross non-performing assets (GNPAs) of banks went down to a multi-decadal low (i.e., about 2.3) by March 2025.[42]

These numbers support the thesis that IBC is one of the key supports of the bad-loan resolution framework in India.

XII. Recommendations and Notes.

There is a history of 10 years of the Insolvency and Bankruptcy Code (IBC) that brings its success and current difficulties. In the pursuit of making it more effective, the most critical aspect is to increase the institutional capacity of the National Company Law Tribunal (NCLT). The backlog of cases is increasing, and it requires addition of more benches, specialised judges, and efficient digital case management systems to resolve the cases in time. It is also possible to expand pre-packaged insolvency procedures (PPIRP) to non-MSMEs to reduce tribunal congestion, and promote negotiated impacts that allow the preservation of enterprise value.

The group and cross border insolvency frameworks also need to be implemented urgently to make India to be in line with the international best practices as provided by the UNCITRAL Model Law. There is a need to include more stakeholders- operational creditors, employees and homebuyers should be more represented in the Committee of Creditors so that the balance of decision-making can be attained. In addition, a standardized judicial interpretation procedure by having a specific appellate division within the IBC may increase uniformity and predictability in decision-making.

Last, the next stage of the IBC should focus on integration of technologies and data management. Soon identification of financial distress and organized mediation would assist in changing the viewpoint of liquidation to real business recovery. The ultimate test of the Code is not just the recovery rates, but also the confidence of the creditors, saving viable enterprises, and the fairness in all the stakeholders.

XIV. Conclusion.

The Insolvency and Bankruptcy Code, 2016 is considered to be one of the most important economic reforms in India a decade later. It has transformed the relations between debtors and creditors, brought a sense of discipline in the market and brought about cultural transformation in credit markets. Empirical data attests to better recoveries and less willful default, whereas the value it has in deterring is demonstrated by pre-admission settlements. But the promise about the Code being the fast, fair and the final is yet to be fulfilled. The continued delays and unequal treatment of operational creditors

[42] Reserve Bank of India, *Financial Stability Report* (n 2).

and inconsistent judicial interventions demonstrate that institutional and procedural reforms have to go on.

As India becomes a world economic power, the IBC of the next decade should be focused not on quantitative indicators, such as the amount of resolutions or recovery rates, but on qualitative results: predictability, fairness, and inclusiveness. The real measure of the success of the IBC will in the end be the number of cases it supports financially resolved that are founded on fairness and sustainability.

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