

Insolvency and Bankruptcy Board of India

Sub: (i) Capacity Building of Insolvency Professionals, and (ii) Amendments to the Insolvency and Bankruptcy Board of India (Insolvency Professional) Regulations, 2016.

The Governing Board in its meeting dated 1st December, 2017 directed that a note may be brought up suggesting measures to further improve the quality of IPs. It was suggested that the note may cover entry norms, training before examination, nature of examination, continuing professional education, etc.

2. The Limited Insolvency Examination (Examination hereafter) has broadly met the requirements of the job in the initial days. However, an IP needs in ample measure multi-dimensional skills, including leadership, inter-personal communication, negotiation, conflict resolution, and stress management, in addition to professional knowledge and maturity. He may hire other professional to assist him, yet he needs to lead the initiative from front and drive value creation, while taking with him all the stakeholders with varied and conflicting interests. Though it includes case studies and case laws, the examination in the current format does not test these skills adequately.

3. A discussion paper as to whether the Limited Insolvency Examination be made a two-stage examination where, the examination in the current format will constitute Stage I and for Stage II, there will be a group discussion for four hours (two hours to read a case followed by two hours of discussion) on a case study to test a person's ability to handle stress and pressure, conflict management, balancing the interests of stakeholders, negotiation, leadership, communication, etc., was placed on the web site for public consultation. Comments received from consultation are placed as Annexure A.

4. The IBBI invited comments from public, including the stakeholders and the regulated, on the regulations already notified under the Code. It was indicated that the comments received between 4th July, 2017 and 31st December, 2017 shall be processed together and following the due process, regulations will be modified to the extent considered necessary. It was also indicated that it would be the endeavour of the IBBI to notify modified regulations by 31st March, 2018 and bring them into force on 1st April, 2018. It inter-alia invited comments on the

IBBI (Insolvency Professionals) Regulations, 2016. A total of 13 relevant comments were received, a summary of which is at Annexure B.

5. The Annexure A and Annexure B were placed before the Advisory Committee on Service Providers in its meeting held on 26th February 2018. After detailed deliberation the Committee has made several recommendations. The minutes of the meeting of the Advisory Committee are placed at Annexure C. Many of the public comments and recommendations of the Advisory Committee, if accepted, require amendment in the Regulations.

A. Graduate Insolvency Examination

6. While evolution and delivery of National Insolvency Programme would take some time, it has been suggested, keeping in view substantial knowledge already generated, to introduce an 18 months' graduate programme in between National Insolvency Programme and Limited Insolvency Examination that would allow professionals with no experience to become an IP. Suggestions in this regard received from the IPAs were also placed before the Advisory Committee. It is, therefore, proposed to amend the regulations to introduce Graduate Insolvency Examination as under:

- a) A Graduate Insolvency Programme may be introduced for young professionals, namely, CA, CS, Cost Accountant, Advocate or MBA with no experience.
- b) It may be 27 months programme comprising of two stages:
 - (i) Stage-I: 9 months' residential group learning in a class room environment; and
 - (ii) Stage-II: 18 months' structured internship.On completion of each stage, a certificate of completion may be issued to candidates.
- c) On completion of both the stages, a candidate may seek registration as an insolvency professional on passing the Limited Insolvency Examination or some other appropriate examination conducted by the Board.
- d) The programme may be delivered by the IPAs who may admit the candidates through a screening test.
- e) The detailed syllabus for the same may be proposed by the IPAs and approved by the Board.

B. Limited Insolvency Examination

7. Most of the comments received on the discussion paper did not favour the Group discussion to be made a part of examination. The issue was then deliberated in detail by the Advisory Committee on Service Providers. As recommended by the Advisory Committee, it is proposed that any individual who clears the examination shall have to undergo two weeks' residential training programme prior to registration as an IP. This training programme will be delivered by the IPAs. A candidate may take this training from any of the IPAs. The curriculum should be designed to incorporate both practical and theoretical aspects required for the IPs. The study material of the training should be provided by the IPA. After completion of the training, the candidate shall be eligible to enrol as an IP with any of the IPAs irrespective of where he underwent training.

8. In order to ensure that a candidate is updated with the latest operational knowledge, he should have passed the examination within the last 12 months of submission of application for enrolment as a professional member with an IPA.

