



ECONOMIC
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PRACTICE
ADVOCATES & SOLICITORS



IMPORTANT AMENDMENTS UNDER IBC: 2023 & 2024

VOLUME III

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PREFACE

As part of the series covering the key developments in sphere of insolvency in India during 2023 and early 2024, ELP presents this comprehensive compilation detailing the noteworthy amendments introduced by the Insolvency and Bankruptcy Board of India (IBBI) in regulations under the provisions of the Insolvency and Bankruptcy Code, 2016, in the year 2023. These amendments address a broad spectrum of issues spanning corporate insolvency, personal insolvency, liquidation processes, and voluntary liquidation processes. These amendments have also introduced an array of changes, ranging from the refinement of timelines for filing and acceptance of claims to intricacies in valuation and evaluation methodologies.

Our book delves into critical issues including scheduling of monthly meetings of the Committee of Creditors (CoC) and the Stakeholders' Consultation Committee (SCC), amendments in voting procedures, approval mechanisms for resolution plans, management of Corporate Insolvency Resolution Process (CIRP) costs, disclosure standards for the Information Memorandum (IM), adjustments to reserve prices in liquidation sales and extensions of time for the payment of sale consideration amounts beyond the stipulated 90 days.

This book aims to serve as a valuable resource for legal practitioners, corporate entities, and stakeholders involved in insolvency and bankruptcy proceedings. It provides a comprehensive overview of the evolving regulatory landscape, offering insights into the nuanced changes implemented during the specified period.

Team ELP

PART - A

AMENDMENTS IN THE IBBI REGULATIONS

Insolvency and Bankruptcy Board of India (IBBI) amended the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016. This was carried out by way of a notification on February 15, 2024 by the Insolvency and Bankruptcy Board of India i.e. the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) (Amendment) Regulations, 2024 (Amendment Regulations).

Effective Date: The amended regulations are effective from February 15, 2024.

The amendments majorly deal with issues concerning CIRP of real estate projects such as enabling invitation of separate resolution plans for each real-estate project & maintain separate accounts for each of the projects. While the RERA mandates registration and monitoring of each project as a separate unit now under CIRP RPs are required to open separate bank accounts for each real estate project to ensure financial transparency and enable better monitoring by CoC. Amendments also require RP to convene a CoC meeting at least once in every thirty days and seek the CoC approval for all costs related to the insolvency resolution process. The amendments also require mandatory explanation of the valuation methodology to the members of the CoC and enables disclosure of value in the IM. The amendments also enable continuation of CIRP during pendency of application for extension of time.

Key Changes in the CIRP

- **Operating separate bank amendments account for each of estate projects:** To ensure financial transparency and accountability, the amendment makes it mandatory to have a separate bank account for each real estate project under a corporate debtor.
- **Monthly meetings of the committee of creditors (CoC):** IRP/RPs are now required to convene a CoC meeting at least once in every thirty days, with a provision to extend the interval between meetings to a maximum of one meeting per quarter, if CoC so decides.
- **Voting procedures:** Earlier a minimum period was prescribed for opening of the voting window with no upper limit. Now however the CoC has been empowered to decide the period of opening of the electronic voting window with a minimum of twenty-four hours and a maximum of seven days with further increments of twenty-four hours each.
 - In case the matters listed for voting have already received the requisite majority vote, the RP shall provide one last opportunity to vote by extending the voting window by a maximum period of twenty-four hours.
- **Approval of insolvency resolution process costs:** RP to seek approval from the CoC for all costs including going concern costs related to the insolvency resolution process.
- **Disclosure of valuation methodology:** The Amendment requires an explanation of the valuation methodology to the members of the CoC before the computation of estimates.
- **Disclosure of fair value in the information memorandum:** The Amendment provides that the fair value may be made part of the information memorandum (IM). However, the CoC, upon documenting its rationale, may opt to withhold specific information if it deems, in its considered opinion, that disclosing such information would not be advantageous to the resolution process.

- **Flexibility in inviting resolution plans in real-estate cases:** With a view that each project in a real estate case may need different treatment in terms of resolution, the amendment clarifies that after due examination, the CoC may direct the RP to invite a separate plan for each project.
- **Monitoring committee for implementation of resolution plan:** The amendment enables the CoC to decide on constituting a monitoring committee to oversee the implementation of the resolution plan.
 - The committee may include the RP, any other insolvency professional or any other person as its member.
 - The monthly fee payable to the RP in such a case, shall not exceed the monthly fee received by him during the corporate insolvency resolution process.
- **Continuation of the resolution process pending an extension application:** A clarification has been provided to ensure that the RP continues to discharge his responsibilities under the resolution process till an application for extension is being decided by the Adjudicating Authority.

January 1, 2024 Insolvency and Bankruptcy Board of India (Insolvency Professionals) (Amendment) Regulations, 2024. Effective From: January 31, 2024.

Resignation by Insolvency Professional

- New Regulation 22A inserted:

22A. An insolvency professional may resign from the assignment, subject to the recommendation of the committee of creditors in a corporate insolvency resolution process, consultation committee in liquidation process, the debtor or the creditor in the insolvency resolution process of personal guarantor to the corporate debtor, as the case may be, and the approval of the Adjudicating Authority.

Explanation.- The insolvency professional shall continue to discharge his duties, functions and responsibilities till the approval of resignation by the AA.”

- Regulation 23B- Engagement or appointment of partners or directors by an IPE in connection with any work relating to any of its assignments

Explanation inserted: -

“Explanation.- For the purposes of this clause, the insolvency professional which is an insolvency professional entity may engage or appoint its partners or directors, as the case may be, for or in connection with any work relating to any of its assignment other than work related to valuation and audit of the debtor.”

In clause 23C, the Explanation shall be renumbered as Explanation 1, and after Explanation 1 so renumbered, the following Explanation shall be inserted, namely: -

“Explanation 2.- For the purposes of this clause, the insolvency professional which is an insolvency professional entity may provide any service, other than service related to valuation and audit, for or in connection with the assignment which is being undertaken by any of its partners or directors, as the case may be.”

February 13, 2024 – Amendments in Liquidation Regulations. Effective: From February 12, 2024.

Insolvency and Bankruptcy Board of India amended the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016. The Insolvency and Bankruptcy Board of India has notified the Insolvency and Bankruptcy Board of India (Liquidation Process) (Amendment) Regulations, 2024 ('Amendment Regulations').

