

IBBI CIRP REGULATIONS, 2016

INSOLVENCY AND BANKRUPTCY BOARD OF INDIA
NOTIFICATION
New Delhi, the 30th November, 2016

INSOLVENCY AND BANKRUPTCY BOARD OF INDIA (INSOLVENCY RESOLUTION PROCESS FOR CORPORATE PERSONS) REGULATIONS, 2016

[Amended upto date((Last amended on 18.09.2023))]

No. IBBI/2016-17/GN/REG004.- In exercise of the powers conferred under sections [5](#), [7](#), [9](#), [14](#), [15](#), [17](#), [18](#), [21](#), [24](#), [25](#), [29](#), [30](#), [196](#) and [208](#) read with [section 240](#) of the Insolvency and Bankruptcy Code, 2016 (31 of 2016), the Insolvency and Bankruptcy Board of India hereby makes the following Regulations, namely-

CHAPTER I-PRELIMINARY

1. Short title and commencement.

1. (1) These Regulations may be called the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.

(2) These Regulations shall come into force on 1st December, 2016.

(3) These Regulations shall apply to the corporate insolvency resolution process.

2. Definitions.

2. (1) In these Regulations, unless the context otherwise requires-

(a) **"applicant"** means the person(s) filing an application under sections [7](#), [9](#) or [10](#), as the case may be;

((Inserted by by the CIRP (Third Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018 and shall apply to corporate insolvency resolution processes commencing on or after the said date.)))[(aa) **"class of creditors"** means a class with at least ten financial creditors under clause (b) of sub-section (6A) of [section 21](#) and the expression, "creditors in a class" shall be construed accordingly.]

(b) **"Code"** means the Insolvency and Bankruptcy Code, 2016;

(c) **"Code of Conduct"** means the code of conduct for insolvency professionals as set out in the

Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016;

(d) **“committee”** means a committee of creditors established under [section 21](#);

(e) **“corporate insolvency resolution process”** means the insolvency resolution process for corporate persons under Chapter II of Part II of the Code;

(f) ((Omitted by Notification No. IBBI/2018-19/GN/REG032 dated the 5th October, 2018. Prior to omission the sub-regulations read as under:

*(f) **“dissenting financial creditor”** means a financial creditor who voted against the resolution plan or abstained from voting for the resolution plan, approved by the committee;]*

The above sub-regulation was substituted by Notification No. IBBI/2017-18/GN/REG022, dated 31st December, 2017 (w.e.f. 01.01.2018). Prior to this substitution, Regulation 2(f) stood as under: -

“(f) dissenting financial creditors” means the financial creditors who voted against the resolution plan approved by the committee;’.)^[***]

(g) **“electronic form”** shall have the meaning assigned to it in the Information Technology Act, 2000 (21 of 2000);

(h) **“electronic means”** mean an authorized and secured computer programme which is capable of producing confirmation of sending communication to the participant entitled to receive such communication at the last electronic mail address provided by such participant and keeping record of such communication.

((Inserted by the CIRP (Amendment) Regulations, 2018 vide Notification No. IBBI/2017-18/GN/REG024, dated 6th February, 2018 (w.e.f. 06-02-2018).))*(ha) **“evaluation matrix”** means such parameters to be applied and the manner of applying such parameters, as approved by the committee, for consideration of resolution plans for its approval;*

*(hb) **“fair value”** means the estimated realizable value of the assets of the corporate debtor, if they were to be exchanged on the insolvency commencement date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had acted knowledgeably, prudently and without compulsion.]*

(i) **“identification number”** means the Limited Liability Partnership Identification Number or the Corporate Identity Number, as the case may be;

(j) **“insolvency professional entity”** means an entity recognised as such under the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016;

((Substituted by the CIRP (Amendment) Regulations, 2018 vide Notification no. IBBI/2017-18/GN/REG024, dated 6th February, 2018 (w.e.f. 06-02-2018). Clause (k), before substitution, stood as under:-

*“(k) **“liquidation value”** means the amount determined in accordance with Regulation 35;”*)[(k) **“liquidation value”** means the estimated realizable value of the assets of the corporate debtor,

if the corporate debtor were to be liquidated on the insolvency commencement date.]

(l) **“participant”** means a person entitled to attend a meeting of the committee under [section 24](#) or any other person authorised by the committee to attend the meeting;

(m) **“registered valuer”** means a person registered as such in accordance with the Companies Act, 2013 (18 of 2013) and rules made thereunder;

(n) **“Schedule”** means the schedule to these Regulations;

(o) **“section”** means section of the Code;

(p) **“video conferencing or other audio and visual means”** means such audio and visual facility which enables the participants in a meeting to communicate concurrently with one another and to participate effectively in the meeting.

(2) Unless the context otherwise requires, words and expressions used and not defined in these Regulations, but defined in the Code, shall have the meanings assigned to them in the Code.

2A. Record or evidence of default by financial creditor.

((Inserted by CIRP (Fifth Amendment) Regulations, 2020 vide [Notification No. IBBI/2020-21/GN/REG 066](#) dated 13th November, 2020 w.e.f. 13.11.2020))**2A.** For the purposes of clause (a) of sub-section (3) of [section 7](#) of the Code, the financial creditor may furnish any of the following record or evidence of default, namely:-

(a) certified copy of entries in the relevant account in the bankers’ book as defined in clause (3) of section 2 of the Bankers’ Books Evidence Act, 1891 (18 of 1891);

(b) an order of a court or tribunal that has adjudicated upon the non-payment of a debt, where the period of appeal against such order has expired.]

2B. Record or evidence of transaction, debt and default by operational creditor.

((Inserted by CIRP (Second Amendment) Regulations, 2022 vide [Notification No. IBBI/2022-23/GN/REG084](#) dated 14th June, 2022, w.e.f. 14.06.2022.))**2B.** The operational creditor shall, alongwith application under [section 9](#), furnish copies of relevant extracts of Form GSTR-1 and Form GSTR-3B filed under the provisions of the relevant laws relating to Goods and Services Tax and the copy of e-way bill wherever applicable:

Provided that provisions of this regulation shall not apply to those operational creditors who do not require registration and to those goods and services which are not covered under any law relating to Goods and Services Tax.]

2C. Submission of information along with application.

((Inserted by CIRP (Second Amendment) Regulations, 2022 vide [Notification No. IBBI/2022-23/GN/REG084](#) dated 14th June, 2022, w.e.f. 14.06.2022.))**2C.** The financial creditor or operational creditor shall, while filing application under [section 7](#) or [9](#), as the case may be, also furnish details of his/ it-

- (a) Permanent Account Number; and
- (b) Email-ID.]

2D. Details of debt, default and limitation in respect of applications under section 7 or section 9.

((Inserted by CIRP (Second Amendment) Regulations, 2023 vide Notification No. IBBI/2023-24/GN/REG106 dated 18th September, 2023, w.e.f. 18.09.2023.))[**2D. 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.**]

CHAPTER II-GENERAL

3. Eligibility for resolution professional.

3. (1) An insolvency professional shall be eligible to be appointed as ((Substituted by CIRP(Second Amendment) Regulations, 2021 vide [Notification No. IBBI/2021-22/GN/REG075 dated 14th July, 2021](#), w.e.f. 14.07.2021(They shall apply to every CIRP ongoing or commencing on or after the date of coming into force of these regulations.), for the words: "*a resolution professional*".))[**an interim resolution professional or a resolution professional, as the case may be,**] for a corporate insolvency resolution process of a corporate debtor if he, and all partners and directors of the insolvency professional entity of which he is a partner or director, are independent of the corporate debtor.

Explanation– A person shall be considered independent of the corporate debtor, if he:

- (a) is eligible to be appointed as an independent director on the board of the corporate debtor under [section 149](#) of the Companies Act, 2013 (18 of 2013), where the corporate debtor is a company;
- (b) is not a related party of the corporate debtor; or
- (c) is not an employee or proprietor or a partner:
 - (i) of a firm of auditors or ((Substituted by the CIRP (Second Amendment) Regulations, 2018 vide Notification No. IBBI/2017-18/GN/REG030, dated 27th March, 2018 (w.e.f. 01-04-2018). Regulation 3 (1) (c) (i), for words "*company secretaries*")][**secretarial auditors**] in practice or cost auditors of the corporate debtor; or
 - (ii) of a legal or a consulting firm, that has or had any transaction with the corporate debtor amounting to ((Substituted by the CIRP (Third Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018 and shall apply to corporate insolvency resolution processes commencing on or after the said date), for words "*ten per cent*".))[**five per cent**] or more of the gross turnover of such firm, in the last three financial years.

((Inserted by by the CIRP (Third Amendment) Regulations, 2018 vide Notification No.

IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018 and shall apply to corporate insolvency resolution processes commencing on or after the said date.))**[(1A) Where the committee decides to appoint the interim resolution professional as resolution professional or replace the interim resolution professional under [section 22](#) or replace the resolution professional under [section 27](#), it shall obtain the written consent of the proposed resolution professional in Form AA of the** ((Substituted by CIRP (Third Amendment) Regulations, 2022 vide Notification No. IBBI/2022-23/GN/REG091 dated 13th September, 2022, w.e.f. 13.09.2022, for the word "Schedule".))**[Schedule-I].]**

(2) ((Substituted by CIRP (Second Amendment) Regulations, 2021 vide [Notification No. IBBI/2021-22/GN/REG075 dated 14th July, 2021](#), w.e.f. 14.07.2021(They shall apply to every CIRP ongoing or commencing on or after the date of coming into force of these regulations.), for the words: "*A resolution professional*".))**[An interim resolution professional or a resolution professional, as the case may be,]** shall make disclosures at the time of his appointment and thereafter in accordance with the Code of Conduct.

((Substituted by CIRP (Second Amendment) Regulations, 2021 vide [Notification No. IBBI/2021-22/GN/REG075 dated 14th July, 2021](#), w.e.f. 14.07.2021(They shall apply to every CIRP ongoing or commencing on or after the date of coming into force of these regulations.), for the sub-regulation:

"(3) A resolution professional, who is a director or a partner of an insolvency professional entity, shall not continue as a resolution professional in a corporate insolvency resolution process if the insolvency professional entity or any other partner or director of such insolvency professional entity represents any of the other stakeholders in the same corporate insolvency resolution process.")**[(3) An interim resolution professional or a resolution professional, who is a director or a partner of an insolvency professional entity, shall not continue as the interim resolution professional or resolution professional, as the case may be, in a corporate insolvency resolution process, if the insolvency professional entity or any other partner or director of such insolvency professional entity represents any other stakeholder in that corporate insolvency resolution process.]**

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

((Inserted by CIRP (Second Amendment) Regulations, 2023 vide Notification No. IBBI/2023-24/GN/REG106 dated 18th September, 2023, w.e.f. 18.09.2023.))**[3A. (1) The interim resolution professional or resolution professional, 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:-**

(a) 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 36;

(b) the assets recorded in the balance sheet of the corporate debtor or in any other records referred in clause (f) of section 18.

(2) The personnel of the corporate debtor, its promoters or any other person associated with the management of the corporate debtor shall provide to the interim resolution professional or resolution professional, as the case may be, a list of assets and records while handing over their custody and control, 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.

(3) Where any asset or record has not been handed over or the list has not been provided under sub-regulation (2), the interim resolution professional or resolution professional, 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) The interim resolution professional or resolution professional, 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 corporate debtor, 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).]

4. Access to books.

4. (1) Without prejudice to [section 17\(2\)\(d\)](#), the ((Substituted by CIRP (Second Amendment) Regulations, 2021 vide [Notification No. IBBI/2021-22/GN/REG075 dated 14th July, 2021](#), w.e.f. 14.07.2021(They shall apply to every CIRP ongoing or commencing on or after the date of coming into force of these regulations.), for the words "*interim resolution professional*".))**[interim resolution professional or the resolution professional, as the case may be,**] may access the books of account, records and other relevant documents and information, to the extent relevant for discharging his duties under the Code, of the corporate debtor held with-

- (a) depositories of securities;
- (b) professional advisors of the corporate debtor;

- (c) information utilities;
- (d) other registries that records the ownership of assets;
- (e) members, promoters, partners, board of directors and joint venture partners of the corporate debtor; and
- (f) contractual counterparties of the corporate debtor.

((Inserted by CIRP (Second Amendment) Regulations, 2022 vide Notification No. IBBI/2022-23/GN/REG084 dated 14th June, 2022, w.e.f. 14.06.2022.))[(2) The personnel of the corporate debtor, its promoters or any other person associated with the management of the corporate debtor shall provide the information within such time and in such format as sought by the interim resolution professional or the resolution professional, as the case may be.

(3) The creditor shall provide to the interim resolution professional or resolution professional, as the case may be, the information in respect of assets and liabilities of the corporate debtor from the last valuation report, stock statement, receivables statement, inspection reports of properties, audit report, stock audit report, title search report, technical officers report, bank account statement and such other information which shall assist the interim resolution professional or the resolution professional in preparing the information memorandum, getting valuation determined and in conducting the corporate insolvency resolution process.]

4A. Choice of authorised representative

((Inserted by the CIRP (Third Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018 and shall apply to corporate insolvency resolution processes commencing on or after the said date.)))[4A. (1) On an examination of books of account and other relevant records of the corporate debtor, the interim resolution professional shall ascertain class(s) of creditors, if any.

(2) For representation of creditors in a class ascertained under sub-regulation (1) in the committee, the interim resolution professional shall identify three insolvency professionals who are-

- (a) not his relatives or related parties;

((Inserted by CIRP (Fourth Amendment) Regulations, 2020 vide N. No. [IBBI/2020-21/GN/REG064](#) dated 07.08.2020.))[(aa) having their addresses, as registered with the Board, in the State or Union Territory, as the case may be, which has the highest number of creditors in the class as per their addresses in the records of the corporate debtor:

Provided that where such State or Union Territory does not have adequate number of insolvency professionals, the insolvency professionals having addresses in a nearby State or Union Territory, as the case may be, shall be considered;]

- (b) eligible to be ((Substituted by CIRP (Second Amendment) Regulations, 2021 vide [Notification No. IBBI/2021-22/GN/REG075 dated 14th July, 2021](#), w.e.f. 14.07.2021(They shall apply to every CIRP ongoing or commencing on or after the date of coming into force of these regulations.), for the words "*insolvency professionals*".)))[resolution professional] under regulation 3; and

- (c) willing to act as authorised representative of creditors in the class.

(3) The interim resolution professional shall obtain the consent of each insolvency professional identified under sub-regulation (2) to act as the authorised representative of creditors in the class in Form AB of the ((Substituted by CIRP (Third Amendment) Regulations, 2022 vide Notification No. IBBI/2022-23/GN/REG091 dated 13th September, 2022, w.e.f. 13.09.2022, for the word "Schedule".))[Schedule-I].]

4B. Disclosure of change in name and address of corporate debtor.

((Inserted by CIRP (Second Amendment) Regulations, 2021 vide [Notification No. IBBI/2021-22/GN/REG075 dated 14th July, 2021](#), w.e.f. 14.07.2021(They shall apply to every CIRP ongoing or commencing on or after the date of coming into force of these regulations.)))[**4B.** Where a corporate debtor has changed its name or registered office address during the period of two years preceding the insolvency commencement date, the interim resolution professional or resolution professional, as the case may be, shall disclose all the former name(s) and registered office address(es) so changed along with the current name and registered office address in every communication, record, proceeding or any other document.]

4C. Process e-mail.

((Inserted by CIRP (Fourth Amendment) Regulations, 2022 vide Notification No. IBBI/2022-23/GN/REG093 dated 16th September, 2022, w.e.f. 16.09.2022.)))[**4C.** (1) The interim resolution professional shall open an email account and use it for all correspondences with stakeholders and in the event of his replacement by a resolution professional, shall handover the credentials of the email to him.

(2) The resolution professional shall, in case of his replacement with another resolution professional or a liquidator, hand over the credentials of the email to the other resolution professional or the liquidator, as the case may be.]

5. Extortionate credit transaction.

5. A transaction shall be considered extortionate under [section 50\(2\)](#) where the terms:

- (1) require the corporate debtor to make exorbitant payments in respect of the credit provided; or
- (2) are unconscionable under the principles of law relating to contracts.

CHAPTER III-PUBLIC ANNOUNCEMENT

6. Public announcement.

6. (1) An insolvency professional shall make a public announcement immediately on his appointment as an interim resolution professional.

Explanation- 'Immediately' means not later than three days from the date of his appointment.

(2) The public announcement referred to in sub-regulation (1) shall:

(a) be in Form A of the ((Substituted by CIRP (Third Amendment) Regulations, 2022 vide Notification No. IBBI/2022-23/GN/REG091 dated 13th September, 2022, w.e.f. 13.09.2022, for the word "Schedule".))[Schedule-I];

(b) be published-

(i) in one English and one regional language newspaper with wide circulation at the location of the registered office and principal office, if any, of the corporate debtor and any other location where in the opinion of the interim resolution professional, the corporate debtor conducts material business operations;

(ii) on the website, if any, of the corporate debtor; and

(iii) on the website((Designated website for publishing Forms under the Regulations-[No. IP\(CIRP\)/006/2018, 23rd February, 2018](#))), if any, designated by the Board for the purpose,

((Inserted by the CIRP (Third Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018 and shall apply to corporate insolvency resolution processes commencing on or after the said date.)))[(ba) state where claim forms can be downloaded or obtained from, as the case may be;

(bb) offer choice of three insolvency professionals identified under regulation 4A to act as the authorised representative of creditors in each class; and]

(c) provide the last date for submission of proofs of claim, which shall be fourteen days from the date of appointment of the interim resolution professional.