9. The syllabus and question bank of examination are being revised every six months. The last revision was effective since 1st January, 2018. To provide candidates sufficient time to prepare, it is proposed that the IBBI may notify change in syllabus at least 3 months in advance. This change will also put the examination at par with the Valuation examination. The Companies (Registered Valuers and Valuation) Rules, 2017 provide for publishing syllabus, format and frequency at least three months before the examination.

10. It is proposed to amend regulations to require pre-registration training, passing of examination in the last 12 months and publication of syllabus of the examination three months in advance.

C. Continuous Professional Education (CPE)

11. It is imperative for an IP to continuously upgrade his competence to meet the emerging challenges and needs. This was discussed in detail in the meeting of the Advisory Committee on the Service Providers. The Committee recommended that an IP must annually attend 20 hours of training to help him enhance his competency in handling the assignments under the Code. The training may be got conducted by IPAs either themselves or its partner agency. It is

proposed to amend regulation to require CPE of 20 hours a year as a condition for continued registration.

D. Conduct

12. Fit and Proper: While considering applications for registrations, the IBBI is presently considering certain additional information (disciplinary action by the regulator of the profession / employer, disqualified as director, proclaimed offender, actions from market regulator or RBI, etc.) to determine if the applicant is a fit and proper person. This information is being collected by IPAs and made available to the IBBI for this purpose. It was suggested to make these additional information part of the application form (Form A) for registration. The Advisory Committee agreed with this suggestion. It is proposed to insert these requirements in the application Form for registration under the section “VERIFICATION BY THE INSOLVENCY PROFESSIONAL AGENCY”.

13. Disclosures: The IP may have association in a variety of ways such as past employee, panel of Resolution Professionals (RPs), etc. with a member of committee of creditors (CoC) and consequently there is likely to be conflict of interests. It was suggested to prohibit appointments of IPs having such association. However, the Advisory Committee did not favour this suggestion. It rather recommended disclosure of such association to the respective IPA which will disseminate the same on its web site. Further, there have been instances where the fee charged by an RP has been adversely commented upon by Adjudicating Authorities. For instance, In the matter of Shri Shrikrishna Rail Engineers Ltd., the Adjudicating Authority noted that total outstanding debt amount from the corporate debtor was only Rs.4.16 crore (including interest and retention money) and the remuneration for MD & CEO and two Whole Time Directors of the debtor worked out to Rs.1.10 crore per annum, while the fee proposed by the IRP worked out to Rs.14.00 crore approximately, apart from other incidental expenses. While observing that the fee quoted by the professionals should be reasonable, commensurate with the work to be handled, the Adjudicating Authority held the remuneration quoted by the IRP in this matter as quite exorbitant. Accordingly, it referred the matter to IBBI for taking appropriate action/remedial measure against the proposed IRP, including disciplinary action, if any, as deemed fit. Accordingly, it was suggested to restrict the fee payable to an IP ordinarily to a range of $\pm 25\%$ of remuneration paid to the MD in the preceding year. It was also suggested to restrict expenses on professional services ordinarily to twice the fee payable to the IP. However, the Advisory Committee did not favour the suggestion. It rather recommended

disclosure of fee agreed to be paid to the IP and for the professionals in a public domain such as web site of the respective IPA. Accordingly, it is proposed to amend the Code of Conduct appended to the Regulations to require such disclosures.

14. **Outsourcing:** The IBBI has issued a circular prohibiting outsourcing of duties and responsibilities by an IP. The Advisory Committee considered the circular and recommended that this may be reiterated in the regulations. It is proposed to insert this requirement in the Code of Conduct.

15. It was suggested that a RP may not be allowed to act as the liquidator of the corporate debtor. Otherwise, he would have incentive to push the debtor into liquidation. The Advisory Committee favoured the suggestion. It, however, suggested that this may be referred to the ILC as it requires amendment to section 34 of the Code.