These amendments provide that now liquidator can go for compromise and arrangements only in cases where CoC has such recommendation. It also enables reduction in reserve price by 25%, sale of assets by private sale. The amendments also strengthen provisions relating to SCC and reporting arrangements. Liquidator has to consult SCC prior to initiation/or continuing any legal proceedings. Amendments also enable distribution of fund prior to closure of the liquidation process.

Key Changes:

- Proposal of compromise or arrangement: The liquidator shall file the proposal of compromise or arrangement only in cases where the CoC made a recommendation during the CIRP. This proposal shall not be filed after the expiry of thirty days from the liquidation commencement date.
- Reduction in the reserve price: The liquidator may reduce the reserve price by up to 25% for sale of assets based on valuation done during CIRP, on one occasion with the approval of the Stakeholders' Consultation Committee (SCC) at any time during the process.
 - For assets where fresh valuation is conducted during liquidation, the reserve price can be reduced by up to 10% in subsequent auctions with SCC's approval.
- Sale of Assets by way of Private Sale: The liquidator may sell the assets of the corporate debtor (CD) by means of private sale only upon prior consultation with SCC, and the successful buyer shall be confirmed only after such consultation.
 - Further, the option for the private sale of an asset, i.e., 'the asset is sold at a price higher than the reserve price of a failed auction' by the liquidator, has been removed.
- Convening meeting of SCC: SCC meetings are now to be called with a maximum interval of 30 days. However, the SCC may reduce the frequency of meetings if deemed necessary, provided that at least a minimum of one meeting is held per quarter. Decisions during these meetings are to be taken based on present and voting members.
 - At every SCC meeting, liquidators are required to present a comprehensive report which inter alia includes progress made in the liquidation process, the consolidated status of all legal proceedings and cumulative costs incurred during the process.
 - Any cost overruns beyond initial estimates must be justified with a rationalization plan.
- Provision for explaining methodology for valuation and reasons for significant deviations: For fresh asset valuations, liquidators are required to facilitate meetings where registered valuers explain their methodology and reasons for significant deviations, if any, from the CIRP valuations.
 - The liquidator shall share the valuation reports with the SCC members after obtaining a confidentiality undertaking.

- Consultation with SCC before initiating or continuing any legal proceedings: Before initiating or continuing any legal proceedings, liquidators must consult the SCC, presenting the economic rationale.
 - Consultation with SCC on the viability of the CD before deciding to run CD as a going concern: The liquidator, upon considering the viability, must consult the SCC before deciding to run the affairs of the CD as a going concern.
 - Sale as a going concern: The sale of the CD as a going concern cannot be put on an auction exclusively after the first auction. Also, in case of a failed auction, the liquidator shall review the marketing strategy in consultation with the SCC.
 - Early dissolution: Prior to applying for early dissolution, the liquidator must seek the SCC's views and recommendations, providing a detailed report in the application to the Adjudicating Authority (AA).
 - Realisation and distribution made during the process: To capture additional details regarding the realisation and distribution made during the process, the Compliance Certificate under Form H has been modified.
- Provision for withdrawal of funds prior to closure: During the period after submission of the final report but before a CD is dissolved, stakeholders claiming entitlement to any amounts deposited in the Corporate Liquidation Account can apply to the liquidator for withdrawal.
- Upon receiving such a request, the liquidator shall verify the claim and request the Board to release the funds to him/her for onward distribution.
- Extension of payment time for payment of the balance sale consideration: The liquidator may extend the payment period of balance sale consideration beyond ninety days, after consultation with the SCC.
 - Where possession to an allottee in a real estate project: Wherever the corporate debtor has given possession to an allottee in a real estate project, such asset shall not form a part of the liquidation estate of the corporate debtor.
 - The Form A for reporting consultation with the stakeholders has been modified to capture the meetings details such as the interval between two meetings, dissent by the SCC etc.

February 5, 2024 – Amendments in the Voluntary Liquidation Regulations. Effective: From January 31, 2024.

IBBI amended Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017 vide the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) (Amendment) Regulations, 2024 ('Amendment Regulations') effective from 31st January 2024.

Purpose: To streamline the voluntary liquidation process and facilitate the distribution of unclaimed proceeds to stakeholders before the dissolution of the corporate person.

Key Amendments:

- Disclosure about pending proceedings or assessments before statutory authorities, and pending litigations: The directors of the corporate person, while initiating the voluntary liquidation process, are required to make disclosure about pending proceedings or assessments before statutory authorities and pending litigations. They

shall also declare that sufficient provision has been made to meet the likely obligations arising, if any, on account of the pending proceedings.

- Meeting of contributories of the corporate person and present a status report: If the liquidator fails to liquidate the corporate person within a stipulated period of 90 days or 270 days as the case may be, he shall hold a meeting of contributories of the corporate person and present a status report within fifteen days from the end of such period. Thereafter at the end of every such succeeding period, he/she must specify the reasons for not completing the process within the stipulated time period and apprise the attendees at the meeting on additional time required for completing the process.
- Provision for withdrawal of funds prior to closure: In the period after submission of the final report but before a corporate person is dissolved, stakeholders claiming entitlement to funds in the Corporate Voluntary Liquidation Account can apply to the liquidator for withdrawal. Upon receiving such a request, the liquidator shall verify the claim and request the Board to release the funds to him/her for onward distribution.

February 3, 2024 – Amendments in the Insolvency Resolution Process for Personal Guarantors to Corporate Debtors

IBBI has amended the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) Regulations, 2019. The purpose being:

Objective:

- To remove the restrictions on an insolvency professional (IP) to be appointed as RP or bankruptcy trustee (BT) in the insolvency resolution process or bankruptcy process of personal guarantors (PGs) to corporate debtors (CDs) respectively, if she has acted or is acting as an interim resolution professional, RP or liquidator during the CIRP or liquidation process of the CD.
- Removal of this restriction will allow the appointment of the same IP in both the corporate process as well as the insolvency and bankruptcy proceeding of the PGs to the CDs. This will pave the way for better harmonization and effective coordination of both the processes.
- To make the convening of meeting of creditors mandatory. This mandatory involvement of creditors brings a comprehensive and collaborative approach to the resolution process, enhancing the efficacy and fairness of the system.