(3) The applicant shall bear the expenses of the public announcement which may be reimbursed by the committee to the extent it ratifies them.

((Omitted by the CIRP (Third Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018 and shall apply to corporate insolvency resolution processes commencing on or after the said date), words "*Clarification- The expenses on the public announcement shall not form part of insolvency resolution process costs*".))[***]

6A. Communication to creditors.

((Inserted by CIRP (Fourth Amendment) Regulations, 2022 vide Notification No. IBBI/2022-23/GN/REG093 dated 16th September, 2022, w.e.f. 16.09.2022.))[6A. The interim resolution professional shall send a communication along with a copy of public announcement made under regulation 6, to all the creditors as per the last available books of accounts of the corporate debtor through post or electronic means wherever the information for communication is available.

Provided that where it is not possible to send a communication to creditors, the public announcement made under regulation 6 shall be deemed to be the communicated to such creditors.]

CHAPTER IV-PROOF OF CLAIMS

7. Claims by operational creditors.

7. (1) A person claiming to be an operational creditor, other than workman or employee of the corporate debtor, shall ((Substituted by the CIRP (Third Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018 and shall apply to corporate insolvency resolution processes commencing on or after the said date), for words "*submit proof of claim*".)) [**submit claim with proof**] to the interim resolution professional in person, by post or by electronic means in Form B of the ((Substituted by CIRP (Third Amendment) Regulations, 2022 vide Notification No. IBBI/2022-23/GN/REG091 dated 13th September, 2022, w.e.f. 13.09.2022, for the word "*Schedule*".)) [**Schedule-I**]:

Provided that such person may submit supplementary documents or clarifications in support of the claim before the constitution of the committee.

(2) The existence of debt due to the operational creditor under this Regulation may be proved on the basis of-

- (a) the records available with an information utility, if any; or
- (b) other relevant documents, including -
 - (i) a contract for the supply of goods and services with corporate debtor;
 - (ii) an invoice demanding payment for the goods and services supplied to the corporate debtor;
 - (iii) an order of a court or tribunal that has adjudicated upon the non-payment of a debt, if any; or
 - (iv) financial accounts.

((Inserted by CIRP (Second Amendment) Regulations, 2022 vide Notification No. IBBI/2022-23/GN/REG084 dated 14th June, 2022, w.e.f. 14.06.2022.)) [**(v) copies of relevant extracts of Form GSTR-1 and Form GSTR-3B filed under the provisions of the relevant laws relating to Goods and Services Tax and the copy of e-way bill wherever applicable:**

Provided that provisions of this sub-clause shall not apply to those creditors who do not require registration and to those goods and services which are not covered under any law relating to Goods and Services Tax.]

8. Claims by financial creditors.

8. (1) A person claiming to be a ((Substituted by the CIRP (Third Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018 and shall apply to corporate insolvency resolution processes commencing on or after the said date), for words "*financial creditor of the corporate debtor shall submit proof of claim*".)) [**financial creditor, other than a financial creditor belonging to a class of creditors, shall submit claim with proof**] to the interim resolution professional in electronic form in Form C of the ((Substituted by CIRP (Third Amendment)

Regulations, 2022 vide Notification No. IBBI/2022-23/GN/REG091 dated 13th September, 2022, w.e.f. 13.09.2022, for the word "Schedule".))[Schedule-I]:

Provided that such person may submit supplementary documents or clarifications in support of the claim before the constitution of the committee.

(2) The existence of debt due to the financial creditor may be proved on the basis of -

(a) the records available with an information utility, if any; or

(b) other relevant documents, including -

(i) a financial contract supported by financial statements as evidence of the debt;

(ii) a record evidencing that the amounts committed by the financial creditor to the corporate debtor under a facility has been drawn by the corporate debtor;

(iii) financial statements showing that the debt has not been ((Substituted by the CIRP (Third Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018 and shall apply to corporate insolvency resolution processes commencing on or after the said date), for words "repaid"))[paid]; or

(iv) an order of a court or tribunal that has adjudicated upon the non-payment of a debt, if any.

8A. Claims by creditors in a class.

((Inserted by the CIRP (Third Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018 and shall apply to corporate insolvency resolution processes commencing on or after the said date.)))[8A. (1) A person claiming to be a creditor in a class shall submit claim with proof to the interim resolution professional in electronic form in Form CA of the ((Substituted by CIRP (Third Amendment) Regulations, 2022 vide Notification No. IBBI/2022-23/GN/REG091 dated 13th September, 2022, w.e.f. 13.09.2022, for the word "Schedule".))[Schedule-I].

(2) The existence of debt due to a creditor in a class may be proved on the basis of-

(a) the records available with an information utility, if any; or

(b) other relevant documents, including any-

(i) agreement for sale;

(ii) letter of allotment;

(iii) receipt of payment made; or

(iv) such other document, evidencing existence of debt.

(3) A creditor in a class may indicate its choice of an insolvency professional, from amongst the three choices provided by the interim resolution professional in the public announcement, to act as its authorised representative.]

9. Claims by workmen and employees.

9. (1) A person claiming to be a workman or an employee of the corporate debtor shall submit ((Substituted by the CIRP (Third Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018 and shall apply to corporate insolvency resolution processes commencing on or after the said date), for words “*proof of claim*”).)[**claim with proof**] to the interim resolution professional in person, by post or by electronic means in Form D of the ((Substituted by CIRP (Third Amendment) Regulations, 2022 vide Notification No. IBBI/2022-23/GN/REG091 dated 13th September, 2022, w.e.f. 13.09.2022, for the word “*Schedule*”).)[**Schedule-I**]:

Provided that such person may submit supplementary documents or clarifications in support of the claim, on his own or if required by the interim resolution professional, before the constitution of the committee.

(2) Where there are dues to numerous workmen or employees of the corporate debtor, an authorised representative may submit one ((Substituted by the CIRP (Third Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018 and shall apply to corporate insolvency resolution processes commencing on or after the said date), for words “*proof of claim*”).)[**claim with proof**] for all such dues on their behalf in Form E of the ((Substituted by CIRP (Third Amendment) Regulations, 2022 vide Notification No. IBBI/2022-23/GN/REG091 dated 13th September, 2022, w.e.f. 13.09.2022, for the word “*Schedule*”).)[**Schedule-I**].

(3) The existence of dues to workmen or employees may be proved by them, individually or collectively on the basis of -

- (a) records available with an information utility, if any; or
- (b) other relevant documents, including -
 - (i) a proof of employment such as contract of employment for the period for which such workman or employee is claiming dues;
 - (ii) evidence of notice demanding payment of unpaid dues and any documentary or other proof that payment has not been made; or
 - (iii) an order of a court or tribunal that has adjudicated upon the non-payment of a dues, if any.

9A. Claims by other creditors.

((Inserted by the CIRP (Amendment) Regulations, 2017 vide Notification No. IBBI/2017-18/ GN/ REG013, dated 16th August, 2017, {w.e.f. 16-8-2017}))[**9A. (1) A person claiming to be a creditor, other than those covered under** ((Substituted by CIRP (Second Amendment) Regulations, 2021 vide [Notification No. IBBI/2021-22/GN/REG075 dated 14th July, 2021](#), w.e.f. 14.07.2021(They shall apply to every CIRP ongoing or commencing on or after the date of coming into force of these regulations.), for the words “*regulations 7, 8, or 9*.”))[**regulation 7, 8, 8A or 9,**] **shall submit** ((Substituted by the CIRP (Third Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018 and shall apply to corporate

insolvency resolution processes commencing on or after the said date), for words, “*proof of its claim*”).)[*its claim with proof*] to the interim resolution professional or resolution professional in person, by post or by electronic means in Form F of the ((Substituted by CIRP (Third Amendment) Regulations, 2022 vide Notification No. IBBI/2022-23/GN/REG091 dated 13th September, 2022, w.e.f. 13.09.2022, for the word "*Schedule*").)[*Schedule-I*].

(2) The existence of the claim of the creditor referred to in sub-section (1) may be proved on the basis of –

- (a) the records available in an information utility, if any, or
- (b) other relevant documents sufficient to establish the claim, including any or all of the following:-
 - (i) documentary evidence demanding satisfaction of the claim;
 - (ii) bank statements of the creditor showing non-satisfaction of claim;
 - (iii) an order of court or tribunal that has adjudicated upon non-satisfaction of claim, if any.]

10. Substantiation of claims.

10. The interim resolution professional or the resolution professional, as the case may be, may call for such other evidence or clarification as he deems fit from a creditor for substantiating the whole or part of its claim.

11. Cost of proof.

11. A creditor shall bear the cost of proving the debt due to such creditor.

12. Submission of proof of claims.

12. ((Substituted by CIRP (Second Amendment) Regulations, 2023 vide Notification No. IBBI/2023-24/GN/REG106 dated 18th September, 2023, w.e.f. 18.09.2023, for the sub-regulation (1):

"(1) Subject to sub-regulation (2), a creditor shall submit **[claim with proof]* on or before the last date mentioned in the public announcement."

*Substituted by the CIRP (Third Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018 and shall apply to corporate insolvency resolution processes commencing on or after the said date), for words “*proof of claim*”).)[(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.]

((Substituted by the CIRP (Third Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018 and shall apply to corporate insolvency resolution processes commencing on or after the said date). Sub-regulation (2) of regulation 12, before substitution stood as-

"A creditor, who failed to submit proof of claim within the time stipulated in the public announcement, may submit such proof to the interim resolution professional or the resolution professional, as the case may be, till the approval of a resolution plan by the committee.")[(2) ((Omitted by CIRP (Second Amendment) Regulations, 2023 vide Notification No. IBBI/2023-24/GN/REG106 dated 18th September, 2023, w.e.f. 18.09.2023, before omission, the sub-regulation:

"(2) A creditor, who fails to submit claim with proof within the time stipulated in the public announcement, may submit the claim with proof to the interim resolution professional or the resolution professional, as the case may be, on or before the ninetieth day of the insolvency commencement date.".)][***]]

(3) Where the creditor in sub-regulation (2) is ((Substituted by the CIRP (Third Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018 and shall apply to corporate insolvency resolution processes commencing on or after the said date), for words *"a financial creditor"*.)][a financial creditor under regulation 8], it shall be included in the committee from the date of admission of such claim:

Provided that such inclusion shall not affect the validity of any decision taken by the committee prior to such inclusion.

12A. Updation of claim.

((Inserted by the CIRP (Amendment) Regulations, 2021 vide Notification No. [IBBI/2020-21/GN/REG070](#) dated 15.03.2021, w.e.f. 15.03.2021))**[12A. A creditor shall update its claim as and when the claim is satisfied, partly or fully, from any source in any manner, after the insolvency commencement date.]**

13. Verification of claims.

13. (1) The interim resolution professional or the resolution professional, as the case may be, shall verify every claim, as on the insolvency commencement date, within seven days from the last date of the receipt of the claims, and thereupon maintain a list of creditors containing names of creditors along with the amount claimed by them, the amount of their claims admitted and the security interest, if any, in respect of such claims, and update it.

((Inserted by CIRP (Second Amendment) Regulations, 2023 vide Notification No. IBBI/2023-24/GN/REG106 dated 18th September, 2023, w.e.f. 18.09.2023.))**[(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

categorise them as acceptable or non-acceptable for collation.

(1C) The interim resolution professional or resolution professional, as the case may be, shall:-

(a) 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

(b) 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.]

(2) The list of creditors shall be –

(a) available for inspection by the persons who submitted proofs of claim;

(b) available for inspection by members, partners, directors and guarantors of the corporate debtor ((Inserted by CIRP (Second Amendment) Regulations, 2021 vide [Notification No. IBBI/2021-22/GN/REG075 dated 14th July, 2021](#), w.e.f. 14.07.2021(They shall apply to every CIRP ongoing or commencing on or after the date of coming into force of these regulations.)))[or their authorised representatives];

(c) displayed on the website, if any, of the corporate debtor;

((Inserted by the CIRP (Fifth Amendment) Regulations, 2020 vide [Notification No. IBBI/2020-21/GN/REG 066](#) dated 13th November, 2020 w.e.f. 13.11.2020))[(ca) filed on the electronic platform of the Board((Filing of list of creditors-[IBBI/CIRP/36/2020 27th November, 2020](#))) for dissemination on its website:

Provided that this clause shall apply to every corporate insolvency resolution process ongoing and commencing on or after the date of commencement(([w.e.f. 13.11.2020](#))) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) (Fifth Amendment) Regulations, 2020;]

(d) filed with the Adjudicating Authority; and

(e) presented at the first meeting of the committee.

14. Determination of amount of claim.

14. (1) Where the amount claimed by a creditor is not precise due to any contingency or other reason, the interim resolution professional or the resolution professional, as the case may be, shall make the best estimate of the amount of the claim based on the information available with him.

(2) The interim resolution professional or the resolution professional, as the case may be, shall revise the amounts of claims admitted, including the estimates of claims made under sub-regulation (1), as soon as may be practicable, when he comes across additional information warranting such revision.

15. Debt in foreign currency.

15. The claims denominated in foreign currency shall be valued in Indian currency at the official exchange rate as on the insolvency commencement date.

Explanation - "official exchange rate" is the reference rate published by the Reserve Bank of India or derived from such reference rates.

CHAPTER V-COMMITTEE OF CREDITORS

16. Committee with only operational creditors.

16. (1) Where the corporate debtor has no financial debt or where all financial creditors are related parties of the corporate debtor, the committee shall be set up in accordance with this Regulation.

(2) The committee formed under this Regulation shall consist of members as under -

(a) eighteen largest operational creditors by value:

Provided that if the number of operational creditors is less than eighteen, the committee shall include all such operational creditors;

(b) one representative elected by all workmen other than those workmen included under sub-clause (a); and

(c) one representative elected by all employees other than those employees included under sub-clause (a).

(3) A member of the committee formed under this Regulation shall have voting rights in proportion of the debt due to such creditor or debt represented by such representative, as the case may be, to the total debt.

Explanation - For the purposes of this sub-regulation, 'total debt' is the sum of-

(a) the amount of debt due to the creditors listed in sub-regulation 2(a);

(b) the amount of the aggregate debt due to workmen under sub-regulation 2(b); and

(c) the amount of the aggregate debt due to employees under sub-regulation 2(c).

(4) A committee formed under this Regulation and its members shall have the same rights, powers, duties and obligations as a committee comprising financial creditors and its members, as the case may be.

16A. Authorised representative.

((Inserted by the CIRP (Third Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018 and shall apply to corporate insolvency resolution processes commencing on or after the said date.)))[**16A.**((Appointment of Authorised Representative for Classes of Creditors under [section 21](#) (6A) (b) of the Insolvency and Bankruptcy Code, 2016-[IBBI/CIRP/015/2018, 13th July, 2018](#)))(1) **The interim resolution professional shall select the insolvency professional, who is the choice of the highest number of financial**

creditors in the class in Form CA received under sub-regulation (1) of regulation 12, to act as the authorised representative of the creditors of the respective class:

Provided that the choice for an insolvency professional to act as authorised representative in Form CA received under sub-regulation (2) of regulation 12 shall not be considered.

(2) The interim resolution professional shall apply to the Adjudicating Authority for appointment of the authorised representatives selected under sub-regulation (1) within two days of the verification of claims received under sub-regulation (1) of regulation 12.

(3) Any delay in appointment of the authorised representative for any class of creditors shall not affect the validity of any decision taken by the committee.

((Inserted by CIRP (Second Amendment) Regulations, 2023 vide Notification No. IBBI/2023-24/GN/REG106 dated 18th September, 2023, w.e.f. 18.09.2023.))[(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 insolvency professional of their choice by making a request to the interim resolution professional or resolution professional 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 interim resolution professional or resolution professional, 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 resolution professional 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.]

(4) The interim resolution professional shall provide the list of creditors in each class to the respective authorised representative appointed by the Adjudicating Authority.

(5) The interim resolution professional or the resolution professional, as the case may be, shall provide an updated list of creditors in each class to the respective authorised representative as and when the list is updated.

Clarification: The authorised representative shall have no role in receipt or verification of claims of creditors of the class he represents.

(6) The interim resolution professional or the resolution professional, as the case may be, shall provide electronic means of communication between the authorised representative and the creditors in the class.

(7) The voting share of a creditor in a class shall be in proportion to the financial debt which includes an interest at the rate of eight per cent per annum unless a different rate has been agreed to between the parties.

((Substituted by CIRP (Second Amendment) Regulations, 2023 vide Notification No. IBBI/2023-24/GN/REG106 dated 18th September, 2023, w.e.f. 18.09.2023. Before substitution, the sub-regulation (8) stood as under:

"(8) 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	15,000
101-1000	20,000
More than 1000	25,000

.)[(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.]