E. Fees

16. **Payment of Fee:** The IPs carry out processes under the Code and earn a fee. The IBBI does not get any fees from the process or from any stakeholders, except for a fixed fee of Rs.10,000 from an IP in five years. With a view to make the IBBI recover a part of its costs incurred on regulation and supervision of IPs and the process undertaken by them, it was suggested to levy an ad valorem fee from IPs. The Advisory Committee considered this suggestion. It recommended that an IP may be required to submit an annual statement of its turnover from its services under the Code and pay a fee @ 1% of its turnover on accrual basis to the IBBI. He may also pay a surcharge @10% of the fee towards the Professional Development Fund to be maintained by the IBBI for use for development of the profession of IPs. It is proposed to insert a new regulation to the effect that an IP shall pay a fee which shall be one percent of its turnover from his services under the Code on accrual basis to the IBBI by 30th April of the succeeding year along with a statement of annual turnover in the specified Form. He shall also pay a surcharge which shall be ten per cent of the fee towards the Professional Development Fund to be maintained by the IBBI.

17. Presently, an IPE does not pay any fee to the IBBI. It was suggested to recover a part of its costs of regulation of IPEs. The Advisory Committee considered this in detail and recommended that an entity seeking recognition as IPE may pay a fee of Rs.50,000. It may further pay a fee @ 1% of its turnover from support services on accrual basis. It may also pay

a surcharge @ 10% of fee towards the Professional Development Fund to be maintained by the IBBI. It may also pay a filing fee of Rs.2000 for recording change in directors/partners. It is proposed to insert a new regulation to give effect to these recommendations.

F. Insolvency Professional Entity (IPE)

18. There has been lack of clarity regarding the roles and responsibilities of IPEs. In this regard, a number of suggestions were considered by the Advisory Committee. The Committee recommended as under:

- a. IPE may provide support services to an IP who is its partner or director.
- b. The fee for support services may be approved by the CoC and paid directly to the IPE and not through the IP..
- c. IPE may be subject to a Code of Conduct, similar to that of IP.
- d. An entity may be eligible for recognition as an IPE if:
 - (i) it is a company, partnership or LLP, (ii) majority of its whole-time directors are IPs, (iii) majority of its directors or partners are IPs, (iv) majority of its shares is held by IPs who are its partners / directors, (v) none of its partners or directors is a partner or director of another IPE, and (vi) it has a net worth of Rs.1 crore. The existing IPEs may be allowed a reasonable time to comply with these requirements.

19. It is proposed to accept these recommendations and provide for the same through amendment to the regulations. The existing IPEs may be allowed a three months to comply with these requirements, except points (iv) and (vi) of 18(d), for which a period of six months may be allowed to comply with.

G. Professional Development

20. The Advisory Committee suggested that the Board may take proactive steps for development of the new profession of IP, to supplement the efforts of IPAs. It has, therefore, suggested creation of a Professional Development Fund to be maintained by the IBBI. As detailed in above, a surcharge over the fees paid by IPs and IPEs may be levied and credited to the fund. The Board shall use this fund for development of profession of IP.

21. The Advisory Committee has also suggested that the IBBI may follow up with authorities for inclusion of insolvency and bankruptcy in the syllabus of Law, CA, CS, Cost Accountancy and Management courses. The IBBI may take up accordingly.

22. A draft amendment to the regulations is enclosed as Annexure-D.

23. The note is placed for consideration of the Governing Board for changes in the Regulations as above.

Insolvency and Bankruptcy Board of India

Comments received from Public Consultation

Sl. No.	Comment	Remarks
1	Eliminate Negative Marking	The advisory committee considered the examination format and decided to continue with negative marking
2	<ul style="list-style-type: none"> • After enrolling for Second stage, the case study is displayed to the candidate and he/she should be given time of immediate next appointed date of second stage exam (if he fails to appear for appointed date then he has to repeat the process as explained, maximum two to three registrations should be allowed after clearing of first stage). • Submission of written application/argument, on appointed date of second stage exam, on case study as per format prescribed by IBBI in regulation for filing application before NCLT on behalf of either Corporate Debtor or on behalf of Bankers to admit CIRP petition or reject the petition. (At this stage the candidate may be asked to submit resolution plan based upon case study and may argue). • There should be separate marking for drafting of application/response and for argument. • After submission of response, the slot for argument should be allotted on the same day. • Instead of fixing time of four hours, the whole day should be fixed by dividing a slot of 15 to 30 minutes for two candidates for argument. • Mock meeting of Committee of creditors should also be part of curriculum, where the candidate should participate, and some marking system should be introduced for that. • After clearing the second stage, the candidate should be declared as passed in Limited Insolvency Exam. • The same case study should be allotted to two candidates based upon registration in specific metropolitan cities for preparation of argument in favour or against by IBBI, without disclosing to the candidate the identity of other one. 	The advisory committee considered the examination format and decided to continue with negative marking