Key Amendments:

- Under Regulations 3, now the affidavit should also state that – (i) they have made a full inquiry into the affairs of the corporate person and they have formed an opinion that either the corporate person has no debt or that it will be able to pay its debts in full from the proceeds of assets to be sold in the liquidation;
- the corporate person is not being liquidated to defraud any person;
- the corporate person has made sufficient provision to meet the obligations arising on account of pending matters mentioned in sub-clause (iii) of clause (b).
- The declaration under sub-clause (a) shall be accompanied with the following documents, namely: —

- (i) audited financial statements and record of business operations of the corporate person for the previous two years or for the period since its incorporation, whichever is later;*
- (ii) a report of the valuation of the assets of the corporate person, if any prepared by a registered valuer;*
- (iii) disclosure about pending proceedings or assessments before statutory authorities, and pending litigations, in respect of the corporate person.*

- New Regulation 17A. Meeting of the creditors: The RP shall place the repayment plan as mentioned under section 105 in a meeting of the creditors for their consideration. In cases where no repayment plan has been received within the period as stipulated under section 106, the RP shall notify the same in a meeting of creditors.
- Regulation 37- completion of Liquidation: In the event of the liquidation process continuing for more than the period stipulated in sub-regulation (1),
 - *the liquidator shall hold a meeting of the contributories of the corporate person within fifteen days – (i) from the end of two hundred and seventy days or ninety days, as the case may be, and*
 - *(ii) thereafter at the end of every succeeding two hundred and seventy days or ninety days, as the case may be, as stipulated in sub-regulation (1), till submission of application for dissolution of the corporate person;*
 - *shall present Status Report(s) indicating progress in liquidation, including-*
 - (i) settlement of list of stakeholders,
 - (ii) details of any assets that remains to be sold and realized,
 - (iii) distribution made to the stakeholders,
 - (iv) distribution of unsold assets made to the stakeholders;
 - (v) developments in any material litigation, by or against the corporate person.
 - (vi) the reasons for not completing the process within stipulated time period and the additional time required for completing the process.

The Status Report shall enclose the audited accounts of the liquidation showing the receipts and payments pertaining to liquidation since the liquidation commencement date.

The liquidator shall file the Status Report with the Board within seven days of the meeting of contributories.

Regulation: 39. Corporate Voluntary Liquidation Account.

- Prior to dissolution of the corporate person, a stakeholder, who claims to be entitled to any amount deposited into the Corporate Voluntary Liquidation Account, may apply to the liquidator in Form-I for withdrawal of the amount.
- On receipt of request under sub-regulation (7), the liquidator after verification of the claim, shall request the Board for release of amount to him for onward distribution.
- (7B) The Board on receipt of request under sub-regulation (7A) may release the amount to the liquidator.
- (7C) The liquidator shall, after making the distribution to the stakeholder shall intimate the Adjudicating Authority of such distribution.

- (7D) After dissolution of the corporate person, a stakeholder, who claims to be entitled to any amount deposited into the Corporate Voluntary Liquidation Account, may apply to the Board in Form-I for an order for withdrawal of the amount.
- (7E) If any other person other than the stakeholder claims to be entitled to any amount deposited to the Corporate Voluntary Liquidation Account, he shall submit evidence to satisfy the liquidator or the Board, as the case may Be.
- (8) The Board may, if satisfied that the stakeholder or any other person referred to under 32[sub-regulation (7D)] is entitled to withdrawal of any amount from the Corporate Voluntary Liquidation Account, make an order for the same in favour of that stakeholder or that other person.

IBBI Guidelines, issued on December 08, 2023 - Insolvency Professionals to act as Interim Resolution Professionals, Liquidators, Resolution Professionals and Bankruptcy Trustees Clarifications as regards engagement of accountants, legal or other professionals

Background:

IBBI is required to recommend the name of an IP on receiving reference from the National Company Law Tribunal and Debt Recovery Tribunal (Adjudicating Authority), in respect of the Corporate Insolvency or Individual Insolvency, as the case may be, for appointment as an IRP, RP, BT under Sections 16(4), 34(6), 97(4), 98(3), 125(4), 146(3), 147(3) of the Insolvency and Bankruptcy Code, 2016 (“Code”).

Rule 8(2) of the Insolvency and Bankruptcy (Application to Adjudicating Authority for Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) Rules, 2019 and Rule 8(2) of the Insolvency and Bankruptcy (Application to Adjudicating Authority for Bankruptcy Process for Personal Guarantors to Corporate Debtors) Rules, 2019 enables the Board to share a Panel of IPs, who may be appointed as resolution professionals or bankruptcy trustee, with the AA.

The need was felt to prepare the panel of IPs in advance and share with the AA to avoid administrative delays in appointment of the IP.

The guidelines provide the procedure for preparing a panel of Insolvency Professionals to act as Interim Resolution Professionals, Liquidators, Resolution Professionals and Bankruptcy Trustees.

- The panel of IPs prepared as per these guidelines will be effective from January 1, 2024 to June 30, 2024.
- Eligibility of IPs. An IP is eligible to be included in the panel, if —
 - (a) there is no disciplinary proceeding, whether initiated by the Board or the IPA, pending against IP;
 - (b) IP has not been convicted at any time in the last three years by a court of competent jurisdiction;
 - (c) IP has submitted expression of interest along with consent to act as IRP, RP, Liquidator and BT, appointed by the National Company Law Tribunal and Debt Recovery Tribunal;
 - (d) IP holds an Authorisation for Assignment (AFA), which is valid till the validity of the Panel. For example, the IP included in the Panel for appointments during January 01 – June 30, 2024, should have AFA valid up to June 30, 2024.
- Expression of Interest.

(1) The Board shall invite expression of interest from IPs in Form A by sending an e-mail to their email addresses registered with the Board. The expression of interest must be received by the Board in Form A by the specified date.

(2) The submission of expression of interest is an unconditional consent by the IP to act as an IRP, Liquidator, RP or BT of any process relating to a corporate or individual debtor, as the case may be.

(3) The IPs can submit their expression of interest by December 25, 2023. The Board will send the Panel to the AA by December 29, 2023.

(4) IPs are also required to fill the Sectors in which they have handled assignments or are handling assignments under the Code. The name of the Sectors is to be chosen from the dropdown list mentioned in the Form. If the IP selects the option 'Others', he must mention the name of the sector.