((Substituted by CIRP (Fourth Amendment) Regulations, 2020 vide N. No. [IBBI/2020-21/GN/REG064](#) dated 07.08.2020. Prior to substitution:

"(9) The authorised representative shall circulate the agenda to creditors in a class and announce the voting window at least twenty-four hours before the window opens for voting instructions and keep the voting window open for at least twelve hours.")[(9) The authorised representative shall circulate the agenda to creditors in a class, and may seek their preliminary views on any item in the agenda to enable him to effectively participate in the meeting of the committee:

Provided that creditors shall have a time window of at least twelve hours to submit their preliminary views, and the said window opens at least twenty-four hours after the authorised representative seeks preliminary views:

Provided further that such preliminary views shall not be considered as voting instructions by the creditors.]

((Inserted by CIRP (Second Amendment) Regulations, 2023 vide Notification No. IBBI/2023-24/GN/REG106 dated 18th September, 2023, w.e.f. 18.09.2023.))[(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.

(11) 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.]]

16B. Committee with only creditors in a class.

((Inserted by the CIRP (Third Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018 and shall apply to corporate insolvency resolution processes commencing on or after the said date.)))[**16B.** Where the corporate debtor has only creditors in a class and no other financial creditor eligible to join the committee, the committee shall consist of only the authorised representative(s).]

17. Constitution of committee.

((Substituted by the CIRP (Third Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018 and shall apply to corporate insolvency resolution processes commencing on or after the said date). Regulation 17, before substitution stood as-

"17. First meeting of the committee.

(1) The interim resolution professional shall file a report certifying constitution of the committee to the Adjudicating Authority on or before the expiry of thirty days from the date of his appointment.

(2) The interim resolution professional shall convene the first meeting of the committee within seven days of filing the report under this Regulation."))[17. (1) The interim resolution professional shall file a report certifying constitution of the committee to the Adjudicating Authority within two days of the verification of claims received under sub-regulation (1) of regulation 12.

((Inserted by CIRP (Third Amendment) Regulations, 2021 vide Notification No. IBBI/2021-22/GN/REG078 dated 30th September, 2021, w.e.f. 30.09.2021.))[(1A) The committee and members of the committee shall discharge functions and exercise powers under the Code and these regulations in respect of corporate insolvency resolution process in compliance with the guidelines as may be issued by the Board.]

(2) The interim resolution professional shall hold the first meeting of the committee within seven days of filing the report under this regulation.

(3) Where the appointment of resolution professional is delayed, the interim resolution professional shall perform the functions of the resolution professional from the fortieth day of the insolvency commencement date till a resolution professional is appointed under [section 22.](#)]

CHAPTER VI-MEETINGS OF THE COMMITTEE

18. Meetings of the committee.

((Substituted by CIRP (Amendment) Regulations, 2022 vide Notification No. F. No. IBBI/2021-22/GN/REG/080 dated 9th February, 2022, w.e.f. 09.02.2022(Through this amendment, [Circular No. IBBI/CIRP/2021 issued on 16 April, 2021 Clarification](#) - Consideration of matters / issues by the committee of creditors on request by members of the committee, has been made a part of the CIRP Regulation), prior to substitution, the Regulation stood as under:

"18. A resolution professional may convene a meeting of the committee as and when he considers necessary, and shall convene a meeting if a request to that effect is made by members of the committee representing thirty three per cent of the voting rights."))[18. (1) A resolution professional may convene a meeting of the committee as and when he considers necessary.

(2) A resolution professional may convene a meeting, if he considers it necessary, on a request received from members of the committee and shall convene a meeting if the same is made by members of the committee representing at least thirty three per cent of the voting rights.

((Inserted by CIRP (Fourth Amendment) Regulations, 2022 vide Notification No.

IBBI/2022-23/GN/REG093 dated 16th September, 2022, w.e.f. 16.09.2022.))*[Explanation: For the purposes of sub- regulation (2) it is clarified that meeting (s) may be convened under this sub-regulation till the resolution plan is approved under sub-section (1) of [section 31](#) or order for liquidation is passed under [section 33](#) and decide on matters which do not affect the resolution plan submitted before the Adjudicating Authority.]*

(3) A resolution professional may place a proposal received from members of the committee in a meeting, if he considers it necessary and shall place the proposal if the same is made by members of the committee representing at least thirty three per cent of the voting rights.]

19. Notice for meetings of the committee.

((Substituted by the CIRP (Third Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018 and shall apply to corporate insolvency resolution processes commencing on or after the said date). Regulation 19, before substitution stood as-

"19. Notice for meetings of the committee.

(1) *Subject to this Regulation, a meeting of the committee shall be called by giving not less than seven days' notice in writing to every participant, at the address it has provided to the resolution professional and such notice may be sent by hand delivery, or by post but in any event, be served on every participant by electronic means in accordance with Regulation 20.*

(2) *The committee may reduce the notice period from seven days to such other period of not less than twenty four hours, as it deems fit.)***[19. (1) Subject to this Regulation, a meeting of the committee shall be called by giving not less than five days' notice in writing to every participant, at the address it has provided to the ((Substituted by CIRP (Second Amendment) Regulations, 2021 vide [Notification No. IBBI/2021-22/GN/REG075 dated 14th July, 2021, w.e.f. 14.07.2021](#)(They shall apply to every CIRP ongoing or commencing on or after the date of coming into force of these regulations.), for the words "*resolution professional*".)]***[the interim resolution professional or the resolution professional, as the case may be,] and such notice may be sent by hand delivery, or by post but in any event, be served on every participant by electronic means in accordance with Regulation 20.*

(2) The committee may reduce the notice period from five days to such other period of not less than twenty-four hours, as it deems fit:

Provided that the committee may reduce the period to such other period of not less than forty-eight hours if there is any authorised representative.]

20. Service of notice by electronic means.

20. (1) A notice by electronic means may be sent to the participants through e-mail as a text or as an attachment to e-mail or as a notification providing electronic link or Uniform Resource Locator for accessing such notice.

(2) The subject line in e-mail shall state the name of the corporate debtor, the place, if any, the time and the date on which the meeting is scheduled.

(3) If notice is sent in the form of a non-editable attachment to an e-mail, such attachment shall be

in the Portable Document Format or in a non-editable format together with a 'link or instructions' for recipient for downloading relevant version of the software.

(4) When notice or notifications of availability of notice are sent by an e-mail, the resolution professional shall ensure that it uses a system which produces confirmation of the total number of recipients e-mailed and a record of each recipient to whom the notice has been sent and copy of such record and any notices of any failed transmissions and subsequent re-sending shall be retained as "proof of sending".

(5) The obligation of the resolution professional shall be satisfied when he transmits the e-mail and he shall not be held responsible for a failure in transmission beyond its control.

(6) The notice made available on the electronic link or Uniform Resource Locator shall be readable, and the recipient should be able to obtain and retain copies and the resolution professional shall give the complete Uniform Resource Locator or address of the website and full details of how to access the document or information.

(7) If a participant, other than a member of the committee, fails to provide or update the relevant e-mail address to the resolution professional, the non-receipt of such notice by such participant of any meeting shall not invalidate the decisions taken at such meeting.

21. Contents of the notice for meeting.

21. ((Notice for Meetings of the Committee of Creditors under [section 24](#) (3) (a) of the Code read with regulation 21 of the CIRP Regulations, 2016-[IBBI/CIRP/016/2018, 10th August, 2018](#)))(1) The notice shall inform the participants of the venue, the time and date of the meeting and of the option available to them to participate through video conferencing or other audio and visual means, and shall also provide all the necessary information to enable participation through video conferencing or other audio and visual means.

(2) The notice of the meeting shall provide that a participant may attend and vote in the meeting either in person or through an authorised representative:

Provided that such participant shall inform the resolution professional, in advance of the meeting, of the identity of the authorised representative who will attend and vote at the meeting on its behalf.

((Substituted by the CIRP (Fourth Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG032 dated the 5th October, 2018 w.e.f. 05.10.2018. Prior to substitution, the sub-regulations stood as under:

"(3) The notice of the meeting shall-

(a) contain an agenda of the meeting with the following-

(i) a list of the matters to be discussed at the meeting;

(ii) a list of the issues to be voted upon at the meeting; and

(iii) copies of all documents relevant to the matters to be discussed and the issues to be voted upon at the meeting; and

(b) state that a vote of the members of the committee shall not be taken at the meeting unless all members are present at such meeting."))[(3) The notice of the meeting shall contain the following-

- (i) a list of the matters to be discussed at the meeting;
- (ii) a list of the issues to be voted upon at the meeting; and
- (iii) copies of all documents relevant to the matters to be discussed and the issues to be voted upon at the meeting.]

(4) The notice of the meeting shall-

- (a) state the process and manner for voting by electronic means and the time schedule, including the time period during which the votes may be cast;
- (b) provide the login ID and the details of a facility for generating password and for keeping security and casting of vote in a secure manner; and
- (c) provide contact details of the person who will address the queries connected with the electronic voting.

22. Quorum at the meeting.

22. (1) A meeting of the committee shall be quorate if members of the committee representing at least thirty three percent of the voting rights are present either in person or by video conferencing or other audio and visual means:

Provided that the committee may modify the percentage of voting rights required for quorum in respect of any future meetings of the committee.

(2) Where a meeting of the committee could not be held for want of quorum, unless the committee has previously decided otherwise, the meeting shall automatically stand adjourned at the same time and place on the next day.

(3) In the event a meeting of the committee is adjourned in accordance with sub-regulation (2), the adjourned meeting shall be quorate with the members of the committee attending the meeting.

23. Participation through video conferencing.

23. (1) The notice convening the meetings of the committee shall provide the participants an option to attend the meeting through video conferencing or other audio and visual means in accordance with this Regulation.

(2) The resolution professional shall make necessary arrangements to ensure uninterrupted and clear video or audio and visual connection.

(3) The resolution professional shall take due and reasonable care-

- (a) to safeguard the integrity of the meeting by ensuring sufficient security and identification procedures;
- (b) to ensure availability of proper video conferencing or other audio and visual equipment or facilities for providing transmission of the communications for effective participation of the

participants at the meeting;

(c) to record proceedings and prepare the minutes of the meeting;

(d) to store for safekeeping and marking the physical recording(s) or other electronic recording mechanism as part of the records of the corporate debtor;

(e) to ensure that no person other than the intended participants attends or has access to the proceedings of the meeting through video conferencing or other audio and visual means; and

(f) to ensure that participants attending the meeting through audio and visual means are able to hear and see, if applicable, the other participants clearly during the course of the meeting:

Provided that the persons, who are differently abled, may make request to the resolution professional to allow a person to accompany him at the meeting.

(4) Where a meeting is conducted through video conferencing or other audio and visual means, the scheduled venue of the meeting as set forth in the notice convening the meeting, which shall be in India, shall be deemed to be the place of the said meeting and all recordings of the proceedings at the meeting shall be deemed to be made at such place.

24. Conduct of meeting.

24. (1) The resolution professional shall act as the chairperson of the meeting of the committee.

(2) At the commencement of a meeting, the resolution professional shall take a roll call when every participant attending through video conferencing or other audio and visual means shall state, for the record, the following, -

(a) his name;

(b) whether he is attending in the capacity of a member of the committee or any other participant;

(c) whether he is representing a member or group of members;

(d) the location from where he is participating;

(e) that he has received the agenda and all the relevant material for the meeting; and

(f) that no one other than him is attending or has access to the proceedings of the meeting at the location of that person.

(3) After the roll call, the resolution professional shall inform the participants of the names of all persons who are present for the meeting and confirm if the required quorum is complete.

(4) The resolution professional shall ensure that the required quorum is present throughout the meeting.

(5) From the commencement of the meeting till its conclusion, no person other than the participants and any other person whose presence is required by the resolution professional shall be allowed access to the place where meeting is held or to the video conferencing or other audio and visual facility, without the permission of the resolution professional.

(6) The resolution professional shall ensure that minutes are made in relation to each meeting of the committee and such minutes shall disclose the particulars of the participants who attended the meeting in person, through video conferencing, or other audio and visual means.

(7) The resolution professional shall circulate the minutes of the meeting to all participants by electronic means within forty eight hours of the said meeting.

CHAPTER VII-VOTING BY THE COMMITTEE

25. Voting by the committee.

25. (1) The actions listed in [section 28](#)(1) shall be considered in meetings of the committee.

(2) Any action other than those listed in [section 28](#)(1) requiring approval of the committee may be considered in meetings of the committee.

((Substituted by the CIRP (Third Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018 and shall apply to corporate insolvency resolution processes commencing on or after the said date). Sub – regulation 3 of regulation 25, before substitution stood as-

"(3) Where all members are present in a meeting, the resolution professional shall take a vote of the members of the committee on any item listed for voting after discussion on the same.")[(3) **The resolution professional shall take a vote of the members**((A person, who is not a member of the CoC, does not have voting right in the CoC. A person, who is not a member of the CoC, cannot be regarded as one who has voted against a resolution plan or abstained from voting-[IBBI/CIRP/018/2018, 14th September, 2018.](#))] **of the committee present in the meeting, on any item listed for voting after discussion on the same.]**

(4) At the conclusion of a vote at the meeting, the resolution professional shall announce the decision taken on items along with the names of the members of the committee who voted for or against the decision, or abstained from voting.

((Substituted by the CIRP (Fourth Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG032 dated the 5th October, 2018. Prior to substitution, the sub-regulation stood as under:

"(5) The resolution professional shall-

(a) circulate the minutes of the meeting by electronic means to all members of the committee within forty-eight hours of the conclusion of the meeting; and

(b) seek a vote of the members who did not vote at the meeting on the matters listed for voting, by electronic voting system in accordance with regulation 26 where the voting shall be kept open for twenty-four hours from the circulation of the minutes, for.]"

The above sub-regulations was substituted by the IBBI(Insolvency Resolution Process for Corporate Persons) (Third Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018 and shall apply to corporate insolvency resolution processes commencing on or after the said date). Sub – regulation 5 of regulation 25, before substitution

stood as-

"If all members are not present at a meeting, a vote shall not be taken at such meeting and the resolution professional shall-

(a) circulate the minutes of the meeting by electronic means to all members of the committee within forty eight hours of the conclusion of the meeting; and

(b) seek a vote on the matters listed for voting in the meeting, by electronic voting system where the voting shall be kept open for twenty four hours from the circulation of the minutes.")[(5) The resolution professional shall-

(a) circulate the minutes of the meeting by electronic means to all members of the committee and the authorised representative, if any, within forty-eight hours of the conclusion of the meeting; and

(b) seek a vote of the members who did not vote at the meeting on the matters listed for voting, by electronic voting system in accordance with regulation 26 where the voting shall be kept open for at least twenty-four hours from the circulation of the minutes.

(6) The authorised representative shall circulate the minutes of the meeting received under sub-regulation (5) to creditors in a class and announce the voting window at least twenty-four hours before the window opens for voting instructions and keep the voting window open for at least twelve hours.]

25A. Voting by Authorised Representative.

((Inserted by the CIRP (Third Amendment) Regulations, 2019 vide notification no. IBBI/2019-20/GN/REG052 dated 27th November, 2019.))[25A. The authorised representative shall cast his vote in respect of each financial creditor or on behalf of all financial creditors he represents in accordance with the provisions of sub-section (3) or sub-section (3A) of [section 25A](#), as the case may be.]

26. Voting through electronic means.

26. (1) The resolution professional shall provide each member of the committee the means to exercise its vote by either electronic means or through electronic voting system in accordance with the provisions of this Regulation.

Explanation- For the purposes of these Regulations-

(a) the expressions "voting by electronic means" or "electronic voting system" means a "secured system" based process of display of electronic ballots, recording of votes of the members of the committee and the number of votes polled in favour or against, such that the voting exercised by way of electronic means gets registered and counted in an electronic registry in a centralized server with adequate cyber security;

(b) the expression "secured system" means computer hardware, software, and procedure that –

(i) are reasonably secure from unauthorized access and misuse;

(ii) provide a reasonable level of reliability and correct operation;

(iii) are reasonably suited to perform the intended functions; and

(iv) adhere to generally accepted security procedures.

((Inserted by the CIRP (Fourth Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG032 dated the 5th October, 2018.))[(1A)((Omitted by the IBBI (Insolvency Resolution Process for Corporate Persons) (Third Amendment) Regulations, 2019 vide Notification No. IBBI/2019-20/GN/REG052, dated 27th November, 2019 (w.e.f. 27.11.2019). Sub – regulation (1A) of regulation 26, before omission stood as-

“The authorised representative shall exercise the votes either by electronic means or through electronic voting system as per the voting instructions received by him from the creditors in the class pursuant to sub-regulation (6) of regulation 25.”)[***]

(2) ((Omitted by by the CIRP (Third Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018 and shall apply to corporate insolvency resolution processes commencing on or after the said date). Sub – regulation (2) of regulation 26, before omission stood as-

“(2) Once a vote on a resolution is cast by a member of the committee, such member shall not be allowed to change it subsequently.”)[***]

(3) At the end of the voting period, the voting portal shall forthwith be blocked.

(4) At the conclusion of a vote held under this Regulation, the resolution professional shall announce and make a written record of the summary of the decision taken on a relevant agenda item along with the names of the members of the committee who voted for or against the decision, or abstained from voting.

(5) The resolution professional shall circulate a copy of the record made under sub-regulation (4) to all participants by electronic means within twenty four hours of the conclusion of the voting.