3	<ul style="list-style-type: none"> • The existing eligibility criteria does make it possible that a person registering as IP to have required knowledge and skills however, the practical implications can be experienced after going through the practical process only as there always exist a gap between the theory and the practical implementation in the form of knowledge and formalities of any act or regulation • In addition to the proposed changes in the discussion paper I would like to suggest having a Practical Training of minimum 6 months under existing IP's after clearing the exam and before taking up any assignment. As the role of the IP is crucial in carrying out the objectives of the Code in effective and efficient manner the practical training like any other professional competency exam like CA can be directed. Specially the code has laid down the procedures to be completed in the time bound manner such training will definitely help in achieving these targets. 	<p>The advisory committee considered the examination format and recommended that IPAs may train its professional members through a structured two-week programme before recommending the member for registration to IBBI.</p>
4	<ul style="list-style-type: none"> • Since the eligibility for appearing at the theoretical exam of limited insolvency examination itself calls for going through the rigors of passing quite a lot of theoretical papers as well as undergoing practical training, therefore training on a continuous basis is more relevant rather than passing a practical examination once for all to become qualified as a registered IP professional. • Just like the existing system followed by the three sister professional institutes, one can think of attending seminars, workshops, conventions, study circle meets etc to earn minimum program credit hours per year in order to continue as a registered Insolvency Professional. Such programs should be arranged by IBBI, the IPAs, Information Utilities, Banker's training colleges, National Law Universities and the likes who have direct participation in Insolvency Resolution process. 	<p>The advisory committee considered the issue and recommended that 20 hours of CPE to be delivered by the IPA or its partner agency to an IP.</p>

5	<p>Group Discussion is good idea- we need to judge candidate on following-</p> <ul style="list-style-type: none"> • Communication skills • Clarity of thoughts • Conflict management • Integrity <p>We can give scenarios / case study and check clarity of thoughts.</p> <p>We can have mock meeting or role plays to understand communication skills and clarity of thought</p>	<p>The advisory committee considered the examination format and recommended that IPAs may train its professional members through a structured two-week programme before recommending the member for registration to IBBI.</p>
6	<p>Instead of Group Discussion:</p> <ul style="list-style-type: none"> • Please provide the case to the applicant a week before the Group Discussions and allow him to come with a presentation in PP. • After his presentation for 20-30 minutes, the committee can cross check and debate with him for one hour. Ultimately, in real life, the IP will evolve with a solution over a period of time and not in few hours. • There is a possibility, the applicant may take help from friends for the preparation, but ultimately, he has to defend his views in the Committee. In real life also, he takes advises from many, but ultimately, he will stick to few views. 	<p>The advisory committee considered the examination format and recommended that IPAs may train its professional members through a structured two-week programme before recommending the member for registration to IBBI.</p>
7	<ul style="list-style-type: none"> • Having no eligibility criteria for examination is a lacuna in the in the law, prior experience should be made mandatory. • Experts who have dealt with the Sick Industrial Companies Act or liquidation under the Companies Act in the past ten years would be better equipped to deal with the Code than someone who has no prior experience in restructuring. • Reference can be taken from the to improve the Limited Insolvency Examination Joint Insolvency Examination Board's (JIEB) in the UK is an open book exam with a case study approach to assess the candidate's knowledge of and ability to apply insolvency law to practice. The detailed case study questions available on the website require the candidate to describe how they will act in difficult situations during the insolvency. For instance, the candidates are required to prepare a list of issues, provide various solutions along with 	<p>The advisory committee considered the examination format and recommended that IPAs may train its professional members through a structured two-week programme before recommending the member for registration to IBBI.</p>