- Panel of IPs.

(1) The Board will prepare a common Panel of IPs for appointment as IRP, Liquidator, RP and BT and share the same with the AA (Hon'ble NCLT and Hon'ble DRT) in accordance with these Guidelines. The Panel will have validity of six months.

(2) The Panel will have a Zone wise list of IPs based on the registered office (address as registered with the Board) of the IP. List of Zones is given in Annexure-1.

(3) The AA may pick up any name from the Panel for appointment of IRP, Liquidator, RP or BT, for a CIRP, Liquidation Process, Insolvency Resolution process or Bankruptcy Process relating to a corporate debtor and personal guarantor to corporate debtor, as the case may be.

- Scoring criteria

- Only eligible IPs will be included in the Panel in the order of the volume of completed assignments in the order of experience.
- Where two or more IPs get the same score, they will be placed in the Panel in the order of date of their registration with the Board. The IP registered earlier will be placed above the IP registered later.

- Conditions for empanelment of IPs.

- The inclusion of the name of the IP in the panel will be deemed acceptance to act as IRPs, Liquidator, RP or BT, as the case may be, on being appointed by the National Company Law Tribunal or the Debt Recovery Tribunal, as the case may be.
- The IPs will not withdraw their consent or refuse to accept the appointment unless otherwise permitted by the National Company Law Tribunal or Debt Recovery Tribunal or the Insolvency and Bankruptcy Board of India, in accordance with the law. Any refusal to act as IRP, Liquidator, RP or BT, as the case may be, on being appointed by the AA, without sufficient justification, will be treated as deviation from consent and name will be removed from panel for six months.
- It is desired that the IP will not surrender his registration to the Board or membership or Authorization for Assignment during the validity period of the panel.
- The AA may appoint the IP from the Panel to act as IRP, Liquidator, RP or BT, at their own discretion.

- The AA may refer to or direct the Board for the appointment of IP including the recommendation of IP, from or outside the Panel and in such cases, the Board may accordingly take suitable action for the appointment of IP, from or outside the panel.
- Repeal and Savings. (1) The Insolvency Professionals to act as Interim Resolution Professionals, Liquidators, Resolution Professionals and Bankruptcy Trustees (Recommendation) Guidelines, 2023 issued on June 12, 2023, is repealed as on the date of coming into effect of these guidelines and all actions taken under the repealed guidelines is saved.

The Insolvency and Bankruptcy Board of India (IBBI/ Board) notified the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) (Second Amendment) Regulations, 2023 (Amendment Regulations) on September 18, 2023.

Providing a detailed procedure for taking custody and control of assets and records of the CD by the resolution professional - increase the timelines to file claims- acceptance of claim for its collation even for claims submitted beyond this time - enhanced role and responsibilities of the authorised representative (AR) -

Key Changes:

- On September 19, 2023 IBBI amended the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (CIRP Regulations)
- To facilitate smooth conduct of CIRP the amendment regulations add a provision regarding the assistance and cooperation expected from the personnel of the CD by providing a detailed procedure for taking custody and control of assets and records of the CD by the RP.
- To facilitate the AA burdened with applications for acceptance of delayed claims, the Amendment Regulations increase the timelines to file claims up to the date of issue of request for resolution plans under regulation 36B or ninety days from the insolvency commencement date, whichever is later.

It further empowers the RP to give his view on the acceptance of claim for its collation even for claims submitted beyond this time and CoC to recommend their acceptance for inclusion in the list of claims and its treatment in the resolution plan before the same is adjudicated or condoned by the AA.

- To facilitate the class of creditors especially home buyers, the amendments provide enhanced role and responsibilities of the authorised representative (AR). Some of the important duties of the AR are (i) to review the contents of minutes prepared by the RP to ensure correctness and completeness, (ii) to provide assistance to the creditors in evaluating resolution plan, (iii) to regularly update the creditors in a class on the progress of the CIRP, (iv) to assist in modifications of the resolution plan on behalf of class of creditors represented by him, etc. Fees of the AR have also been enhanced in line with the increased role. A procedure for replacement of AR has also been introduced.
- To make the resolution process more transparent and robust, the amendment enables committee members to get an audit of the CD conducted and makes cost of such audit to be part of CIRP cost.
- The amendment aligns the timelines concerning various procedural aspects like issuance of information memorandum and request for resolution plans.

- To improve the value received in the resolution plan, the amendment provides changes to Form G to provide more information to prospective resolution applicants with less effort on their part.
- The amendment provides for inclusion in compliance certificate (Form H), the minutes of committee of creditors in which resolution plan is approved to enable the AA to understand the rationale of the decision of the CoC in a better manner.
- In case of assignment of debt by a creditor to another person, the details of such assignment are required to be provided to the RP. The amendment, now, specifies a timeline of seven days to provide such details to enable smooth conduct of meeting of CoC.
- The Amendment Regulations specify for submitting details of chronology of debt, default, and limitation along with evidence in case of application filed u/s 7 or 9 so that the AA is facilitated in adjudicating such cases.

Amendments

- New regulation 2D inserted: chronology of the debt and default to be submitted along with the evidence
*“2D. Details of debt, default and limitation in respect of applications under section 7 or section 9. While filing an application under section 7 or 9, the financial creditor or the operational creditor, as the case may be, shall also **submit along with evidence, chronology of the debt and default including the date when the debt became due, date of default, dates of part payments, if any, date of last acknowledgment of debt and the limitation applicable.**”*

- New regulation 3A inserted: - Assistance and cooperation by the personnel of the corporate debtor.

“3A. Assistance and cooperation by the personnel of the corporate debtor.

(1) The IRP or RP, as the case may be, shall take custody and control as specified under this regulation from the personnel of the corporate debtor, its promoters or any other person associated with the management of the corporate debtor as the case may be, of the following:-

the records of information relating to the assets, finances and operations of the corporate debtor referred in clause (a) of section 18 and such other information required under regulation 3(b) the assets recorded in the balance sheet of the corporate debtor or in any other records referred in clause (f) of section 18.

- List of assets and records while handing over their custody and control

(2) The personnel of the CD, its promoters or any other person associated with the management of the CD shall provide to the IRP or RP, as the case may be, a list of assets and records while handing over their custody and control, and the IRP or RP may, after taking such custody and control, if deemed necessary, identify person(s) in whose possession these assets and records will be held.