CHAPTER VIII-CONDUCT OF CORPORATE INSOLVENCY RESOLUTION PROCESS

27. Appointment of Professionals.

((Substituted by CIRP (Second Amendment) Regulations, 2021 vide [Notification No. IBBI/2021-22/GN/REG075 dated 14th July, 2021](#), w.e.f. 14.07.2021(They shall apply to every CIRP ongoing or commencing on or after the date of coming into force of these regulations.), for the regulation:

"27. Appointment of registered valuers.

^{1*}[**27.** The resolution professional shall within ^{2*}[seven days of his appointment, but not later than forty-seventh day from the insolvency commencement date], appoint ^{3*}two registered valuers ^{4*}to determine the fair value and the liquidation value of the corporate debtor in accordance with regulation 35:

Provided that the following persons shall not be appointed as registered valuers, namely:

- (a) a relative of the resolution professional;
- (b) a related party of the corporate debtor;
- (c) an auditor of the corporate debtor at any time during the five years preceding the insolvency commencement date; or
- (d) a partner or director of the insolvency professional entity of which the resolution professional is a partner or director.]

Reference:

1*. "Substituted by the CIRP (Amendment) Regulations, 2018 vide Notification No. IBBI/2017-18/GN/REG024, dated 6th February, 2018 (w.e.f. 06-02-2018). Prior to this substitution, Regulation 27, stood as under: -

"27. Appointment of registered valuers:- The interim resolution professional shall within seven days of his appointment, appoint two registered valuers to determine the liquidation value of the corporate debtor in accordance with Regulation 35:

Provided that the following persons shall not be appointed as registered valuers:

- (a) a relative of the interim resolution professional;*
- (b) a related party of the corporate debtor;*
- (c) an auditor of the corporate debtor in the five years preceding the insolvency commencement date; or*
- (d) a partner or director of the insolvency professional entity."*

2*. Substituted by by the CIRP (Third Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018 and shall apply to corporate insolvency resolution processes commencing on or after the said date), for the words "seven days of his appointment".

3*. with effect from 1st February, 2019, no insolvency professional shall appoint a person other than a registered valuer to conduct any valuation under the Code or any of the regulations made thereunder-[No. IBBI/RV/019/2018 17th October, 2018](#) and [No. IBBI/RV/022/2019 dt. 13.08.2019](#).

4*. Disclosures by Insolvency Professionals and other Professionals appointed by Insolvency Professionals conducting Resolution Processes-[No. IP/005/2018, 16th January, 2018.](#))[**27. (1)** The resolution professional shall, within seven days of his appointment but not later than forty-seventh day from the insolvency commencement date, appoint two registered valuers to determine the fair value and the liquidation value of the corporate debtor in accordance with regulation 35.

(2) The interim resolution professional or the resolution professional, as the case may be, may appoint((Insolvency professional not to outsource his responsibilities-Refer [IBBI Circular No. IP/003/2018, 3rd January, 2018](#))) any professional, in addition to registered valuers under sub-regulation (1), to assist him in discharge of his duties in conduct of the corporate insolvency resolution process, if he is of the opinion that the services of such professional are required and such services are not available with the corporate debtor.

(3) The interim resolution professional or the resolution professional, as the case may be, shall

appoint a professional under this regulation on an arm's length basis following an objective and transparent process:

Provided that the following persons shall not be appointed, namely: -

- (a) a relative of the resolution professional;
- (b) a related party of the corporate debtor;
- (c) an auditor of the corporate debtor at any time during the period of five years preceding the insolvency commencement date;
- (d) a partner or director of the insolvency professional entity of which the resolution professional is a partner or director.

(4) The invoice for fee and other expenses incurred by a professional appointed under this regulation shall be raised in the name of the professional and be paid directly into the bank account of such professional.]

28. Transfer of debt due to creditors.

28. ((Substituted by CIRP (Second Amendment) Regulations, 2023 vide Notification No. IBBI/2023-24/GN/REG106 dated 18th September, 2023, w.e.f. 18.09.2023, for the sub-regulation:

"(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 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."))[(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.]

(2) The resolution professional shall notify each participant and the Adjudicating Authority of any resultant change in the committee within two days of such change.

29. Sale of assets outside the ordinary course of business.

29. (1) The resolution professional may sell unencumbered asset(s) of the corporate debtor, other than in the ordinary course of business, if he is of the opinion that such a sale is necessary for a better realisation of value under the facts and circumstances of the case:

Provided that the book value of all assets sold during corporate insolvency resolution process period in aggregate under this sub-regulation shall not exceed ten percent of the total claims admitted by the interim resolution professional.

(2) A sale of assets under this Regulation shall require the ((Substituted by the CIRP (Third Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018 and shall apply to corporate insolvency resolution processes commencing on or after the said date), for words "approval of the committee".)) [approval of the committee by a vote of sixty-six per cent of voting share of the members].

(3) A bona fide purchaser of assets sold under this Regulation shall have a free and marketable title to such assets notwithstanding the terms of the constitutional documents of the corporate debtor, shareholders' agreement, joint venture agreement or other document of a similar nature.

30. Assistance of local district administration.

30. The interim resolution professional or the resolution professional, as the case may be, may make an application to the Adjudicating Authority for an order seeking the assistance of the local district administration in discharging his duties under the Code or these Regulations.

30A. Withdrawal of application.

((Inserted by the CIRP (Third Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018 and shall apply to corporate insolvency resolution processes commencing on or after the said date.)))[((Substituted by the CIRP (Second Amendment) Regulations, 2019 vide Notification No. IBBI/2019-20/GN/REG048, dated 25th July, 2019(w.e.f. 25-07-2019). Prior to substitution the clause as under:

"(1) An application for withdrawal under [section 12A](#) shall be submitted to the interim resolution professional or the resolution professional, as the case may be, in Form FA of the Schedule before issue of invitation for expression of interest under regulation 36A.

(2) The application in sub-regulation (1) shall be accompanied by a bank guarantee towards estimated cost incurred for purposes of clauses (c) and (d) of regulation 31 till the date of application.

(3) The committee shall consider the application made under sub-regulation (1) within seven days of its constitution or seven days of receipt of the application, whichever is later.

(4) Where the application is approved by the committee with ninety percent voting share, the resolution professional shall submit the application under sub-regulation (1) to the Adjudicating Authority on behalf of the applicant, within three days of such approval.

*(5) The Adjudicating Authority may, by order, approve the application submitted under sub-regulation (4).")***[30A. (1) An application for withdrawal under [section 12A](#) may be made to the Adjudicating Authority -**

(a) before the constitution of the committee, by the applicant through the interim resolution professional;

(b) after the constitution of the committee, by the applicant through the interim resolution professional or the resolution professional, as the case may be:

Provided that where the application is made under clause (b) after the issue of invitation for expression of interest under regulation 36A, the applicant shall state the reasons justifying withdrawal after issue of such invitation.

(2) The application under sub-regulation (1) shall be made in Form FA of the ((Substituted by CIRP (Third Amendment) Regulations, 2022 vide Notification No. IBBI/2022-23/GN/REG091 dated 13th September, 2022, w.e.f. 13.09.2022, for the word "Schedule".))[Schedule-I] **accompanied by a bank guarantee-**

- (a) towards estimated expenses incurred on or by the interim resolution professional for purposes of regulation 33, till the date of filing of the application under clause (a) of sub-regulation (1); or
- (b) towards estimated expenses incurred for purposes of clauses (aa), (ab), (c) and (d) of regulation 31, till the date of filing of the application under clause (b) of sub-regulation (1).
- (3) Where an application for withdrawal is under clause (a) of sub-regulation (1), the interim resolution professional shall submit the application to the Adjudicating Authority on behalf of the applicant, within three days of its receipt.
- (4) Where an application for withdrawal is under clause (b) of sub-regulation (1), the committee shall consider the application, within seven days of its receipt.
- (5) Where the application referred to in sub-regulation (4) is approved by the committee with ninety percent voting share, the resolution professional shall submit such application along with the approval of the committee, to the Adjudicating Authority on behalf of the applicant, within three days of such approval.
- (6) The Adjudicating Authority may, by order, approve the application submitted under sub-regulation (3) or (5).
- (7) Where the application is approved under sub-regulation (6), the applicant shall deposit an amount, towards the actual expenses incurred for the purposes referred to in clause (a) or clause (b) of sub-regulation (2) till the date of approval by the Adjudicating Authority, as determined by the interim resolution professional or resolution professional, as the case may be, within three days of such approval, in the bank account of the corporate debtor, failing which the bank guarantee received under sub-regulation (2) shall be invoked, without prejudice to any other action permissible against the applicant under the Code.]]

30B. Audit of corporate debtor.

- ((Inserted by CIRP (Second Amendment) Regulations, 2023 vide Notification No. IBBI/2023-24/GN/REG106 dated 18th September, 2023, w.e.f. 18.09.2023.))[**30B.** (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.]

CHAPTER IX-INSOLVENCY RESOLUTION PROCESS COSTS

31. Insolvency resolution process costs.

((It is clarified that if a corporate person during any of the insolvency resolution process, fast track insolvency resolution process, liquidation process or voluntary liquidation process under the Code suffers any loss, including penalty, if any, on account of non-compliance of any provision of the applicable laws, such loss shall not form part of insolvency resolution process cost or liquidation process cost under the Code. It is also clarified that the insolvency professional will be responsible for the non-compliance of the provisions of the applicable laws if it is on account of his conduct. - [No. IP/002/2018, 3rd January, 2018.](#)))**31.** "Insolvency resolution process costs" under [Section 5\(13\)\(e\)](#) shall mean-

(a) amounts due to suppliers of essential goods and services under Regulation 32;

((Inserted by by the CIRP (Third Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018 and shall apply to corporate insolvency resolution processes commencing on or after the said date.)))[(aa) fee payable to authorised representative under ((Substituted by CIRP (Second Amendment) Regulations, 2019 vide Notification No. IBBI/2019-20/GN/REG048, dated 25th July, 2019(w.e.f. 25-07-2019). Prior to substitution the words as "*sub-regulation (7)*") [*sub-regulation (8)*] of regulation 16A;

(ab) out of pocket expenses of authorised representative for discharge of his functions under ((Substituted by the CIRP (Second Amendment) Regulations, 2019 vide Notification No. IBBI/2019-20/GN/REG048, dated 25th July, 2019 (w.e.f. 25-07-2019). Prior to substitution the words as "*section 25*".))[*section 25A*];]

(b) amounts due to a person whose rights are prejudicially affected on account of the moratorium imposed under [section 14\(1\)\(d\)](#);

((Inserted by CIRP (Fifth Amendment) Regulations, 2022 vide Notification No. IBBI/2022-23/GN/REG096 dated 20th September, 2022, w.e.f. 01.10.2022.))[(ba) fee payable to the Board under regulation 31A;]

(c) expenses incurred on or by the interim resolution professional to the extent ratified under Regulation 33;

(d) expenses incurred on or by the resolution professional fixed under Regulation 34; and

(e) other costs directly relating to the corporate insolvency resolution process and approved by the committee.

31A. Regulatory Fee.

((Inserted by CIRP (Fifth Amendment) Regulations, 2022 vide Notification No. IBBI/2022-23/GN/REG096 dated 20th September, 2022, w.e.f. 01.10.2022.))**31A.** (1) A regulatory fee calculated at the rate of 0.25 per cent of the realisable value to creditors under the resolution plan approved under [section 31](#), shall be payable to the Board, where such realisable value is more than the liquidation value:

Provided that this sub-regulation shall be applicable where resolution plan is approved under [section 31](#), on or after 1st October 2022.

((Inserted by CIRP (Amendment) Regulations, 2023 vide Notification No. IBBI/2023-24/GN/REG102 dated 20th July, 2023, w.e.f. 20.07.2023.))[*Explanation: For removal of doubts, it is hereby clarified that the regulatory fee under this sub-regulation, shall not be payable in cases where the approved resolution plan in respect of insolvency resolution of a real estate project is from an association or group of allottees in such real estate project.*]

(2) A regulatory fee calculated at the rate of one per cent of the cost being booked in insolvency resolution process costs in respect of hiring any professional or other services by the interim resolution professional or resolution professional, as the case may be, for assistance in a corporate insolvency resolution process, shall be payable to the Board, in the manner as specified in clause (cb) of sub-regulation (2) of regulation (7) of Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016.]

32. Essential supplies.

32. The essential goods and services referred to in [section 14\(2\)](#) shall mean-

- (1) electricity;
- (2) water;
- (3) telecommunication services; and
- (4) information technology services,

to the extent these are not a direct input to the output produced or supplied by the corporate debtor.

Illustration- Water supplied to a corporate debtor will be essential supplies for drinking and sanitation purposes, and not for generation of hydro-electricity.

33. Costs of the interim resolution professional.

33. (1) The applicant shall fix the expenses((Fee and other Expenses incurred for Corporate Insolvency Resolution Process-[No. IBBI/IP/013/2018, 12th June, 2018.](#))) to be incurred on or by the interim resolution professional((Fees payable to an insolvency professional and to other professionals appointed by an insolvency professional-[No. IP/004/2018, 16th January, 2018.](#))).

(2) The Adjudicating Authority shall fix expenses where the applicant has not fixed expenses under sub-regulation (1).

(3) The applicant shall bear the expenses which shall be reimbursed by the committee to the extent it ratifies.

(4) The amount of expenses ratified by the committee shall be treated as insolvency resolution process costs.

((Substituted by the CIRP (Second Amendment) Regulations, 2018 vide Notification No. IBBI/2017-18/ GN/ REG030, dated 27th March, 2018 (w.e.f.01-04-2018). The explanation to

Regulation 33, before substitution, stood as under:

“Explanation- For the purposes of this Regulation, “expenses” mean the fee to be paid to the interim resolution professional and other expenses, including the cost of engaging professional advisors, to be incurred by the interim resolution professional.”.)*[Explanation. - For the purposes of this regulation, “expenses” include the fee to be paid to the interim resolution professional, fee to be paid to insolvency professional entity, if any, and fee to be paid to professionals, if any, and other expenses to be incurred by the interim resolution professional.]*

34. Resolution professional costs.

34. The committee shall fix the expenses to be incurred on or by the resolution professional and the expenses ((Fees payable to an insolvency professional and to other professionals appointed by an insolvency professional-[No. IP/004/2018, 16th January, 2018](#))) shall constitute insolvency resolution process costs.

((Substituted by the CIRP (Second Amendment) Regulations, 2018 vide Notification No. IBBI/2017-18/GN/REG030, dated 27th March, 2018 (w.e.f.01-04-2018). The explanation to Regulation 34, before substitution, stood as under:

“Explanation- For the purposes of this Regulation, “expenses” mean the fee to be paid to the resolution professional and other expenses, including the cost of engaging professional advisors, to be incurred by the resolution professional.”.)*[Explanation. - For the purposes of this regulation, “expenses” include the fee to be paid to the resolution professional, fee to be paid to insolvency professional entity, if any, and fee to be paid to professionals ((Fees payable to an insolvency professional and to other professionals appointed by an insolvency professional-[No. IP/004/2018, 16th January, 2018](#))), if any, and other expenses to be incurred by the resolution professional.]*

34A. Disclosure of Costs.

((Inserted by the CIRP (Second Amendment) Regulations, 2018 vide Notification No. IBBI/2017-18/GN/REG030, dated 27th March, 2018 (w.e.f.01-04-2018).))**34A.** The interim resolution professional or the resolution professional, as the case may be, shall disclose item wise insolvency resolution process costs in such manner as may be required by the Board.]

34B. Fee to be paid to interim resolution professional and resolution professional.

((Inserted by CIRP (Third Amendment) Regulations, 2022 vide Notification No. IBBI/2022-23/GN/REG091 dated 13th September, 2022, w.e.f. 13.09.2022.))**34B.** (1) The fee of interim resolution professional or resolution professional, under regulation 33 and 34, shall be decided by the applicant or committee in accordance with this regulation.

(2) The fee of the interim resolution professional or the resolution professional, appointed on or after 1st October 2022, shall not be less than the fee specified in clause 1 for the period specified in clause 2 of Schedule-II:

Provided that the applicant or the committee may decide to fix higher amount of fee for the reasons to be recorded, taking into consideration market factors such as size and scale of business

operations of corporate debtor, business sector in which corporate debtor operates, level of operating economic activity of corporate debtor and complexity related to process.

(3) After the expiry of period mentioned in clause 2 of Schedule-II, the fee of the interim resolution professional or resolution professional shall be as decided by the applicant or committee, as the case may be.

(4) For the resolution plan approved by the committee on or after 1st October 2022, the committee may decide, in its discretion, to pay performance-linked incentive fee, not exceeding five crore rupees, in accordance with clause 3 and clause 4 of Schedule-II or may extend any other performance-linked incentive structure as it deems necessary.

(5) The fee under this regulation may be paid from the funds, available with the corporate debtor, contributed by the applicant or members of the committee and/or raised by way of interim finance and shall be included in the insolvency resolution process cost.]

CHAPTER X-RESOLUTION PLAN

35. Fair value and Liquidation value.

((Substituted by Notification No. IBBI/2017-18/ GN/ REG024, dated 6th February, 2018 (w.e.f. 06-02-2018). Prior to this substitution, Regulation 35 stood as under: -

"35. Liquidation value.