	<p>the solution they will recommend. Further, they are also asked to list down the important questions they will need to ask the other stakeholders as an insolvency practitioner. This means that the answers require knowledge, but the candidates also need to know how to apply that knowledge to a particular situation. Hence, the candidates have to demonstrate their legal as well as commercial and ethical prowess and experience.</p>	
8	<p>The idea of conducting a group discussion will not yield much results as the dominant few will try and overpower the subtle, knowledgeable and efficient professional and deny the chance of becoming an astute IP.</p> <p>We can allow people to practice together instead of assigning the insolvency assignment to a single individual and the law be amended to this effect.</p> <ul style="list-style-type: none"> • The negative marking system has to be abolished with immediate effect so that many CA, CS's enter the fray to make the profession more efficient. • There have been some dirty practices of under cutting which has already begun in the profession with some professionals charging abysmally low fees for a large transaction. This has to be curbed from the beginning itself 	Not considered
9	<p>10 days training to all IPs in NCLT, NCLAT, DRT and DRAT is suggested before registration as IP instead of 'Stage II', The Board should confer some 'Title' (just like ACS) to all those who had cleared IBBI Exam to indicate that he is a qualified IP.</p>	Not considered
10	<p>Group discussion will lead to subjectivity, adequate safeguard to be kept so as to avoid complaints/court cases.</p> <ul style="list-style-type: none"> • We can introduce written paper on case studies or ethics (UPSC has one paper on ethics in their main exam for recruitment in Civil Services IAS/IPS/IRS) • Psychometric test can be introduced or have a psychiatrist in the group discussion. <p>For certain safety categories viz, Loco Pilot/Station Master etc Railway conducts Psycho test further in recruitment in defence</p>	<p>The advisory committee considered the examination format and recommended that IPAs may train its professional members through a structured two-week programme before recommending the member for registration to IBBI.</p>

	forces a Psychiatrist is associated in the recruitment process.	
11	<p>Don't put do much pressure on exam. This will only backfire the system.</p> <p>Even I feel there is vacuum among the IP and their refusal take up the project.</p> <p>Kindly watch for 3 years. Let the present system continue. reduce the fees to rs.1000/- and remove negative marking.</p> <ul style="list-style-type: none"> • Kindly do not put much pressure on the exam • Remove negative marking. • Give Question bank for case law and case study allow the candidate to think and take decision in accordance with IBC code. • The new pattern will only hamper the system and they will not show interest. • The age group of the candidates will be around 45-60 and they are all professionals. They know how to conduct themselves. even in first meeting the committee of creditors will decide whether to continue with IP or not. 	<p>The advisory committee considered the examination format and recommended that IPAs may train its professional members through a structured two-week programme before recommending the member for registration to IBBI.</p>
12	<ul style="list-style-type: none"> • As regards 'a case study': Instead of a case a set of two cases may be given. • Instead of Group discussion – the matter may be argued out - in three phases i.e. (i) case for the petitioner (ii) for the respondent, and (iii) Comparative analysis of the first and second cases. The arguments between two candidates who will be changing their roles in the respective cases. 	<p>Already there are two transaction analysis cases in the syllabus w.e.f. 1st January, 2018.</p>
13	<p>Give some hints to IP for case study, Keep an interview by IBBI for Insolvency Professional.</p>	<p>The advisory committee considered the examination format and recommended that IPAs may train its professional members through a structured two-week programme before recommending the member for registration to IBBI.</p>