(3) Where any asset or record has not been handed over or the list has not been provided under sub-regulation (2), the IRP or RP, as the case may be, shall himself prepare a list of assets and records while taking custody and control of assets and records, and the interim resolution professional or resolution professional may, after taking such custody and control, if deemed necessary, identify person(s) in whose possession these assets and records will be held.

(4) Each list of assets and records under sub-regulation (2) and (3) shall be signed by the parties present and by at least two individuals who have witnessed the act of taking control and custody of such assets and records.

(5) IRP or RP, as the case may be, shall requisition from the personnel of the corporate debtor, its promoters or any other person associated with the management of the corporate debtor as the case maybe, the information relating to the assets, finances and operations of the corporate debtor referred in clause (a) of section 18 and such information required under regulation 36 which were required to be maintained by the corporate debtor but have not yet been handed over.

(6) The interim resolution professional or resolution professional, as the case may be, shall requisition from the personnel of the CD, its promoters or any other person associated with the management of the corporate debtor as the case maybe, the assets which are recorded in the balance sheet or in any other records referred in clause (f) of section 18 and whose custody has not been handed over.

(7) An application made under sub-section (2) of section 19 in respect of failure to provide any asset or record as requisitioned under the Code and this regulation, shall show presence of such asset or record in the notice of requisition and absence of such asset or record in the list of assets and records taken in control and custody under sub regulation (2) and (3).”

- Submission of claim with proof- up to the date of issue of request for resolution plans

In regulation 12 of the principal regulations, (i) For sub-regulation (1), the following shall be substituted, namely:-

“(1) A creditor shall submit claim with proof on or before the last date mentioned in the public announcement. Provided that a creditor, who fails to submit claim with proof within the time stipulated in the public announcement, may submit his claim with proof to the interim resolution professional or the resolution professional, as the case may be, up to the date of issue of request for resolution plans under regulation 36B or ninety days from the insolvency commencement date, whichever is later: Provided further that the creditor shall provide reasons for delay in submitting the claim beyond the period of ninety days from the insolvency commencement date.”

(ii) Sub-regulation (2) shall be omitted.

In regulation 13 of the principal regulations, after sub-regulation (1), the following shall be inserted namely:-

- “(1A) Where the interim resolution professional or the resolution professional, as the case may be, does not collate the claim after verification, he shall provide reasons for the same.

- (1B) In the event that claims are received after the period specified under sub-regulation (1) of regulation 12 and up to seven days before the date of meeting of creditors for voting on the resolution plan or the initiation of liquidation, as the case may be, the interim resolution professional or resolution professional, as the case may be, shall verify all such claims and categorize them as acceptable or non-acceptable for collation.

(1C) The IRP or RP, as the case may be, shall:-

- intimate the creditor within seven days of categorisation thereof under sub-regulation (1B) and provide reasons where such claim has been categorised as non-acceptable for collation; and
- put up the claims categorised as acceptable under sub-regulation (1B) and collated by him to:-

(i) the committee in its next meeting for its recommendation for inclusion in the list of creditors and its treatment in the resolution plan, if any; and

(ii) submit such claims before the Adjudicating Authority for condonation of delay and adjudication wherever applicable.”

- Replacement of the authorised representative

In the principal regulations, in regulation 16A, (i) After sub-regulation (3), the following shall be inserted, namely: -

(3A) The financial creditors in the class, representing not less than ten per cent voting share, may seek replacement of the authorised representative with an IP of their choice by making a request to the IRP or RP who shall circulate such request to the creditors in that class and announce a voting window open for at least twenty-four hours.

(3B) Subject to clauses (a) and (b) of sub-regulation (2) of regulation 4A, the IRP or RP, as the case may be, shall offer choice of at least three insolvency professionals to the financial creditors in the class including such insolvency professional(s) proposed under sub-regulation (3A) along with the existing authorised representative.

(3C) The RP shall apply to the Adjudicating Authority for appointment of the authorised representative who receives the highest percentage of voting share of financial creditors in that class.”

- Fee of the authorised representative

6. In the principal (ii) For sub-regulation (8), the following shall be substituted; namely: -

“(8) (a) The authorised representative of creditors in a class shall be entitled to receive fee for every meeting of the committee attended by him in the following manner, namely:

Number of creditors in the class	Fee per meeting of the committee (Rs.)
10-100	30,000
101-1000	40,000
More than 1000	50,000

(b) The authorised representative shall be entitled to receive fee for every meeting of the class of creditors convened by him in the following manner, namely: -

Number of creditors in the class	Fee per meeting of creditors in class with authorised representative (Rs.)
10-100	10,000
101-1000	12,000
More than 1000	15,000

(c) The payment of fee to authorised representative shall be part of insolvency resolution process cost in respect of two meeting with the creditors he represents corresponding to a meeting of the committee of creditors.

(d) The fee for any additional meeting beyond two meetings corresponding to a meeting of the committee of creditors shall be part of insolvency resolution process cost subject to approval of committee of creditors.”

- Role & Responsibility of the Authorised Representative: -

“(10) The authorised representative shall: -

(a) assist the creditors in a class he represents in understanding the discussions and considerations of the committee meetings and facilitate informed decision-making;

(b) review the contents of minutes prepared by the resolution professional and provide his comments to the resolution professional, if any;

- (c) help the creditors in a class he represents during the consultations made by the resolution professional to prepare a strategy for marketing of the assets of the corporate debtor in terms of sub-regulation (1) of regulation 36C;
- (d) work in collaboration with the creditors in a class he represents to enhance the marketability of the assets of the corporate debtor in terms of sub-regulation (3) of regulation 36C;
- (e) assist the creditors in a class he represents in evaluating the resolution plans submitted by resolution applicants;
- (f) ensure that the creditors in a class he represents have access to any information or documents required to form an opinion on issues discussed in the committee meetings;
- (g) update regularly the creditors in a class he represents on the progress of the corporate insolvency resolution process;
- (h) make suggestions for modifications of the resolution plan as may be required by the creditors in class he represents;
- (i) record proceedings and prepare the minutes of the meeting with the creditors in a class he represents; and
- (j) act as a representative for the creditors in a class he represents in representations before the Adjudicating Authority, National Company Law Appellate Tribunal, and other regulatory authorities.