(1) Liquidation value is the estimated realizable value of the assets of the corporate debtor if the corporate debtor were to be liquidated on the insolvency commencement date.

(2) Liquidation value shall be determined in the following manner:

(a) the two registered valuers appointed under Regulation 27 shall submit to the interim resolution professional or the resolution professional, as the case may be, an estimate of the liquidation value computed in accordance with internationally accepted valuation standards, after physical verification of the inventory and fixed assets of the corporate debtor;

(b) if in the opinion of the interim resolution professional or the resolution professional, as the case may be, the two estimates are significantly different, he may appoint another registered valuer who shall submit an estimate computed in the same manner; and

(c) the average of the two closest estimates shall be considered the liquidation value.

** (3) After the receipt of resolution plans in accordance with the Code and these regulations, the resolution professional shall provide the liquidation value to every member of the committee in electronic form, on receiving an undertaking from the member to the effect that such member shall maintain confidentiality of the liquidation value and shall not use such value to cause an undue gain or undue loss to itself or any other person and comply with the requirements under sub-section (2) of [section 29](#);*

#(4) Subject to sub-regulation (3), the interim resolution professional or the resolution professional, as the case may be, shall maintain confidentiality of the liquidation value."

Reference

*Substituted by the CIRP (Fourth Amendment) Regulations, 2017 vide Notification No. IBBI/2017-18/GN/REG22 dated 31st December, 2017.

#Inserted by the CIRP(Fourth Amendment) Regulations, 2017 vide Notification No. IBBI/2017-18/GN/REG22 dated 31st December, 2017))**[35. (1) Fair value and liquidation value shall be determined in the following manner:-**

(a) the two registered valuers appointed under regulation 27 shall submit to the resolution professional an estimate of the fair value and of the liquidation value computed in accordance with internationally accepted valuation standards, after physical verification of the inventory and fixed assets of the corporate debtor;

((Substituted by CIRP (Second Amendment) Regulations, 2022 vide Notification No. IBBI/2022-23/GN/REG084 dated 14th June, 2022, w.e.f. 14.06.2022, for the clause (b):

"(b) if in the opinion of the resolution professional, the two estimates of a value are significantly different, he may appoint another registered valuer who shall submit an estimate of the value computed in the same manner; and".))**[(b) if the two estimates of a value in an asset class are significantly different, or on receipt of a proposal to appoint a third registered valuer from the committee of creditors, the resolution professional may appoint a third registered valuer for an asset class for submitting an estimate of the value computed in the manner provided in clause (a).**

Explanation.- For the purpose of clause (b),

(i) "asset class" means the definition provided under the Companies (Registered Valuers and Valuation) Rules, 2017;

(ii) "significantly different" means a difference of twenty-five per cent. in liquidation value under an asset class and the same shall be calculated as $(L1-L2)/L1$, where,

L1= higher valuation of liquidation value

L2= lower valuation of liquidation value.]

(c) the average of the two closest estimates of a value shall be considered the fair value or the liquidation value, as the case may be.

(2) After the receipt of resolution plans in accordance with the Code and these regulations, the resolution professional shall provide the fair value and the liquidation value to every member of the committee in electronic form, on receiving an undertaking from the member to the effect that such member shall maintain confidentiality of the fair value and the liquidation value and shall not use such values to cause an undue gain or undue loss to itself or any other person and comply with the requirements under sub-section (2) of [section 29](#):

(3) The resolution professional and registered valuers shall maintain confidentiality of the fair value and the liquidation value.]

35A. Preferential and other transactions.

((Substituted by by the CIRP (Third Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018 and shall apply to CIRP commencing on or after the said date). Regulation 35A (which was inserted by the IBBI (Insolvency Resolution Process for Corporate Persons) (Second Amendment) Regulations, 2018 vide Notification No. IBBI/2017-18/GN/REG030, dated 27th March, 2018 (w.e.f.01-04 2018), before substitution stood as under –

“35A. Identification of Resolution Applicant.-

*The resolution professional shall identify the prospective resolution applicants on or before the 105th day from the insolvency commencement date.”)***[35A. (1) On or before the seventy-fifth day of the insolvency commencement date, the resolution professional shall form an opinion whether the corporate debtor has been subjected to any transaction covered under sections [43](#), [45](#), [50](#) or [66](#).**

(2) Where the resolution professional is of the opinion that the corporate debtor has been subjected to any transactions covered under sections [43](#), [45](#), [50](#) or [66](#), he shall make a determination on or before the one hundred and fifteenth day of the insolvency commencement date ((Omitted by IBBI (CIRP)(Second Amendment) Regulations, 2021 vide [Notification No. IBBI/2021-22/GN/REG075 dated 14th July, 2021](#), w.e.f. 14.07.2021(They shall apply to every CIRP ongoing or commencing on or after the date of coming into force of these regulations.), the words “, under intimation to the Board”.)**[**]**.

((Substituted by CIRP (Fourth Amendment) Regulations, 2022 vide Notification No. IBBI/2022-23/GN/REG093 dated 16th September, 2022, w.e.f. 16.09.2022, for the sub-regulation (3):

"(3) Where the resolution professional makes a determination under sub-regulation (2), he shall apply to the Adjudicating Authority for appropriate relief on or before the one hundred and thirty-fifth day of the insolvency commencement date.”)**[(3) Where the resolution professional makes a determination under sub-regulation (2), he shall apply to the Adjudicating Authority for appropriate relief on or before the one hundred and thirtieth day of the insolvency commencement date.]**

((Inserted by CIRP (Fourth Amendment) Regulations, 2022 vide Notification No. IBBI/2022-23/GN/REG093 dated 16th September, 2022, w.e.f. 16.09.2022.))**[(3A) The resolution professional shall forward a copy of the application to the prospective resolution applicant to enable him to consider the same while submitting the resolution plan within the time initially stipulated.]**

((Inserted by CIRP (Second Amendment) Regulations, 2022 vide Notification No. IBBI/2022-23/GN/REG084 dated 14th June, 2022, w.e.f. 14.06.2022.))**[(4) The creditors shall provide to the resolution professional, relevant extract from the audits of the corporate debtor, conducted by the creditors such as stock audit, transaction audit, forensic audit, etc.]**

36. Information memorandum.

36. ((Substituted by the CIRP (Third Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018 and shall apply to corporate

insolvency resolution processes commencing on or after the said date). Regulation 36 (1) before substitution, stood as -

“(1) Subject to sub-regulation (4), the resolution professional shall submit the information memorandum in electronic form to-
(a) each member of the committee within two weeks of his appointment as resolution professional;
and
(b) to each prospective resolution applicant latest by the date of invitation of resolution plan under clause (h) of sub-section (2) of [section 25](#) of the Code.”

*Substituted by the CIRP (Amendment) Regulations, 2018 vide Notification No. IBBI/2017-18/GN/REG024 dated 6th February, 2018 w.e.f. 06.02.2018, for the clause *“(1) Subject to sub-regulation (4), the interim resolution professional or the resolution professional, as the case may be, shall submit an information memorandum in electronic form to each member of the committee and any potential resolution applicant containing-*

(a) at least the matters listed in paragraphs (a) to (i) of sub-regulation (2), before its first meeting; and
*(b) matters listed in paragraphs (j) to (l) of sub-regulation (2), within fourteen days of the first meeting.”)**[(1) Subject to sub-regulation (4), the resolution professional shall submit the information memorandum in electronic form to each member of the committee ((Substituted by CIRP (Fourth Amendment) Regulations, 2022 vide Notification No. IBBI/2022-23/GN/REG093 dated 16th September, 2022, w.e.f. 16.09.2022, for the words “within two weeks of his appointment, but not later than fifty-fourth day from the insolvency commencement date, whichever is earlier.”.))][on or before the ninety-fifth day from the insolvency commencement date.]]*

(2) ((Substituted by CIRP (Fourth Amendment) Regulations, 2022 vide Notification No. IBBI/2022-23/GN/REG093 dated 16th September, 2022, w.e.f. 16.09.2022, for the opening words “The information memorandum shall contain the following details of the corporate debtor-”.)][The information memorandum shall highlight the key selling propositions and contain all relevant information which serves as a comprehensive document conveying significant information about the corporate debtor including its operations, financial statements, to the prospective resolution applicant and shall contain the following details of the corporate debtor-]

(2) ((Substituted by CIRP (Fourth Amendment) Regulations, 2022 vide Notification No. IBBI/2022-23/GN/REG093 dated 16th September, 2022, w.e.f. 16.09.2022, for the opening words “The information memorandum shall contain the following details of the corporate debtor-”.)][The information memorandum shall highlight the key selling propositions and contain all relevant information which serves as a comprehensive document conveying significant information about the corporate debtor including its operations, financial statements, to the prospective resolution applicant and shall contain the following details of the corporate debtor-]

((Substituted by the CIRP (Amendment) Regulations, 2018 vide Notification No. IBBI/2017-18/GN/ REG024, dated 6th Feb, 2018 (w.e.f. 06.02.2018) for Regulation 36 (2) (a). Prior to this substitution, Regulation 36(2)(a) stood as under:-

*“36(2)(a) assets and liabilities, as on the insolvency commencement date, classified into appropriate categories for easy identification, with estimated values assigned to each category.”)**[(a) assets and liabilities ((Inserted by CIRP (Fourth Amendment) Regulations, 2022 vide Notification No. IBBI/2022-23/GN/REG093 dated 16th September, 2022, w.e.f. 16.09.2022.))][including contingent liabilities] with such description, as on the insolvency commencement date, as are generally necessary for ascertaining their values.*

Explanation: ‘Description’ includes the details such as date of acquisition, cost of acquisition, remaining useful life, identification number, depreciation charged, book value, ((Inserted by CIRP (Fourth Amendment) Regulations, 2022 vide Notification No. IBBI/2022-23/GN/REG093 dated 16th September, 2022, w.e.f. 16.09.2022.)))[geographical coordinates of fixed assets] and any other relevant details.]

- (b) the latest annual financial statements;
- (c) audited financial statements of the corporate debtor for the last two financial years and provisional financial statements for the current financial year made up to a date not earlier than fourteen days from the date of the application;
- (d) a list of creditors containing the names of creditors, the amounts claimed by them, the amount of their claims admitted and the security interest, if any, in respect of such claims;
- (e) particulars of a debt due from or to the corporate debtor with respect to related parties;
- (f) details of guarantees that have been given in relation to the debts of the corporate debtor by other persons, specifying which of the guarantors is a related party;
- (g) the names and addresses of the members or partners holding at least one per cent stake in the corporate debtor along with the size of stake;
- (h) details of all material litigation and an ongoing investigation or proceeding initiated by Government and statutory authorities;
- (i) the number of workers and employees and liabilities of the corporate debtor towards them;
- (j) ((Clause (j) omitted by Notification No. IBBI/2017-18/GN/REG022, dated 31st December, 2017 (w.e.f. 31-12-2017). Prior to its omission, it stood as “(j) the liquidation value;”)[***])
- (k) ((Clause (k) omitted by Notification No. IBBI/2017-18/ GN/ REG022, dated 31st December, 2017 (w.e.f. 31-12-2017). Prior to its omission, it stood as, “(k) the liquidation value due to operational creditors;”)[***])
- ((Inserted by CIRP (Fourth Amendment) Regulations, 2022 vide Notification No. IBBI/2022-23/GN/REG093 dated 16th September, 2022, w.e.f. 16.09.2022.))[(j) company overview including snapshot of business performance, key contracts, key investment highlights and other factors which bring out the value as a going concern over and above the assets of the corporate debtor such as brought forward losses in the income tax returns, input credit of GST, key employees, key customers, supply chain linkages, utility connections and other pre-existing facilities.
- (k) Details of business evolution, industry overview and key growth drivers in case of a corporate debtor having book value of total assets exceeding one hundred crores rupees as per the last available financial statements.]
- (l) other information, which the resolution professional deems relevant to the committee.

(3) A member of the committee may request the resolution professional for further information of the nature described in this Regulation and the resolution professional shall provide such information to all members within reasonable time if such information has a bearing on the resolution plan.

((Inserted by CIRP (Second Amendment) Regulations, 2022 vide Notification No. IBBI/2022-23/GN/REG084 dated 14th June, 2022, w.e.f. 14.06.2022.))[(3A) The creditors shall provide to the resolution professional the latest financial statements and other relevant financial information of the corporate debtor available with them.]

((Substituted by the CIRP (Amendment) Regulations, 2018 vide Notification No. IBBI/2017-18/ GN/ REG024, dated 6th February, 2018 (w.e.f. 06-02-2018). Prior to this substitution, Regulation 36(4) stood as under:

“(4) The interim resolution professional or the resolution professional, as the case may be, shall share the information memorandum after receiving an undertaking from a member of the committee or a potential resolution applicant to the effect that such member or resolution applicant shall maintain confidentiality of the information and shall not use such information to cause an undue gain or undue loss to itself or any other person and comply with the requirements under [section 29\(2\)](#).”)

“(4) The resolution professional shall share the information memorandum after receiving an undertaking from a member of the committee ((Omitted by the CIRP (Third Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018 and shall apply to corporate insolvency resolution processes commencing on or after the said date). Before omission the words stood as –

“or a prospective resolution applicant”.)[***] **to the effect that such member or resolution applicant shall maintain confidentiality of the information and shall not use such information to cause an undue gain or undue loss to itself or any other person and comply with the requirements under sub-section (2) of [section 29](#).**]

36A. Invitation for expression of interest.

((Substituted by the CIRP (Third Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018 and shall apply to corporate insolvency resolution processes commencing on or after the said date). Regulation 36A, before substitution the clause was inserted by the CIRP (Amendment) Regulations, 2018 vide Notification No. IBBI/2017-18/ GN/ REG024, dated 6th February, 2018 (w.e.f. 06-02-2018), stood as –

“36A. Invitation of Resolution Plans

(1) The resolution professional shall issue an invitation , including evaluation matrix, to the prospective resolution applicants in accordance with clause (h) of sub-section (2) of [section 25](#), to submit resolution plans at least thirty days before the last date of submission of resolution plans.

(2) Where the invitation does not contain the evaluation matrix, the resolution professional shall issue, with the approval of the committee, the evaluation matrix to the prospective resolution applicants at least fifteen days before the last date for submission of resolution plans.

(3) The resolution professional may modify the invitation, the evaluation matrix or both with the approval of the committee within the timelines given under sub-regulation (1) or sub-regulation (2), as the case may be.

(4) The timelines specified under this regulation shall not apply to an ongoing corporate insolvency resolution process-

(a) where a period of less than thirty-seven days is left for submission of resolution plans under sub-regulation (1);

(b) where a period of less than eighteen days is left for submission of resolution plans under sub-regulation (2).

(5) The resolution professional shall publish brief particulars of the invitation in Form G of the Schedule:

(a) on the website, if any, of the corporate debtor; and

(b) on the website, if any, designated by the Board for the purpose.”)[**36A.** (1) The resolution professional shall publish brief particulars of the invitation for expression of interest in Form G of the ((Substituted by CIRP (Third Amendment) Regulations, 2022 vide Notification No. IBBI/2022-23/GN/REG091 dated 13th September, 2022, w.e.f. 13.09.2022, for the word "Schedule".))[Schedule-I] at the earliest, ((Substituted by CIRP (Fourth Amendment) Regulations, 2022 vide Notification No. IBBI/2022-23/GN/REG093 dated 16th September, 2022, w.e.f. 16.09.2022, for the words "not later than seventy-fifth day".))[not later than sixtieth day] from the insolvency commencement date, from interested and eligible prospective resolution applicants to submit resolution plans.

(2) The resolution professional shall publish Form G-

(i) in one English and one regional language newspaper with wide circulation at the location of the registered office and principal office, if any, of the corporate debtor and any other location where in the opinion of the resolution professional, the corporate debtor conducts material business operations;

(ii) on the website, if any, of the corporate debtor;

(iii) on the website((Designated website for publishing Forms under the Regulations-[No. IP\(CIRP\)/006/2018, 23rd February, 2018](#))), if any, designated by the Board for the purpose; and

(iv) in any other manner as may be decided by the committee.

(3) The Form G in the ((Substituted by CIRP (Third Amendment) Regulations, 2022 vide Notification No. IBBI/2022-23/GN/REG091 dated 13th September, 2022, w.e.f. 13.09.2022, for the word "Schedule".))[Schedule-I] shall -

(a) state where the detailed invitation for expression of interest can be downloaded or obtained from, as the case may be; and

(b) provide the last date for submission of expression of interest which shall not be less than fifteen days from the date of issue of detailed invitation.

(4) The detailed invitation referred to in sub-regulation (3) shall-

(a) specify the criteria for prospective resolution applicants, as approved by the committee in accordance with clause (h) of sub-section (2) of [section 25](#);

(b) state the ineligibility norms under [section 29A](#) to the extent applicable for prospective resolution applicants;

(c) provide such basic information about the corporate debtor as may be required by a prospective resolution applicant for expression of interest; and

(d) not require payment of any fee or any non-refundable deposit for submission of expression of interest.

((Inserted by CIRP (Third Amendment) Regulations, 2021 vide Notification No. IBBI/2021-22/GN/REG078 dated 30th September, 2021, w.e.f. 30.09.2021.))[(4A) Any modification in the invitation for expression of interest may be made in the manner as the initial invitation for

expression of interest was made:

Provided that such modification shall not be made more than once.]

