

INSOLVENCY AND BANKRUPTCY BOARD OF INDIA

PRESS RELEASE

6th March, 2017

The Board Recognises Insolvency Professional Entities

The Insolvency and Bankruptcy Code, 2016 (Code) is considered as the biggest economic reform next only to GST. It offers a market determined, time bound mechanism for orderly resolution of insolvency, wherever possible, and orderly exit, wherever required. It envisages an ecosystem comprising National Company Law Appellate Tribunal (NCLAT), National Company Law Tribunal (NCLT), Debt Recovery Appellate Tribunal (DRAT), Debt Recovery Tribunal (DRT), Insolvency and Bankruptcy Board of India (Board), Information Utilities (IUs), Insolvency Professionals (IPs), Insolvency Professional Agencies (IPAs) and Insolvency Professional Entities (IPEs) for implementation of the Code. With concerted efforts of all concerned, there has been considerable progress in terms of putting in place some of the key elements of the ecosystem and also operationalisation of provisions relating to corporate insolvency resolution and liquidation. The debtors and creditors alike have commenced transactions under the Code.

The IPs are registered and regulated by the Board. They have a critical role in transactions under the Code. The Code and regulations made thereunder provide for strengthening their capacity on a continuous basis. For example, the IPAs are obliged to promote continuous professional development of professional members enrolled with them. Similarly, the IPs have been enabled to engage other professionals as may be necessary and to use organisational resources of an IPE of which he is a partner or whole time director, as the case may be, for servicing the transactions.

A limited liability partnership, a registered partnership firm or a company may be recognised by the Board as an IPE if (a) a majority of the partners of the limited liability partnership or registered partnership firm are registered as insolvency professionals; or (b) a majority of the whole-time directors of the company are registered as insolvency professionals, as the case may be. An IPE is jointly and severally liable for all acts or omissions of its partners or directors as IPs committed during such partnership or directorship.

The Board has recently recognised two IPEs as under:

Sl. No	Name of IPE	Constitution	Address
1	IRR Insolvency Professionals Private Limited	Limited Company	D-55, Defence Colony, New Delhi - 110024
2	AAA Insolvency Professionals LLP	Limited Liability Partnership	E-10A, Lower Ground Floor, Kailash Colony, New Delhi -110048