The provisions regarding minutes of meetings in this regulation shall apply mutatis mutandis for clause (i) of sub-regulation (10).

(12) The creditors in a class may propose any additional responsibility upon the authorised representative in relation to the representation of their interest in the committee.”

- Where creditor assigns or transfers the debt due to such creditor to any other person during the insolvency resolution process period

Regulation 28, the following shall be substituted, namely: -

“(1) In the event a creditor assigns or transfers the debt due to such creditor to any other person during the insolvency resolution process period, both parties shall, within seven days of such assignment or transfer, provide the interim resolution professional or the resolution professional, as the case may be, the terms of such assignment or transfer and the identity of the assignee or transferee.”

- Audit of corporate debtor

After regulation 30A, the following regulation shall be inserted, namely: -

“30B. Audit of corporate debtor

- (1) Any member(s) of the committee may propose an audit of the corporate debtor along with the objectives, scope, estimate of the costs, timeframe and name(s) of the proposed auditor(s).
- (2) A proposal made under sub-regulation (1) shall be considered as per sub-regulation (3) of regulation 18 and an audit shall be conducted if such proposal is approved by the committee.
- (3) The audit shall be conducted by an insolvency professional having qualifications required for such audit.
- (4) The auditor shall prepare a report detailing his findings and the same shall be presented before the committee along with the comments of the interim resolution professional or the resolution professional, as the case may be.

(5) The expenses of such audit shall be treated as insolvency resolution process costs.”

- RP to issue the information memorandum, evaluation matrix and a request for resolution plans to every resolution applicant in the final list within five days of the date of issue of the final list.

In the regulation 36B, for sub-regulation (1), following shall be substituted, namely: -

“(1) The resolution professional shall, within five days of the date of issue of the final list under sub-regulation (12) of regulation 36A, issue the information memorandum, evaluation matrix and a request for resolution plans to every resolution applicant in the final list: Provided that where such documents are available, the same may also be provided to every prospective resolution applicant in the provisional list.”

Note: Other changes in the tables also made, please refer to the Notification for further details.

PART - B

CIRCULARS & GUIDELINES ISSUED BY IBBI

IBBI CIRCULAR No. IBBI/LIQ/68/2024 dated February 13, 2024 - Deposit and withdrawal of unclaimed dividends and / or undistributed proceeds in accordance with regulation 39 of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017.

Background: Regulation 39 of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017 provides a framework for the management of unclaimed deposits and undistributed proceeds during the voluntary liquidation process. As per the regulation, liquidators are mandated to deposit unclaimed / undistributed amounts into the Corporate Voluntary Liquidation Account and inform the Insolvency and Bankruptcy Board of India (IBBI / Board) in Form-G containing the details regarding the stakeholders entitled to such deposited amount.

Change: To facilitate the request received from a stakeholder, under regulation 39(7), who claims to be entitled to any amount deposited into the Corporate Voluntary Liquidation Account for withdrawal before the dissolution of the corporate person, the liquidator shall apply to the Board in the form as per Annexure to the circular, for the release of the amount for onward distribution to the stakeholders

IBBI CIRCULAR No. IBBI/II/66/2024 dated February 12, 2024 - Sharing of the Report prepared by the Resolution Professional under section 99 of the Insolvency and Bankruptcy Code, 2016 to both debtor and creditor.

Background: The resolution professional (RP) in an insolvency resolution process of a debtor under Chapter III of Part III of the Insolvency and Bankruptcy Code, 2016 (Code) examines the application filed under section 94 or 95 of the Code and submits a report to the Adjudicating Authority under sub-section (1) of section 99 of the Code, recommending for approval or rejection of the application. Sub-section (10) of section 99 mandates the RP to share a copy of this report to the debtor or the creditor.

Clarification as to sharing of the report by RP to debtor and creditors: It has been observed that in certain cases, the RPs have not shared a copy of the report with both debtor and creditor, leading to a lack of equal information access among them. Therefore, it is hereby advised that the RP shall provide a copy of the report to both debtor and creditor in all cases. This will ensure that the debtor and the creditor are well-informed about the evaluation and recommendations made by the RP, thereby promoting transparency and informed decision-making.

IBBI CIRCULAR No. IBBI/IP/65/2024 dated February 1, 2024 - Measures for facilitating efficient conduct of the processes by Insolvency Professionals Effective From : January 31, 2024

Clarifications on the insolvency professional entity (IPE) as regards engagement of accountants, legal or other professionals, their functions and payment of fee to such professionals.

Background:

- Section 208 of the Code read with the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016 (IP Regulations) mandates an IP to abide by the Code of Conduct.

- Clause 23A of Code of Conduct specified in First Schedule to IP Regulations provides a cooling off period of one year for the IP for seeking employment or rendering professional services to related stakeholders like CD, certain creditors, successful resolution applicant and their relatives, after closure of the assignment.
- Regulation 38 of IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (CIRP Regulations) provides for mandatory contents of the resolution plan inter alia including its implementation schedule, management, and control of the business of the CD during its term and adequate means for supervising its implementation.

Clarification:

- Rendering of professional service in relation to implementation of resolution plan:
 - Clarification: IP may render professional service in relation to implementation of resolution plan approved by the AA, provided details of such service are mentioned in the resolution plan approved by the AA.
- Issue: Clause 25C of Code of Conduct specified in First Schedule to IP Regulations stipulates that an IP shall ensure that the IPE or the professional engaged by it raises bills or invoices in their own name towards their fees, and such fees shall be paid to them through banking channel-
 - Clarification: the bill or invoice raised in the name of the firm would be an adequate compliance of the regulation by the IP.
 - For the purposes of clause 25C of Code of Conduct specified in First Schedule to IP Regulations, the bill or invoice may be raised in the name of the IPE or the professional or the firm in which such professional is a partner.

IBBI CIRCULAR No. IBBI/IP/64/2024 dated February 1, 2024 - Measures for rationalisation of the regulatory framework of Insolvency Professional Entities in order to enhance the efficiency of the insolvency resolution processes.

Background: To leverage the paraphernalia of their resources and experience in the insolvency ecosystem by virtue of their constitutional structure, it was clarified by IBBI in September 2022, that the IPEs can be a company, limited liability partnership, registered partnership firm and were allowed to carry on the activities of an insolvency professional (IP).