(5) A prospective resolution applicant, who meet the requirements of the invitation for expression of interest, may submit expression of interest within the time specified in the invitation under clause (b) of sub-regulation (3).

(6) The expression of interest received after the time specified in the invitation under clause (b) of sub-regulation (3) shall be rejected.

(7) An expression of interest shall be unconditional and be accompanied by-

(a) an undertaking by the prospective resolution applicant that it meets the criteria specified by the committee under clause (h) of sub-section (2) of [section 25](#);

(b) relevant records in evidence of meeting the criteria under clause (a);

(c) an undertaking by the prospective resolution applicant that it does not suffer from any ineligibility under [section 29A](#) to the extent applicable;

(d) relevant information and records to enable an assessment of ineligibility under clause (c);

(e) an undertaking by the prospective resolution applicant that it shall intimate the resolution professional forthwith if it becomes ineligible at any time during the corporate insolvency resolution process;

(f) an undertaking by the prospective resolution applicant that every information and records provided in expression of interest is true and correct and discovery of any false information or record at any time will render the applicant ineligible to submit resolution plan, forfeit any refundable deposit, and attract penal action under the Code; and

(g) an undertaking by the prospective resolution applicant to the effect that it shall maintain confidentiality of the information and shall not use such information to cause an undue gain or undue loss to itself or any other person and comply with the requirements under sub-section (2) of [section 29](#).

(8) The resolution professional shall conduct due diligence based on the material on record in order to satisfy that the prospective resolution applicant complies with-

(a) the provisions of clause (h) of sub-section (2) of [section 25](#);

(b) the applicable provisions of [section 29A](#), and

(c) other requirements, as specified in the invitation for expression of interest.

(9) The resolution professional may seek any clarification or additional information or document from the prospective resolution applicant for conducting due diligence under sub-regulation (8).

(10) The resolution professional shall issue a provisional list of eligible prospective resolution applicants within ten days of the last date for submission of expression of interest to the committee and to all prospective resolution applicants who submitted the expression of interest.

(11) Any objection to inclusion or exclusion of a prospective resolution applicant in the provisional list referred to in sub-regulation (10) may be made with supporting documents within five days

from the date of issue of the provisional list.

(12) On considering the objections received under sub-regulation (11), the resolution professional shall issue the final list of prospective resolution applicants within ten days of the last date for receipt of objections, to the committee.]

36B. Request for resolution plans.

((Inserted by the CIRP (Third Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018 and shall apply to corporate insolvency resolution processes commencing on or after the said date.))**36B.** ((Substituted by CIRP (Second Amendment) Regulations, 2023 vide Notification No. IBBI/2023-24/GN/REG106 dated 18th September, 2023, w.e.f. 18.09.2023, for the sub-regulation (1):

"(1) The resolution professional shall issue the information memorandum, evaluation matrix and a request for resolution plans, within five days of the date of issue of the provisional list under sub-regulation (10) of regulation 36A to -

(a) every prospective resolution applicant in the provisional list; and

(b) every prospective resolution applicant who has contested the decision of the resolution professional against its non-inclusion in the provisional list.".)**(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.]

(2) The request for resolution plans shall detail each step in the process, and the manner and purposes of interaction between the resolution professional and the prospective resolution applicant, along with corresponding timelines.

(3) The request for resolution plans shall allow prospective resolution applicants a minimum of thirty days to submit the resolution plan(s).

(4) The request for resolution plans shall not require any non-refundable deposit for submission of or along with resolution plan.

((Inserted by the CIRP (Amendment) Regulations, 2019 vide Notification No. IBBI/2019-20/GN/REG040, dated 24th January, 2019 (w.e.f. 24-01-2019))**(4A) The request for resolution plans shall require the resolution applicant, in case its resolution plan is approved under sub-section (4) of [section 30](#), to provide a performance security within the time specified therein and such performance security shall stand forfeited if the resolution applicant of such plan, after its approval by the Adjudicating Authority, fails to implement or contributes to the failure of implementation of that plan in accordance with the terms of the plan and its implementation schedule.**

Explanation 1. – For the purposes of this sub-regulation, “performance security” shall mean security of such nature, value, duration and source, as may be specified in the request for resolution plans with the approval of the committee, having regard to the nature of resolution plan and business of

the corporate debtor.

Explanation II. – A performance security may be specified in absolute terms such as guarantee from a bank for Rs. X for Y years or in relation to one or more variables such as the term of the resolution plan, amount payable to creditors under the resolution plan, etc.]

(5) Any modification in the request for resolution plan or the evaluation matrix issued under sub-regulation (1), shall be deemed to be a fresh issue and shall be subject to timeline under sub-regulation (3).

((Inserted by CIRP (Third Amendment) Regulations, 2021 vide Notification No. IBBI/2021-22/GN/REG078 dated 30th September, 2021, w.e.f. 30.09.2021.))**[Provided that such modifications shall not be made more than once.]**

(6) The resolution professional may, with the approval of the committee, extend the timeline for submission of resolution plans.

((Inserted by CIRP (Fourth Amendment) Regulations, 2022 vide Notification No. IBBI/2022-23/GN/REG093 dated 16th September, 2022, w.e.f. 16.09.2022.))**[(6A) If the resolution professional, does not receive a resolution plan in response to the request under this regulation, he may, with the approval of the committee, issue request for resolution plan for sale of one or more of assets of the corporate debtor.]**

(7) The resolution professional may, with the approval of the committee, re-issue request for resolution plans, if the resolution plans received in response to an earlier request are not satisfactory, subject to the condition that the request is made to all prospective resolution applicants in the final list:

Provided that provisions of sub-regulation (3) shall not apply for submission of resolution plans under this sub-regulation.]

36C. Strategy for marketing of assets of the corporate debtor.

((Inserted by CIRP (Fourth Amendment) Regulations, 2022 vide Notification No. IBBI/2022-23/GN/REG093 dated 16th September, 2022, w.e.f. 16.09.2022.))**[36C. (1) The resolution professional shall prepare a strategy for marketing of the assets of the corporate debtor in consultation with the committee, where the total assets as per the last available financial statements exceed one hundred crore rupees and may prepare such strategy in other cases.**

(2) Decision of implementing such strategy along with its cost shall be subject to the approval of the committee.

(3) The member(s) of committee may also take measures for marketing of the assets of the corporate debtor.]

37. Resolution plan.

((Substituted by the CIRP (Amendment) Regulations, 2018 vide Notification No. IBBI/2017-18/ GN/ REG024, dated 6th February, 2018 (w.e.f. 06-02-2018). Prior to this substitution, Regulation 37, stood as under:-

“(37) (1) A resolution plan may provide for the measures required for implementing it, including but not limited to the following-

- (a) transfer of all or part of the assets of the corporate debtor to one or more persons;
- (b) sale of all or part of the assets whether subject to any security interest or not;
- (c) the substantial acquisition of shares of the corporate debtor, or the merger or consolidation of the corporate debtor with one or more persons;
- (d) satisfaction or modification of any security interest;
- (e) curing or waiving of any breach of the terms of any debt due from the corporate debtor;
- (f) reduction in the amount payable to the creditors;
- (g) extension of a maturity date or a change in interest rate or other terms of a debt due from the corporate debtor;
- (h) amendment of the constitutional documents of the corporate debtor;
- (i) issuance of securities of the corporate debtor, for cash, property, securities, or in exchange for claims or interests, or other appropriate purpose; and
- (j) obtaining necessary approvals from the Central and State Governments and other authorities.”)

[37. A resolution plan shall provide for the measures, as may be necessary, for insolvency resolution of the corporate debtor for maximization of value of its assets, including but not limited to the following:-

(a) transfer of all or part of the assets of the corporate debtor to one or more persons;

(b) sale of all or part of the assets whether subject to any security interest or not;

((Inserted by the CIRP (Third Amendment) Regulations, 2019 vide notification no. IBBI/2019-20/GN/REG052 dated 27th November, 2019))[(ba) restructuring of the corporate debtor, by way of merger, amalgamation and demerger;]

(c) the substantial acquisition of shares of the corporate debtor, or the merger or consolidation of the corporate debtor with one or more persons;

((Inserted by the CIRP (Third Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018 and shall apply to corporate insolvency resolution processes commencing on or after the said date).))[(ca) cancellation or delisting of any shares of the corporate debtor, if applicable;]

(d) satisfaction or modification of any security interest;

(e) curing or waiving of any breach of the terms of any debt due from the corporate debtor;

(f) reduction in the amount payable to the creditors;

(g) extension of a maturity date or a change in interest rate or other terms of a debt due from the corporate debtor;

(h) amendment of the constitutional documents of the corporate debtor;

(i) issuance of securities of the corporate debtor, for cash, property, securities, or in exchange for claims or interests, or other appropriate purpose;

(j) change in portfolio of goods or services produced or rendered by the corporate debtor;

- (k) change in technology used by the corporate debtor; and
- (l) obtaining necessary approvals from the Central and State Governments and other authorities.]

((Inserted by CIRP (Fourth Amendment) Regulations, 2022 vide Notification No. IBBI/2022-23/GN/REG093 dated 16th September, 2022, w.e.f. 16.09.2022.))[(m) sale of one or more assets of corporate debtor to one or more successful resolution applicants submitting resolution plans for such assets; and manner of dealing with remaining assets.]

38. Mandatory contents of the resolution plan.

38. ((Substituted by the CIRP (Fourth Amendment) Regulations, 2018 vide Notification No. IBBI/2018- 9/GN/REG032 dated the 5th October, 2018. Prior to substitution the sub-regulation stood as under:

(1) A resolution plan shall identify specific sources of funds that will be used to pay the -

- (a) insolvency resolution process costs and provide that the **[insolvency resolution process costs, to the extent unpaid, will be paid]* in priority to any other creditor;

**Substituted by the CIRP (Third Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018 and shall apply to corporate insolvency resolution processes commencing on or after the said date), for words "insolvency resolution process costs will be paid".*

- (b) liquidation value due to operational creditors and provide for such payment in priority to any financial creditor which shall in any event be made before the expiry of thirty days after the approval of a resolution plan by the Adjudicating Authority; and

(c) liquidation value due to dissenting financial creditors and provide that such payment is made before any recoveries are made by the financial creditors who voted in favour of the resolution plan.))(((Substituted by the CIRP (Third Amendment) Regulations, 2019 vide notification no. IBBI/2019-20/GN/REG052 dated 27th November, 2019. Prior to substitution, the clause stood as:

"The amount due to the operational creditors under a resolution plan shall be given priority in payment over financial creditors."))[(1) The amount payable under a resolution plan -

- (a) to the operational creditors shall be paid in priority over financial creditors; and
- (b) to the financial creditors, who have a right to vote under sub-section (2) of [section 21](#) and did not vote in favour of the resolution plan, shall be paid in priority over financial creditors who voted in favour of the plan.]]

((Inserted by the CIRP (Second Amendment) Regulations, 2017 vide Notification No. IBBI/2017-18/GN/ REG018, dated 5th October, 2017 (w.e.f. 5-10-2017.))[(1A) A resolution plan shall include a statement as to how it has dealt with the interests of all stakeholders, including financial creditors and operational creditors, of the corporate debtor.]

((Inserted by the CIRP (Amendment) Regulations, 2019 vide Notification No. IBBI/2019-20/GN/REG040, dated 24th January, 2019 (w.e.f. 24-01-2019))[(1B) A resolution plan shall

include a statement giving details if the resolution applicant or any of its related parties has failed to implement or contributed to the failure of implementation of any other resolution plan approved by the Adjudicating Authority at any time in the past.]

(2) A resolution plan shall provide:

- (a) the term of the plan and its implementation schedule;
- (b) the management and control of the business of the corporate debtor during its term; and
- (c) adequate means for supervising its implementation.

((Inserted by CIRP (Second Amendment) Regulations, 2022 vide Notification No. IBBI/2022-23/GN/REG084 dated 14th June, 2022, w.e.f. 14.06.2022.))[(d) provides for the manner in which proceedings in respect of avoidance transactions, if any, under Chapter III or fraudulent or wrongful trading under Chapter VI of Part II of the Code, will be pursued after the approval of the resolution plan and the manner in which the proceeds, if any, from such proceedings shall be distributed:

Provided that this clause shall not apply to any resolution plan that has been submitted to the Adjudicating Authority under sub-section (6) of [section 30](#) on or before the date of commencement of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) (Second Amendment) Regulations, 2022.]

((Inserted by the CIRP (Third Amendment) Regulations, 2017 vide Notification No. IBBI/2017-18/GN/REG019 dated 7th November, 2017, w.e.f. 07.11.2017))[(3) ((Substituted by the CIRP (Third Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018 and shall apply to corporate insolvency resolution processes commencing on or after the said date). Sub-regulation (3) of Regulation 38 before substitution stood as –

“(3). A resolution plan shall contain details of the resolution applicant and other connected persons to enable the committee to assess the credibility of such applicant and other connected persons to take a prudent decision while considering the resolution plan for its approval.

Explanation : For the purposes of this sub-regulation,-

(i) ‘details’ shall include the following in respect of the resolution applicant and other connected person, namely:-

- (a) identity;*
- (b) conviction for any offence , if any, during the preceding five years;*
- (c) criminal proceedings pending, if any;*
- (d) disqualification, if any, under Companies Act, 2013, to act as a director;*
- (e) identification as a willful defaulter, if any, by any bank or financial institution or consortium thereof in accordance with the guidelines of the Reserve Bank of India;*
- (f) debarment, if any, from accessing to, or trading in, securities markets under any order or directions of the Securities and Exchange Board of India,; and*
- (g) transactions, if any, with the corporate debtor in the preceding two years.*

(ii) the expression ‘connected persons’ means-

(a) persons who are promoters or in the management or control of the resolution applicant;
 (b) persons who will be promoters or in management or control of the business the corporate debtor during the implementation of the resolution plan;
 (c) holding company, subsidiary company, associate company and related party of the persons referred to in items (a) and (b).")][A resolution plan shall demonstrate that –

- (a) it addresses the cause of default;
- (b) it is feasible and viable;
- (c) it has provisions for its effective implementation;
- (d) it has provisions for approvals required and the timeline for the same; and
- (e) the resolution applicant has the capability to implement the resolution plan.]]

39. Approval of resolution plan.

39. ((Substituted by the CIRP (Third Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018 and shall apply to corporate insolvency resolution processes commencing on or after the said date). Sub – regulation (1) of regulation 39 before substituted stood as –

“(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](#).”

Substituted by the CIRP (Fourth Amendment) Regulations, 2017 vide Notification No. IBBI/2017-18/GN/REG22 31st December, 2017, for "(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 12](#) for the completion of the corporate insolvency resolution process.")[(1) A prospective resolution applicant in the final list may submit resolution plan or plans prepared in accordance with the Code and these regulations to the resolution professional electronically within the time given in the request for resolution plans under regulation 36B along with*

(a) an affidavit stating that it is eligible under [section 29A](#) to submit resolution plans;

(b) ((Omitted by the CIRP (Fourth Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG032 dated the 5th October, 2018. Prior to omission, the sub-regulation stood as under:

*"an undertaking that it will provide for additional funds to the extent required for the purposes under sub-regulation (1) of regulation 38")][***]; and*

(c) an undertaking by the prospective resolution applicant that every information and records provided in connection with or in the resolution plan is true and correct and discovery of false information and record at any time will render the applicant ineligible to continue in the corporate insolvency resolution process, forfeit any refundable deposit, and attract penal action under the Code.

((Substituted by CIRP (Third Amendment) Regulations, 2021 vide Notification No.

IBBI/2021-22/GN/REG078 dated 30th September, 2021, w.e.f. 30.09.2021. Prior to substitution, the sub-regulation stood as under:

"(1A) A resolution plan which does not comply with the provisions of sub-regulation (1) shall be rejected.")][(1A) The resolution professional may, if envisaged in the request for resolution plan-

- (a) allow modification of the resolution plan received under sub-regulation (1), but not more than once; or
- (b) use a challenge mechanism to enable resolution applicants to improve their plans.

(1B) The committee shall not consider any resolution plan-

- (a) received after the time as specified by the committee under regulation 36B; or
- (b) received from a person who does not appear in the final list of prospective resolution applicants; or
- (c) does not comply with the provisions of sub-section (2) of [section 30](#) and sub-regulation (1).]

((Substituted by the CIRP (Third Amendment) Regulations, 2017 vide Notification No. IBBI/2017-18/GN/REG019 dated 7th November, 2017, w.e.f. 07.11.2017. Prior to this substitution, Regulation 39(2) stood as under: -

"39(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"))][(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.]

((Substituted by Notification No. IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018). Sub-regulation (3) of regulation 39, before substitution stood as -

"The committee may approve any resolution plan with such modifications as it deems fit.")]((Substituted by CIRP (Fourth Amendment) Regulations, 2020 vide N. No. [IBBI/2020-21/GN/REG064](#) dated 07.08.2020. Prior to substitution:

"(3) The committee shall evaluate the resolution plans received under sub-regulation (1) strictly as per the evaluation matrix to identify the best resolution plan and may approve it with such modifications as it deems fit:

**[Provided that the committee shall record its deliberations on the feasibility and viability of the resolution plans.]"*

*Substituted by the CIRP (Second Amendment) Regulations, 2019 vide Notification No. IBBI/2019-20/GN/REG048, dated 25th July, 2019 (w.e.f. 25-07-2019). Prior to substitution the proviso as under:

"Provided that the committee shall record the reasons for approving or rejecting a resolution plan."

