

The Insolvency and Bankruptcy Code, 2016

IBBI (Fast Track Insolvency Resolution Process for Corporate Persons) Regulations, 2017

Chapter X - Resolution Plan

Regulation 38: Approval of resolution plan.

¹[(1) A resolution applicant shall submit resolution plan(s) prepared in accordance with the Code and these regulations to the resolution professional within the time given in the invitation made under clause (h) of sub-section (2) of [section 25](#).]

²[(2) The resolution professional shall submit to the committee all resolution plans which comply with the requirements of the Code and regulations made thereunder along with the details of following transactions, if any, observed, found or determined by him:-

- (a) preferential transactions under [section 43](#);
- (b) undervalued transactions under [section 45](#);
- (c) extortionate credit transactions under [section 50](#); and
- (d) fraudulent transactions under [section 66](#),

and the orders, if any, of the adjudicating authority in respect of such transactions.]

(3) The committee may approve any resolution plan with such modifications as it deems fit.

³[(3A) The committee shall, while approving the resolution plan under sub-section (4) of [section 30](#), specify the amounts payable from resources under the resolution plan for the purposes under sub-regulation (1) of regulation 37.]

⁴[(4) The resolution professional shall submit the resolution plan approved by the committee to the Adjudicating Authority, at least fifteen days before the expiry of the maximum period permitted under [section 56](#) for the completion of the fast track corporate insolvency resolution process, with the certification that-

- (a) the contents of the resolution plan meet all the requirements of the Code and the Regulations; and
- (b) the resolution plan has been approved by the committee:

Provided that the timeline specified in this sub-regulation shall not apply to an ongoing fast track corporate insolvency resolution process which has completed 50th day from its commencement date.]

(5) The resolution professional shall forthwith send a copy of the order of the Adjudicating Authority

approving or rejecting a resolution plan to the participants and the resolution applicant.

(6) A provision in a resolution plan which would otherwise require the consent of the members or partners of the corporate debtor, as the case may be, under the terms of the constitutional documents of the corporate debtor, shareholders' agreement, joint venture agreement or other document of a similar nature, shall take effect notwithstanding that such consent has not been obtained.

(7) No proceedings shall be initiated against the interim resolution professional or the resolution professional, as the case may be, for any actions of the corporate debtor, prior to the fast track commencement date.

(8) A person in charge of the management or control of the business and operations of the corporate debtor after a resolution plan is approved by the Adjudicating Authority, may make an application to the Adjudicating Authority for an order seeking the assistance of the local district administration in implementing the terms of a resolution plan.

References

1. Substituted by IBBI (Fast Track CIRP) (Fourth Amendment) Regulations, 2017 vide Notification No. IBBI/2017-18/GN/REG23, dated 31st December, 2017, w.e.f. 01.01.2018, for the sub-regulation:

“(1) A resolution applicant shall endeavour to submit a resolution plan prepared in accordance with the Code and these Regulations to the resolution professional, thirty days before expiry of the maximum period permitted under [section 56](#) for the completion of the fast track process.”.

2. Substituted by IBBI (Fast Track CIRP) (Third Amendment) Regulations, 2017 vide Notification No. IBBI/2017-18/GN/REG020 dated 7th November, 2017, w.e.f. 7.11.2017, for the sub-regulation:

“(2) The resolution professional shall present all resolution plans that meet the requirements of the Code and these Regulations to the committee for its consideration.”.

3. Inserted by IBBI (Fast Track CIRP) (Amendment) Regulations, 2018 vide Notification No. IBBI/2017-18/GN/REG025, dated 7th February, 2018, w.e.f. 07.02.2018.

4. Substituted by IBBI (Fast Track CIRP) (Amendment) Regulations, 2018 vide Notification No. IBBI/2017-18/GN/REG025, dated 7th February, 2018, w.e.f. 07.02.2018, for the sub-regulation:

“(4) The resolution professional shall submit the resolution plan approved by the committee to the Adjudicating Authority with the certification that -

(a) the contents of the resolution plan meet all the requirements of the Code and the Regulations; and

(b) the resolution plan has been approved by the committee.”.

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