- Clarification in relation to disciplinary proceedings in case of an IP which is an IPE: Sections 217 to 220 of Chapter VI of the Insolvency and Bankruptcy Code, 2016 (Code) read with the IBBI (Insolvency Professionals) Regulations, 2016 (IP Regulations), IBBI (Grievance and Complaint Handling Procedure) Regulations, 2017 and IBBI (Inspection and Investigation) Regulations, 2017 provide the process of grievance, complaints handling and disciplinary proceedings. The IP Regulations also provide for the continued eligibility requirements for recognition as an IPE, its liability and derecognition.
- Since, an IPE acting as IP would have multiple individuals as its partners or directors, a need is felt to clarify on the initiation of disciplinary proceedings in case of any contravention in relation to an assignment undertaken by an IP :
- Clarification: In case the assignment is undertaken by the IP, which is an IPE, the show-cause notice under regulation 11 of the IBBI (Inspection and Investigation) Regulations, 2017 shall be issued to (a) its partner or director, as the case may be, who is an IP and was authorised to sign and act on behalf of it for the respective

assignment; and/or (b) the IPE if in the opinion of the Board, there are either repeated instances of contravention against one or more partners or directors of the IPE or instance of systemic failure on the part of such IPE.

- Clarification on applicability of limit on number of Assignments to an IP which is an IPE
 - Issue: Clause 22 of Code of Conduct specified in First Schedule to IP Regulations imposes a restriction on the number of assignments that can be undertaken by an IP. This restriction has been envisaged for IPs who are individuals. With the introduction of provisions allowing IPE to act as IP, it is not considered prudent to apply any limit on the number of assignments that may be undertaken by such IPE at this nascent stage.
 - Clarification: Clause 22 of Code of Conduct specified in First Schedule to IP Regulations does not apply to an IP which is an IPE.
- Clarification on applicability of fee structure to an IP which is an IPE
 - Regulation 34B of IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (CIRP Regulations) stipulates the minimum fixed fee structure and a performance-linked incentive fee for the IPs in a CIRP. This provision has been envisaged for IPs who are individuals.
 - Clarification: The regulation 34B of CIRP Regulations does not apply to an IP, which is an IPE.

CIRCULAR No. IBBI/II/62/2023 - December 21, 2023 - Clarification regarding submission of particulars and declaration by the insolvency professionals in the application filed by creditor(s) in Part IV of Form C of the IRP PGCD Rules.

Background: Section 95 of the Insolvency and Bankruptcy Code (Code) read with Rule 7 of the Insolvency and Bankruptcy (Application to Adjudicating Authority for Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) Rules, 2019 (IRP PGCD Rules) allows the creditor to file an application for initiation of insolvency resolution process of personal guarantors to corporate debtors. The creditor may file the application either himself or jointly with other creditors or through a resolution professional (RP) in Form C of the IRP PGCD Rules. Where the application is filed through an RP, the particulars and declaration by such RP are provided in Part IV of the Form C of the IRP PGCD Rules. In such cases, the Adjudicating Authority (AA) after confirming that there is no pendency in respect of disciplinary proceedings against the RP from the database shared by the Insolvency and Bankruptcy Board of India, appoints the proposed RP by an Order under sub-section (5) of section 97 of the Code.

Clarification: In cases where the creditor itself file application and recommends the insolvency professional to be appointed as RP, in such cases, the insolvency professional proposed to be appointed as RP shall also provide the particulars of and declaration in Part IV of Form C of the IRP PGCD Rules to the creditor for the consideration of the AA.

CIRCULAR No. IBBI/LIQ/61/2023 dated September 28, 2023 - Clarification w.r.t. Liquidators' fee under clause (b) of sub-regulation (2) of Regulation 4 of IBBI (Liquidation Process) Regulations, 2016

Clarification: "Amount realised" shall mean amount realised from assets other than liquid assets such as cash and bank balance including term deposit, mutual fund, quoted share available on start of the process after exploring compromise and arrangement, if any.

Clarification: The "other liquidation cost" in regulation 4(2)(b) shall mean liquidation cost paid in priority under section 53(1)(a), after excluding the liquidator's fee.

Clarification: "Amount distributed to stakeholders" shall mean distributions made to the stakeholders, after deducting CIRP and liquidation cost.

Clarification: "Amount of Realisation /Distribution" shall mean cumulative value of amount realised/ distributed which is to be bifurcated in various slabs as per column 1 and thereafter the same is to be bifurcated into realisation/ distribution in various periods of time and then corresponding fee rate from the table is to be taken.

Clarification: Exclusion for purpose of fee calculation is to be allowed only when the same has been explicitly provided by the Hon'ble NCLT/ NCLAT or any other court of law and will operate only for the asset which could not have been realised during the excluded period.

IBBI Circular – Dated September 01, 2023 - Filing of CIRP Forms for the purpose of monitoring corporate insolvency resolution processes and performance of insolvency professional entities under the Insolvency and Bankruptcy Code, 2016 and the regulations made thereunder.

IBBI CIRCULAR No. IBBI/IU/59/2023 of June 16, 2023 - The creditors filing applications (u/s 7 and 9 of the Insolvency and Bankruptcy Code, 2016), The Information Utility (u/s 210 of the Insolvency and Bankruptcy Code, 2016), along with record of the default issued by the Information Utility.

Background: Sections 7(3) and 9(3)(d) of the Insolvency and Bankruptcy Code, 2016 (Code) mandates the creditor to attach with the application the record of default issued by the Information Utility. Further, the Board vide Notification No. IBBI/2022-23/GN/REG085, dated 14th June, 2022 inserted sub-regulation (1A) of the Regulation 20 in Insolvency and Bankruptcy Board of India (Information Utilities) Regulations, 2017 to mandate the Information Utility to process the financial information and issue the record of default to the creditor(s) so as to facilitate the creditors to attach the same with their insolvency applications under section 7 or 9 of the Code.

Clarification: NCLT has issued a general order dated 3rd April, 2023 advising all the applicants under sections 7 and 9 of the Code to comply with the above regulation and to produce the record of default issued by Information Utility for effecting hearing of their cases.