Omitted sub-regulation (3A) by the IBBI(Insolvency Resolution Process for Corporate Persons) (Fourth Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG032 dated the 5th October, 2018. Prior to omission, the sub-regulation was inserted by the IBBI(Insolvency Resolution Process for Corporate Persons) (Amendment) Regulations, 2018 vide Notification No. IBBI/2017-18/GN/REG024, dated 6th February, 2018 {w.e.f. 06-02-2018}, stood as under:

"(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 38.")[(3) The committee shall-

- (a) evaluate the resolution plans received under sub-regulation (2) as per evaluation matrix;
- (b) record its deliberations on the feasibility and viability of each resolution plan; and
- (c) vote on all such resolution plans simultaneously.

(3A) Where only one resolution plan is put to vote, it shall be considered approved if it receives requisite votes.

(3B) Where two or more resolution plans are put to vote simultaneously, the resolution plan, which receives the highest votes, but not less than requisite votes, shall be considered as approved:

Provided that where two or more resolution plans receive equal votes, but not less than requisite votes, the committee shall approve any one of them, as per the tie-breaker formula announced before voting:

Provided further that where none of the resolution plans receives requisite votes, the committee shall again vote on the resolution plan that received the highest votes, subject to the timelines under the Code.

Illustration. - The committee is voting on two resolution plans, namely, A and B, simultaneously. The voting outcome is as under:

Voting outcome	% of votes in favour of		Status of approval
	Plan A	Plan B	
1	55	60	No Plan is approved, as neither of the Plans received requisite votes. The committee shall vote again on Plan B, which received the higher votes, subject to the timelines under the Code.
2	70	75	Plan B is approved, as it received higher votes, which is not less than requisite votes.
3	75	75	The committee shall approve either Plan A or Plan B, as per the tie-breaker formula announced before voting.]]

((Substituted by Notification No. IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018)).

Sub – regulation (4) of Regulation 39 before substitution stood as-

“(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 12](#) for the completion of the 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 corporate insolvency resolution process which has completed 130th day from its commencement date.”

*The original clause before substitution by the CIRP (Amendment) Regulations, 2018 vide Notification No. IBBI/2017-18/GN/REG024, dated 6th February, 2018 (w.e.f. 06-02-2018), stood as:

“(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.”*)[(4) The resolution professional shall

endeavour to submit the resolution plan approved by the committee to the Adjudicating Authority at least fifteen days before the maximum period for completion of corporate insolvency resolution process under [section 12](#), along with a compliance certificate in ((Substituted by Notification No. IBBI/2019-20/GN/REG040, dated 24th January, 2019 (w.e.f. 24-01-2019). Prior to substitution, the words as "Form H of the Schedule."))[Form H of the ((Substituted by CIRP (Third Amendment) Regulations, 2022 vide Notification No. IBBI/2022-23/GN/REG091 dated 13th September, 2022, w.e.f. 13.09.2022, for the word "Schedule".))[Schedule-I] and the evidence of receipt of performance security required under sub-regulation (4A) of regulation 36B]].

(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.

((Inserted by the CIRP (Fifth Amendment) Regulations, 2020 vide [Notification No. IBBI/2020-21/GN/REG 066](#) dated 13th November, 2020 w.e.f. 13.11.2020))[(5A) The resolution professional shall, within fifteen days of the order of the Adjudicating Authority approving a resolution plan, intimate each claimant, the principle or formulae, as the case may be, for payment of debts under such resolution plan:

Provided that this sub-regulation shall apply to every corporate insolvency resolution process ongoing and commencing on or after the date of commencement of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) (Fifth Amendment) Regulations, 2020;]

(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 insolvency

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.

((Inserted by the CIRP (Amendment) Regulations, 2019 vide Notification No. IBBI/2019-20/GN/REG040, dated 24th January, 2019 (w.e.f. 24-01-2019.)))[(9) A creditor, who is aggrieved by non-implementation of a resolution plan approved under sub-section (1) of [section 31](#), may apply to the Adjudicating Authority for directions.]

39A. Preservation of records.

((Inserted by the CIRP (Fourth Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG032 dated the 5th October, 2018.))(((Substituted by CIRP (Amendment) Regulations, 2022 vide Notification No. F. No. IBBI/2021-22/GN/REG/080 dated 9th February, 2022, w.e.f. 09.02.2022(Through this amendment, Circular No. [IBBI/CIRP/38/2021 6th January, 2021](#)-Retention of records relating to CIRP, has been made a part of the CIRP Regulation), prior to substitution, the Regulation which was inserted by the CIRP (Fourth Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG032 dated the 5th October, 2018, stood as under:

"39A. The interim resolution professional or the resolution professional, as the case may be, shall preserve a physical as well as an electronic copy of the records relating to corporate insolvency resolution process of the corporate debtor as per the record retention schedule as may be communicated by the Board in consultation with Insolvency Professional Agencies."))[**39A.** (1) The interim resolution professional or the resolution professional, as the case may be, shall preserve copies of all such records which are required to give a complete account of the corporate insolvency resolution process.

(2) Without prejudice to the generality of the obligations under sub-regulation (1), the interim resolution professional or the resolution professional, as the case may be, shall preserve copies of records relating to or forming the basis of: -

- (a) his appointment as interim resolution professional or resolution professional, including the terms of appointment;
- (b) handing over / taking over of the assignment;
- (c) admission of corporate debtor into corporate insolvency resolution process;
- (d) public announcement;
- (e) the constitution of committee and meetings of the committee;
- (f) claims, verification of claims, and list of creditors;
- (g) engagement of professionals, registered valuers, and insolvency professional entity, including work done, reports etc., submitted by them;
- (h) information memorandum;
- (i) all filings with the Adjudicating Authority, Appellate Authority and their orders;
- (j) invitation, consideration and approval of the resolution plan;
- (k) statutory filings with Board and insolvency professional agencies;
- (l) correspondence during the corporate insolvency resolution process;

- (m) insolvency resolution process cost; and
- (n) preferential, undervalued, extortionate credit transactions or fraudulent or wrongful trading.

(3) The interim resolution professional or the resolution professional shall preserve:

- (a) electronic copy of all records (physical and electronic) for a minimum period of eight years; and
- (b) a physical copy of records for a minimum period of three years;

from the date of completion of the corporate insolvency resolution process or the conclusion of any proceeding relating to the corporate insolvency resolution process, before the Board, the Adjudicating Authority, Appellate Authority or any Court, whichever is later.

(4) The interim resolution professional or the resolution professional shall preserve the records at a secure place and shall be obliged to produce records as may be required under the Code and the Regulations.

Explanation - The records referred to in this regulation includes records pertaining to the period of a corporate insolvency resolution process during which the interim resolution professional or the resolution professional acted as such, irrespective of the fact that he did not take up the assignment from its commencement or continue the assignment till its conclusion.]]

39B. Meeting liquidation cost.

((Inserted by the CIRP (Second Amendment) Regulations, 2019 vide Notification No. IBBI/2019-20/GN/REG048, dated 25th July, 2019 (w.e.f. 25-07-2019.)))[**39B.** (1) While approving a resolution plan under sub-section (4) of [section 30](#) or deciding to liquidate the corporate debtor under sub-section (2) of [section 33](#), the committee may make a best estimate of the amount required to meet liquidation costs, in consultation with the resolution professional, in the event an order for liquidation is passed under [section 33](#).

(2) The committee shall make a best estimate of the value of the liquid assets available to meet the liquidation costs, as estimated in sub-regulation (1).

(3) Where the estimated value of the liquid assets under sub-regulation (2) is less than the estimated liquidation costs under sub-regulation (1), the committee shall approve a plan providing for contribution for meeting the difference between the two.

(4) The resolution professional shall submit the plan approved under sub-regulation (3) to the Adjudicating Authority while filing the approval or decision of the committee under [section 30](#) or [33](#), as the case may be.

Explanation.- For the purposes of this regulation, 'liquidation costs' shall have the same meaning as assigned to it in clause (ea) of sub-regulation (1) of regulation (2) of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.]

39BA. Assessment of Compromise or Arrangement.

((Inserted by CIRP (Fourth Amendment) Regulations, 2022 vide Notification No.

IBBI/2022-23/GN/REG093 dated 16th September, 2022, w.e.f. 16.09.2022.))**[39BA.** (1) While deciding to liquidate the corporate debtor under [section 33](#), the committee shall examine whether to explore compromise or arrangement as referred to under sub -regulation (1) of regulation 2B of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulation, 2016 and the resolution professional shall submit the committee's recommendation to the Adjudicating Authority while filing application under [section 33](#).

(2) Where a recommendation has been made under sub-regulation (1), the resolution professional and the committee shall keep exploring the possibility of compromise or arrangement during the period the application to liquidate the corporate debtor is pending before the Adjudicating Authority.]

39C. Assessment of sale as a going concern.

((Inserted by the CIRP (Second Amendment) Regulations, 2019 vide Notification No. IBBI/2019-20/GN/REG048, dated 25th July, 2019 (w.e.f. 25-07-2019.))**[39C.** (1) While approving a resolution plan under [section 30](#) or deciding to liquidate the corporate debtor under [section 33](#), the committee may recommend that the liquidator may first explore sale of the corporate debtor as a going concern under clause (e) of regulation 32 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 or sale of the business of the corporate debtor as a going concern under clause (f) thereof, if an order for liquidation is passed under [section 33](#).

(2) Where the committee recommends sale as a going concern, it shall identify and group the assets and liabilities, which according to its commercial considerations, ought to be sold as a going concern under clause (e) or clause (f) of regulation 32 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.

(3) The resolution professional shall submit the recommendation of the committee under sub-regulations (1) and (2) to the Adjudicating Authority while filing the approval or decision of the committee under [section 30](#) or [33](#), as the case may be.]

39D. Fee of the liquidator

((Inserted by the CIRP (Second Amendment) Regulations, 2019 vide Notification No. IBBI/2019-20/GN/REG048, dated 25th July, 2019 (w.e.f. 25-07-2019.))**[39D.** While approving a resolution plan under [section 30](#) or deciding to liquidate the corporate debtor under [section 33](#), the committee may, in consultation with the resolution professional, fix the fee payable to the liquidator, if an order for liquidation is passed under [section 33](#), for -

- (a) the period, if any, used for compromise or arrangement under [section 230](#) of the Companies Act, 2013;
- (b) the period, if any, used for sale under clauses (e) and (f) of regulation 32 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016; and
- (c) the balance period of liquidation.]

40. Extension of the corporate insolvency resolution process period.

40. (1) The committee may instruct the resolution professional to make an application to the Adjudicating Authority under [section 12](#) to extend the insolvency resolution process period.

(2) The resolution professional shall, on receiving an instruction from the committee under this Regulation, make an application to the Adjudicating Authority for such extension.

40A. Model time-line for corporate insolvency resolution process.

((Inserted by the CIRP (Third Amendment) Regulations, 2018 vide Notification No. IBBI/2018-19/GN/REG031, dated 3rd July, 2018 (w.e.f. 04-07-2018 and shall apply to corporate insolvency resolution processes commencing on or after the said date.))**40A.** The following Table presents a model timeline of corporate insolvency resolution process on the assumption that the interim resolution professional is appointed on the date of commencement of the process and the time available is hundred and eighty days:

((Substituted by CIRP (Fourth Amendment) Regulations, 2022 vide Notification No. IBBI/2022-23/GN/REG093 dated 16th September, 2022, w.e.f. 16.09.2022, for the Table:

Section / Regulation	Description of Activity	Norm	Latest Timeline
Section 16 (1)	Commencement of CIRP and appointment of IRP	T
Regulation 6(1)	Public announcement inviting claims	Within 3 Days of Appointment of IRP	T+3
Section 15 (1)(c) / Regulations 6(2)(c) and 12 (1)	Submission of claims	For 14 Days from Appointment of IRP	T+14
Regulation 12(2)	Submission of claims	Up to 90th day of commencement	T+90
	Verification of claims received under regulation 12(1)		T+21
*1[Regulation 13(1)	Verification of claims received under regulation 12(2)	Within 7 days from the receipt of the claim	T+97]
Section 21 (6A) (b) / Regulation 16A	Application for appointment of AR	Within 2 days from verification of claims received under regulation 12(1)	T+23
Regulation 17(1)	Report certifying constitution of CoC		T+23
*2[Section 22 (1) / Regulation 19(2)	1st meeting of the CoC	Within 7 days of filing of the report certifying constitution of the CoC, T+30] but with five days' notice.	

Section 22(2)	Resolution to appoint RP by the CoC	In the first meeting of the CoC	T+30
Section 16(5)	Appointment of RP	On approval by the AA
Regulation 17(3)	IRP performs the functions of RP till the RP is appointed.	If RP is not appointed by 40th day of commencement	T+40
^{3*} [Regulation 27	Appointment of valuer	Within 7 days of appointment of RP, but not later than 47th day of commencement	T+47]
	Submission of application for withdrawal of application admitted	Before issue of EoI	W
Section 12(A) / Regulation 30A	CoC to dispose of the application	Within 7 days of its receipt or 7 days of constitution of CoC, whichever is later.	W+7
	Filing application of withdrawal, if approved by CoC with 90% majority voting, by RP to AA	Within 3 days of approval by CoC	W+10
	RP to form an opinion on preferential and other transactions	Within 75 days of the commencement	T+75
Regulation 35A	RP to make a determination on preferential and other transactions	Within 115 days of commencement	T+115
	RP to file applications to AA for appropriate relief	Within 135 days of commencement	T+135
Regulation 36 (1)	Submission of IM to CoC	Within 2 weeks of appointment of RP, but not later than 54th day of commencement	T+54
	Publish Form G Invitation of EoI	Within 75 days of commencement	T+75
	Submission of EoI	At least 15 days from issue of EoI (Assume 15 days)	T+90
Regulation 36A	Provisional List of RAs by RP	Within 10 days from the last day of receipt of EoI	T+100
	Submission of objections to provisional list	For 5 days from the date of provisional list	T+105
	Final List of RAs by RP	Within 10 days of the receipt of objections	T+115

Regulation 36B	Issue of RFRP, including Evaluation Matrix and IM	Within 5 days of the issue of the final list	T+105
	Receipt of Resolution Plans	At least 30 days from issue of RFRP (Assume 30 days)	T+135
Regulation 39(4)	Submission of CoC approved Resolution Plan to AA	As soon as approved by the CoC	T+165
Section 31(1)	Approval of resolution plan by AA		T=180

Reference:

*1. Substituted by the CIRP (Second Amendment) Regulations, 2019 vide Notification No. IBBI/2019-20/GN/REG048 dated 25th July, 2019.

*2. Substituted by the CIRP (Second Amendment) Regulations, 2019 vide Notification No. IBBI/2019-20/GN/REG048 dated 25th July, 2019.

3*. Substituted by the CIRP (Second Amendment) Regulations, 2019 vide Notification No. IBBI/2019-20/GN/REG048 dated 25th July, 2019.))**[Table**

Section Regulation	Description of Activity	Norm	Latest Timeline
Section 16(1)	Commencement of CIRP and appointment of IRP	T
Regulation 6(1)	Public announcement inviting claims	Within 3 Days of Appointment of IRP	T+3
Section 15(1)(c) / Regulations 6(2)(c) and 12 (1)	Submission of claims	For 14 Days from Appointment of IRP	T+14
Regulation 12(2)	Submission of claims	Up to 90 th day of commencement	T+90
Regulation 13(1)	Verification of claims received under regulation 12(1)	Within 7 days from the receipt of the claim	T+21
	Verification of claims received under regulation 12(2)		T+97

Section 21(6A) (b) /Regulation 16A	Application for appointment of AR	Within 2 days from verification of claims received under	T+23
Regulation 17(1)	Report certifying constitution of CoC	regulation 12(1)	T+23
Section 22(1) / Regulation 19(2)	1 st meeting of the CoC	Within 7 days of filing of the report certifying constitution of the CoC, but with five days' notice.	T+30
Section 22(2)	Resolution to appoint RP by the CoC	In the first meeting of the CoC	T+30
Section 16(5)	Appointment of RP	On approval by the AA
Regulation 17(3)	IRP performs the functions of RP till the RP is appointed.	If RP is not appointed by 40 th day of commencement	T+40
Regulation 27	Appointment of valuer	Within 7 days of appointment of RP, but not later than 47 th day of commencement.	T+47
	Submission of application for withdrawal of application admitted	Before issue of EoI	W
Section 12(A) / Regulation 30A	CoC to dispose of the application	Within 7 days of its receipt or 7days of constitution of CoC, whichever is later.	W+7
	Filing application of withdrawal, if approved by CoC with 90% majority voting, by RP to AA	Within 3 days of approval by CoC	W+10
	RP to form an opinion on preferential and other transactions	Within 75 days of the commencement	T+75
Regulation 35A	RP to make a determination on preferential and other transactions	Within 115 days of commencement	T+115
	RP to file applications to AA for appropriate relief	Within 130 days of commencement	T+130

Regulation 36 (1)	Submission of IM to CoC	Within 95 days of commencement	T+95
	Publish Form G	Within 60 days of commencement	T+60
	Invitation of Eol		
	Submission of Eol	At least 15 days from issue of Eol (Assume 15 days)	T+75
Regulation 36A	Provisional List of RAs by RP	Within 10 days from the last day of receipt of Eol	T+85
	Submission of objections to provisional list	For 5 days from the date of provisional list	T+90
	Final List of RAs by RP	Within 10 days of the receipt of objections	T+100
Regulation 36B	Issue of RFRP, including Evaluation Matrix and IM	((Substituted by CIRP (Second Amendment) Regulations, 2023 vide Notification No. IBBI/2023-24/GN/REG106 dated 18th September, 2023, w.e.f. 18.09.2023, for "Within 5 days of the issue of the provisional list".))[Within 5 days of the issue of the final list]	T+105
	Receipt of Resolution Plans	At least 30 days from issue of RFRP (Assume 30 days)	T+135
Regulation 39(4)	Submission of CoC approved Resolution Plan to AA	As soon as approved by the CoC	T+165
Section 31(1)	Approval of resolution plan by AA		T+180]

AA: Adjudicating Authority; AR: Authorised Representative; CIRP: Corporate Insolvency Resolution Process; CoC: Committee of Creditors; Eol: Expression of Interest; IM: Information Memorandum; IRP: Interim Resolution Professional; RA: Resolution Applicant; RP: Resolution Professional; RFRP: Request for Resolution Plan.]

