

The Insolvency and Bankruptcy Code, 2016

IBBI (Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) Regulations, 2019

Chapter II - General

Regulation 4: Eligibility of resolution professional.

4. (1) An insolvency professional shall be eligible to be appointed as a resolution professional for a resolution process, if-

(a) he, the insolvency professional entity of which he is a partner or a director, and all the partners and directors of the said insolvency professional entity are independent of the guarantor;

(b) he is not subject to any ongoing disciplinary proceeding or a restraint order of the Board or of the insolvency professional agency of which he is a professional member; and

(c) the insolvency professional entity of which he is a partner or a director, or any other partner or director of such insolvency professional entity does not represent any party in the resolution process.

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

(i) a person shall be considered independent of the guarantor, if he-

(a) is not an associate of the guarantor; ¹[and]

(b) is not a related party of the corporate debtor ²[.]

(c) ³[***]

(ii) the expression "related party" shall have the meaning assigned to it in sub-section (24) of [section 5](#).

(2) An insolvency professional, other than who has filed an application under [section 94](#) or [95](#) on behalf of a guarantor or a creditor, as the case may be, shall provide a written consent in Form A to the Adjudicating Authority before his appointment as resolution professional in a resolution process.

References

1. Inserted by IBBI (Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) (Amendment) Regulations, 2024 vide Notification No. IBBI/2023-24/GN/REG107 dated 31st January, 2024, w.e.f. 31.01.2024.

2. Substituted by IBBI (Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) (Amendment) Regulations, 2024 vide Notification No. IBBI/2023-24/GN/REG107 dated 31st January, 2024, w.e.f. 31.01.2024, for the mark and word “”; and”.

3. Omitted by IBBI (Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) (Amendment) Regulations, 2024 vide Notification No. IBBI/2023-24/GN/REG107 dated 31st January, 2024, w.e.f. 31.01.2024, the sub-clause:

“(c) has not acted or is not acting as interim resolution professional, resolution professional or liquidator in respect of the corporate debtor;”.

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