In exercise of the powers conferred under section 196 (1)(t) read with section 188 of the Code, IBBI has now advised as a matter of general guidance that the record of default issued by the information utility shall be appended with the application filed under section 7 or 9 of the Code.

IBBI Circular of Dec 21, 2022 - Circular - Proforma for reporting liquidator's decision(s) different from the advice of Stakeholders' Consultation Committee (SCC) under proviso to sub-regulation (10) of regulation 31A of IBBI (Liquidation Process) Regulations, 2016

IBBI CIRCULAR No. IBBI/IU/51/2022 dated June 15, 2022 - Application under Rule 4, 6 or 7 of Insolvency and Bankruptcy (Application to Adjudication Authority) Rules, 2016

Clarification: The Board will forward the application for initiating insolvency received by it in terms of rule 4, 6 or 7 of the Insolvency and Bankruptcy (Application to Adjudication Authority) Rules, 2016, to the Information Utility (IU) and on receipt of the said application,.

Obligation of the IU: The IU shall: (a) inform other creditors of the Corporate Debtor by sharing the application; (b) issue notice to the applicant, requiring it to file 'information of default' in the specified format under Insolvency and Bankruptcy Board of India (Information Utility) Regulations, 2017(IU Regulations); and (c) process the 'information of default' for the purpose of issuing ROD as per the IU Regulations.

PART - C

IMPORTANT NOTIFICATIONS

Ministry of Corporate Affairs Notification New Delhi, Notification - Date: October 3, 2023 - Section 14 of the Insolvency and Bankruptcy Code, 2016 not to apply to transactions, arrangements or agreements, under the Convention and the Protocol, relating to aircraft, aircraft engines, airframes and helicopters

The Convention on International Interests in Mobile Equipment and the Protocol to the Convention on International Interests in Mobile Equipment on Matters specific to Aircraft Equipment were adopted under the joint auspices of International Civil Aviation Organization and the International Institute for the Unification of Private Law concluded at Cape Town on 16th November, 2001.

India, is a signatory to and having acceded the Convention and the Protocol by depositing with the International Institute for the Unification of Private Law the instruments of accession on 31.03.2008.

In exercise of the powers conferred by clause (a) of sub-section (3) of section 14 of the Insolvency and Bankruptcy Code, 2016 (31 of 2016), the Central Government notified that the provisions of sub-section (1) of section 14 of the Insolvency and Bankruptcy Code, 2016 (31 of 2016), shall not apply to transactions, arrangements or agreements, under the Convention and the Protocol, relating to aircraft, aircraft engines, airframes and helicopters

Notification New Delhi Date: 14th June, 2023 S.O. 2660(E) - Section 14 not to apply to transactions, arrangements or agreements pertaining to the Production Sharing Contracts, Revenue Sharing Contracts, Exploration Licenses and Mining Leases made under the Oilfields (Regulation and Development) Act, 1948

In exercise of the powers conferred by clause (a) of sub-section (3) of section 14 of the Insolvency and Bankruptcy Code, 2016 (31 of 2016), the Central Government hereby notifies that the provisions of sub-section (1) of section 14 of the Insolvency and Bankruptcy Code, 2016 (31 of 2016), shall not apply where the corporate debtor has entered into any of the following transactions, arrangements or agreements, namely: -

(i) the Production Sharing Contracts, Revenue Sharing Contracts, Exploration Licenses and Mining Leases made under the Oilfields (Regulation and Development) Act, 1948 (53 of 1948) and rules made thereunder; and (ii) any transactions, arrangements or agreements, including Joint Operating Agreement, connected or ancillary to the transactions, arrangements or agreements referred to in clause (i).

Notification New Delhi- 30th August, 2022 S.O. 4142(E).- Application for fast track corporate insolvency resolution process

In exercise of the powers conferred by sub-section (2) of section 55 of the Insolvency and Bankruptcy Code, 2016 (31 of 2016), the Central Government hereby makes the following amendment in the notification of the Government of India, in the Ministry of Corporate Affairs, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (ii), vide S.O. 1911(E), dated the 14th June, 2017, namely:- In the said notification, for clause (b), the following clause shall be substituted, namely:- “(b) a Startup (other than the partnership firm) as defined in the notification of the Government of India in the Ministry of Commerce and Industry number G.S.R. 127(E), dated the 19th February, 2019, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), dated the 19th February, 2019 and as amended from time to time; or”.

Reference:

New Delhi, the 14th June, 2017 S.O.1911(E).—In exercise of the powers conferred by sub-section (2) of section 55 of the Insolvency and Bankruptcy Code, 2016 (31 of 2016), the Central Government hereby notifies that an application for fast track corporate insolvency resolution process may be made in respect of the following corporate debtors, namely :-

- (a) a small company as defined under clause (85) of section 2 of Companies Act, 2013 (18 of 2013); or
- (b) a Startup (other than the partnership firm) as defined in the notification of the Government of India in the Ministry of Commerce and Industry number G.S.R. 501(E), dated the 23rd May, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), dated the 23rd May, 2017; or
- (c) an unlisted company with total assets, as reported in the financial statement of the immediately preceding financial year, not exceeding rupees one crore

Notification New Delhi, the 5th July, 2022 S.O. 3068(E)

In exercise of the powers conferred by clause (b) of sub-section (1) of section 189 of the Insolvency and Bankruptcy Code, 2016 (31 of 2016), the Central Government hereby rescinds the notification of the Government of India in the Ministry of Corporate Affairs published on 1st February, 2022, in the Gazette of India, Extraordinary, Part-II, Section 3, Sub-section (ii) vide S.O. 408(E), dated the 28th January, 2022, except as respect things done or omitted to be done before such rescission.

Notification New Delhi, the 9th April, 2021 S.O. 1543(E)

In exercise of the powers conferred by the second proviso to section 4 of the Insolvency and Bankruptcy Code, 2016 (31 of 2016), as amended by the Insolvency and Bankruptcy Code (Amendment) Ordinance, 2021 (3 of 2021), the Central Government hereby specifies ten lakh rupees as the minimum amount of default for the matters relating to the pre-packaged insolvency resolution process of corporate debtor under Chapter III-A of the Code.

Note: This compilation has been prepared for information purposes only readers are requested to refer to the original notifications & provisions for further information.

We hope you have found this information useful. For any queries/clarifications please write to us at insights@elp-in.com or write to our authors:

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