40B. Filing of Forms.

((Inserted by the CIRP (Third Amendment) Regulations, 2019 vide Notification No. IBBI/2019-20/GN/REG052 dated 27th November, 2019))[**40B.** (1) The insolvency professional, interim resolution professional or resolution professional, as the case may be, shall file the Forms, along with the enclosures thereto, on an electronic platform of the Board, as per the timelines stipulated against each Form, in the table below:-

TABLE

Form No.		Period covered and scope	To be filed by	Timeline
(1)	(2)		(3)	(4)
IP 1		Pre-Assignment: This includes consent to accept assignment as IRP / RP, the details of IP and the Applicant, the details of the person which will undergo IP the process, terms of consent, terms of engagement, etc.		Within three days of signing of Form-2 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 or Form-AA of the Regulations, as the case may be.
CIRP 1		From Commencement of CIRP till Issue of Public Announcement: This includes details of IRP, CD, and the Applicant; admission of application by AA; public announcement; details of suggested Authorised Representatives; non-compliances with the provisions of the Code and other laws applicable to the CD; etc.	IRP	Within seven days of making the Public Announcement under section 13 .
CIRP 2		From Public Announcement till confirmation /replacement of IRP: This includes details of Authorised Representative selected by IRPs for a class of creditors; taking over management of the CD; receipt and verification of claims; constitution of CoC, first meeting of CoC; confirmation / replacement of IRP; applications seeking cooperation of management (if any); expenses incurred on or by IRP; relationship of IRP with the CD, Financial Creditors and Professionals; support services taken from IPE; noncompliances with the provisions of the Code and other laws applicable to the CD; etc.	IRP	Within seven days of confirmation/ replacement of IRP under section 22 .

CIRP 3	<p>From Appointment of RP till issue of IM to Members of CoC: This includes details of RP; details of registered valuers; handing over of records of CD by IRP to RP; taking over management of the CD; applications seeking cooperation of management (if any); details in IM; noncompliances with the provisions of the Code and other laws applicable to the CD; etc.</p>	RP	Within seven days of issue of IM to members of CoC under regulation 36.
CIRP 4	<p>From Issue of IM till issue of RFRP: This includes expression of interest; RFRP and modification thereof; evaluation matrix and modification thereof; non-compliances with the provisions of the Code and other laws applicable to the CD; etc.</p>	RP	Within seven days of the issue of RFRP under regulation 36B.
CIRP 5	<p>From Issue of RFRP till completion of CIRP: This includes updated list of claimants; updated CoC; details of the resolution applicants; details of resolution plans received; details of approval or rejection of resolution plans by CoC; application filed with AA for approval of resolution plan; details of resolution plan approved by the AA; initiation of liquidation, if applicable; expenses incurred on or by RP; appointment of professionals and the terms of appointment; relationship of the RP with the CD, Financial Creditors, and Professionals; support services taken from IPE; non-compliances with the provisions of the Code and other laws applicable to the CD; etc.</p> <p>Event Specific: This includes:</p> <ol style="list-style-type: none"> Filing of application in respect of preferential transaction, undervalued transaction, fraudulent transaction, and extortionate transaction; Raising interim finance; Commencement of insolvency resolution process of guarantors of the CD; Extension of period of CIRP and exclusion of time; Premature closure of CIRP (appeal, settlement, withdrawal, etc.); Request for liquidation before completion of CIRP; and Non implementation of resolution plan, as approved by the AA. 	RP	Within seven days of the approval or rejection of the resolution plan under section 31 or issue of liquidation order under section 33 , as the case may be, by the AA.
CIRP 6		IRP or RP, as the case may be.	Within seven days of the occurrence of the relevant event.

((Inserted by CIRP (Amendment) Regulations, 2021 vide Notification No. [IBBI/2020-21/GN/REG070](#) dated 15.03.2021, w.e.f. 15.03.2021))[(1A) Where any activity stated in column (2) of table below is

not complete by the date specified therein, the interim resolution professional or resolution professional, as the case may be, shall file Form CIRP 7 within three days of the said date, and continue to file Form CIRP 7([Reporting of status of ongoing corporate insolvency resolution processes \(CIRPs\) through Form CIRP 7](#)), every 30 days, until the said activity remains incomplete:-

Sl.	Activity requiring filing of Form CIRP 7, if not completed by the specified date	Timeline for filing Form CIRP 7 for the first time	Timeline for subsequent filing of Form CIRP 7
(1)	(2)	(3)	(4)
1	Public announcement is not made by T+3rd day		
2	Appointment of RP is not made by T+30th day ((Substituted by CIRP (Second Amendment) Regulations, 2023 vide Notification No. IBBI/2023-24/GN/REG106 dated 18th September, 2023, w.e.f. 18.09.2023, for "Information memorandum is not issued within 51 days from the date of public announcement".))[Information memorandum is not issued within 92 days from the date of public announcement]		
3	Information memorandum is not issued within 92 days from the date of public announcement] ((Substituted by CIRP (Second Amendment) Regulations, 2023 vide Notification No. IBBI/2023-24/GN/REG106 dated 18th September, 2023, w.e.f. 18.09.2023, for "RFRP is not issued within 51 days from the date of issue of information memorandum".))[RFRP is not issued within 10 days from the date of issue of information memorandum to the committee]	Date specified in column (2) + 3 days	X+30th day, X+60th day, X+90th day, and so on, till the activity is completed.
4	RFRP is not issued within 10 days from the date of issue of information memorandum to the committee]		
5	CIRP is not completed by T+180th day		

T = Insolvency commencement date, and

X = Date of filing of Form CIRP 7 for the first time under column (3).

Provided that subsequent filing of Form CIRP 7 shall not be made until thirty days have lapsed from the filing of an earlier Form CIRP 7.

Clarification: Only one Form CIRP 7 shall be filed at any time whether one or more activity is not complete by the specified date.

Illustration

(a) If public announcement is not made by T+3rd day, Form CIRP 7 shall be filed by T+6th day. Thereafter, if public announcement is made on T+16th day, no further Form CIRP 7 will be filed. However, if public announcement is not made till T+33rd day, Form CIRP 7 shall be filed on T+36th day.

(b) If public announcement is not made by T+3rd day, Form CIRP 7 shall be filed by T+6th day. Thereafter, if public announcement is made on T+16th day, no further Form CIRP 7 will be filed. However, if RP is not appointed by T+30th day, though Form CIRP 7 becomes due by T+33rd day, it shall be filed on 30th day from the filing of first Form CIRP 7, that is, on T+36th day.

(c) If public announcement is not made by T+3rd day, Form CIRP 7 shall be filed by T+6th day. Thereafter, if either public announcement is not made till T+33rd day or RP is not appointed by T+30th day, Form CIRP 7 shall be filed on T+36th day.]

((Inserted by CIRP (Second Amendment) Regulations, 2021 vide [Notification No. IBBI/2021-22/GN/REG075 dated 14th July, 2021](#), w.e.f. 14.07.2021(They shall apply to every CIRP ongoing or commencing on or after the date of coming into force of these regulations.)))[(1B) The resolution professional shall file Form CIRP 8 intimating details of his opinion and determination under regulation 35A, on or before the one hundred and fortieth day of the insolvency commencement date:

Provided that the filing of Form CIRP 8 shall not become due unless a period of thirty days has elapsed from the date of commencement of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) (Second Amendment) Regulations, 2021.]

(2) The Board shall make available the Forms on the electronic platform and may modify them from time to time.

(3) The insolvency professional or interim resolution professional or resolution professional, as the case may be, shall ensure that the Forms and its enclosures filed under this regulation are accurate and complete.

((The Sub-Regulation substituted by the CIRP (Amendment) Regulations, 2020 vide N. No. [IBBI/2019-20/GN/REG055](#) dated 12.02.2020. Prior to substitution, the sub-regulation stood as under:

"The filing of a Form under this regulation after due date of submission, whether by correction, updation or otherwise, shall be accompanied by a fee of five hundred rupees per Form for each calendar month of delay after 1st January, 2020.

Example: A Form is required to be filed by 30th January, 2020. It shall be filed along with a fee as under:

If filed on	Fee (in Rupees)
29th January, 2020	0
30th January, 2020	0
31st January, 2020	500
Any day in February, 2020	1000

Any day in March, 2020

1500

"))((The Sub-Regulation substituted by the CIRP (Second Amendment) Regulations, 2020 vide N. No. IBBI/2019-20/GN/REG056 dated 25.03.2020 with Explanatory Memorandum:

The Governing Board of the Insolvency and Bankruptcy Board of India decided on 25th March, 2020 to amend the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016. The notification amending the regulations could not be published in the Gazette of India, due to the nationwide lockdown declared by the Central Government w.e.f. 25th March, 2020, in the wake of the outbreak of Covid-19. The amendment regulations were, therefore, published on the website of the Board for it to be effective from the 25th March, 2020, with a note that the same shall be published in the Gazette of India as soon as the Government Press accepts the notification for publication. The intention of the Governing Board was to bring into force the amended regulations with effect from the 25th March, 2020.

It is certified that, since the amended regulations provide clarity to the stakeholders in regard to the model time-line in the corporate insolvency resolution process, no person is being adversely affected by giving retrospective effect.

Prior to substitution, the sub-regulation stood as under:

The filing of a Form under this regulation after due date of submission, whether by correction, updation or otherwise, shall be accompanied by a fee of five hundred rupees per Form for each calendar month of delay after 1st April, 2020.

Example: A Form is required to be filed by 30th April, 2020. It shall be filed along with a fee as under:

If filed on	Fee (in Rupees)
29th April, 2020	0
30th April, 2020	0
1st May, 2020	500
Any day in May, 2020	1000
Any day in June, 2020	1500

))((4) The filing of a Form under this regulation after due date of submission, whether by correction, updation or otherwise, shall be accompanied by a fee((Computation of fee payable for delay in filings under regulation 40B of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016- Clarification No.[IBBI/CIRP Forms/2020 4th December, 2020](#))) of five hundred rupees per Form for each calendar month of delay after 1st October, 2020.

Example: A Form is required to be filed by 30th October, 2020. It shall be filed along with a fee as under:

If filed on	Fee (in Rupees)
29th October, 2020	0
30th October, 2020	0
31st October, 2020	500

Any day in November, 2020 1000

Any day in December, 2020 1500

(5) The insolvency professional or interim resolution professional or resolution professional, as the case may be, shall be liable to any action which the Board may take as deemed fit under the Code or any regulation made thereunder, including refusal to issue or renew Authorisation for Assignment, for-

- (i) failure to file a form along with requisite information and records;
- (ii) inaccurate or incomplete information or records filed in or along with a form;
- (iii) delay in filing the form.]]

40C. Special provision relating to time-line.

((Inserted by CIRP (Third Amendment) Regulations, 2020 vide N. No. IBBI/2019-20/GN/REG059 w.e.f. 29.03.2020.

Explanatory Memorandum

The Governing Board of the Insolvency and Bankruptcy Board of India decided on 27th March, 2020 to amend the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016. The notification amending the regulations could not be published in the Gazette of India, due to the nationwide lockdown declared by the Central Government w.e.f. 25th March, 2020, in the wake of the outbreak of Covid-19. The amendment regulations were, therefore, published on the website of the Board for it to be effective from the 29th March, 2020, with a note that the same shall be published in the Gazette of India as soon as the Government Press accepts the notification for publication. The intention of the Governing Board was to bring into force the amended regulations with effect from the 29th March, 2020.

It is certified that, since the amended regulations provide clarity to the stakeholders in regard to the model time-line in the corporate insolvency resolution process, no person is being adversely affected by giving retrospective effect.))[40C. Notwithstanding the time-lines contained in these regulations, but subject to the provisions in the Code, the period of lockdown imposed by the Central Government in the wake of COVID19 outbreak shall not be counted for the purposes of the time-line for any activity that could not be completed due to such lockdown, in relation to a corporate insolvency resolution process.]

40D. Decision for liquidation.

((Inserted by CIRP (Fourth Amendment) Regulations, 2022 vide Notification No. IBBI/2022-23/GN/REG093 dated 16th September, 2022, w.e.f. 16.09.2022.))[40D. (1) The committee while considering the liquidation of the corporate debtor may consider factors including but not limited to non-operational status for preceding three years, goods produced or service offered or technology employed being obsolete, absence of any assets, lack of any intangible assets or factors which bring value as a going concern over and above the physical assets like brand value, intellectual property, accumulated losses, depreciation, investments that are yet to mature.

(2) Such consideration may be recorded and submitted in the application for liquidation submitted by the resolution professional to the Adjudicating Authority.]

SCHEDULE-I

[Forms]

SCHEDULE-II

(Under Regulation 34B of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016)

((Inserted by CIRP (Third Amendment) Regulations, 2022 vide Notification No.

IBBI/2022-23/GN/REG091 dated 13th September, 2022, w.e.f. 13.09.2022.))**Minimum Fixed Fee.**

1. Minimum fixed fee as per the table -1 below shall be paid to the interim resolution professional or the resolution professional, as the case may be, for the period mentioned in clause 2:

Table-1: Minimum Fixed Fee Structure

Quantum of Claims Admitted	Minimum Fee Per Month (Rs. lakh)
(i) Less than or equal to Rs. 50 crore	1.00
(ii) More than Rs.50 crore but less than or equal to Rs.500 crore	2.00
(iii) More than Rs.500 crore but less than or equal to Rs.2,500 crore	3.00
(iv) More than Rs.2,500 crore but less than or equal to Rs.10,000 crore	4.00
(v) More than Rs.10,000 crore	5.00

Period for minimum fixed fee.

2. The minimum fixed fee shall be applicable for the period, from appointment as interim resolution professional or resolution professional, till the time of –

- (a) submission of application for approval of resolution plan under [section 30](#);
- (b) submission of application to liquidate the corporate debtor under [section 33](#);
- (c) submission of application for withdrawal under [section 12A](#); or
- (d) order for closure of corporate insolvency resolution process;

whichever is earlier.

Performance-linked incentive fee for timely resolution.

3. In cases where resolution plan is submitted to the Adjudicating Authority within the time period given in table-2 from the insolvency commencement date, performance-linked incentive fee as per table-2 may be paid to the resolution professional, after approval of such resolution plan by the Adjudicating Authority on commencement of payment to creditors by the resolution applicant.

Table-2: Performance-linked incentive fee for timely resolution

Time period from insolvency commencement date	Fee as % of Realisable Value
(i) Less than or equal to 165 days	1.00
(ii) More than 165 days but less than or equal to 270 days	0.75
(iii) More than 270 days but less than or equal to 330 days	0.50
(iv) More than 330 days	0.00

Performance-linked incentive fee for value maximisation.

4. The performance-linked incentive fee for value maximisation may be paid to the resolution professional at the rate of one per cent of the amount by which the realisable value is higher than the liquidation value, after approval of the resolution plan by Adjudicating Authority on commencement of payment to creditors by the resolution applicant.

Explanation: For the purposes of clause 3 and clause 4, “realisable value” means the amount payable to creditors in the resolution plan approved under [section 31](#).

Illustration -

A corporate debtor having liquidation value of twenty crore rupees was resolved and the realisable value to creditors was one hundred crore rupees. The resolution plan was submitted to the Adjudicating Authority on 170th day from the insolvency commencement date. The committee has decided to pay the performance-linked incentive fees under clause 3 and 4.

In this case, fee payable to the resolution professional shall be as under:

- (i) Performance-linked incentive fee for timely resolution: 0.75% of Rs. 100 crore = Rs.75 lakh, and
- (ii) Performance-linked incentive fee for value maximisation: 1.00% of Rs. 80 crore (Rs.100 crore – Rs.20 crore) = Rs.80 lakh.]

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