14	<ul style="list-style-type: none"> • The Stage II examination should be a more comprehensive application-based examination wherein the candidate is tested for his knowledge in a case study model rather than on the basis of discussion. • Moderating discussion is relatively subjective approach and cannot give the comfort or assurance about the desired skill sets of the Insolvency Professional. <p>However, a case study-based approach in a 3-hour examination is more likely to achieve the following will:</p> <ol style="list-style-type: none"> 1. test the IP for application of law 2. test his ability to deal with situations of stress, conflict, stakeholder management, etc. 	<p>The advisory committee considered the examination format and recommended that IPAs may train its professional members through a structured two-week programme before recommending the member for registration to IBBI.</p>
15	<ul style="list-style-type: none"> • There should be a one to two-month class room training session where IBBI, IPA, IPs and advisors with management experience are roped in. • It should be a combination of lectures and workshops. • Decided cases on no name basis could be a case for resolution with the IP who has acted for it being asked to conduct the session. • They should undergo training on site supporting an IP in a resolution process underway. • They should be asked to submit a report on the training with the IP in a particular format. <p>A combined evaluation of the aforesaid will ensure capacity building and support the current ECO system and prevent the mess that is being created by the IPs in many cases with the added problem of the overbearing attitude of the big four</p>	<p>The advisory committee considered the examination format and recommended that IPAs may train its professional members through a structured two-week programme before recommending the member for registration to IBBI.</p>
16	<p>It would be better to have compulsory training of 1-3 months of working with experience Insolvency professional.</p>	<p>The advisory committee considered the examination format and recommended that IPAs may train its professional members through a structured two-week programme before recommending the member for registration to IBBI.</p>

17	<ul style="list-style-type: none"> • The exam can be conducted in two semesters, since the syllabus is vast and a detailed knowledge of all the laws is required for efficient discharge of the duties which can be called as Stage 1. • Once the candidate clears Stage 1, a group discussion can be conducted to test the communication skills, ability to analyse the case and decision making which can be called Stage 2. <p>A candidate who has passed both the stages can be registered as Insolvency Professional.</p>	<p>The advisory committee considered the examination format and recommended that IPAs may train its professional members through a structured two-week programme before recommending the member for registration to IBBI.</p>
18	<p>Definitely there is need for supplement apart from the MCQ exam however, GD can add on the testing parameter for evaluation, however evaluation of GD is subjective and personal based.</p> <p>Instead IBBI can have supplement of Case Study exam</p> <ul style="list-style-type: none"> • 10 days prior to exam, pre-seen material can be released by IBBI. This information will provide the context to the situation and also will save lot of time of students • Students are expected to go through in depth of the information provided from multiple dimensions. • On exam day, Unseen material can be provided, Unseen material can replicate the real-life scenario which we as IP are facing day to day • Unseen information will test the ability of the professionals in terms of multi-dimensional skills, including leadership, inter-personal, communication, negotiation, conflict resolution and stress management, in additional to professional knowledge and maturity. • This may balance both Objectivity & subjectivity • Case studies can be developed by exam department based on the recent cases admitted in NCLT, NCLAT etc. • Each batch will have different case study & questions & unseen information can be different for every candidate 	<p>The advisory committee considered the examination format and recommended that IPAs may train its professional members through a structured two-week programme before recommending the member for registration to IBBI.</p>

19	<p>In a group discussion, judging the candidate and evaluation on the basis of GD becomes difficult. Generally, GD is being preferred as an evaluation method for those examinations, where argumentation skill/mooting is essential.</p> <p>In the second stage (II), instead of Group Discussion, a case study/theme-based presentation followed by question answer session (max 1 hour) in front of a panel, may bring accurate result. Many times, in a GD, an introvert candidate may not perform well but may perform better as an IP. Where accurate evaluation can be done.</p> <p>The criteria can be:</p> <p>Presentation: 30% Clarity of law and procedure: 30% Response to questions: 20% Attitude/Patience/presence of mind etc.: 20%</p>	<p>The advisory committee considered the examination format and recommended that IPAs may train its professional members through a structured two-week programme before recommending the member for registration to IBBI.</p>
20	<p>The present format of exam is fair, just and equitable which needs no change.</p> <ul style="list-style-type: none"> • By introducing the new format w.e.f 1.4.2018 favour and nepotism is inevitable, and this is being sought to be introduced again by the clever Indian bureaucracy. • Who will judge the candidates on the stated lofty parameters to be discovered through group discussion? Though it has not been explained but it is evident that bureaucratic privileges in selection of candidates are being sought to be introduced in the new format of exam. • How better IRP will result by the new selection process is anyone guess because recently it was reported in Hindustan Times dated 1.11.2017 that an Mr. Safer Karim, an IPS who had scored highest in ETHICS paper conducted by UPSC was caught using unfair means in the final exam. So, the question arises how can any exam guarantee selection of best candidates for any job in this country. • Therefore, an exam conducted by IBBI in the present format should suffice because there is no guarantee that the candidates selected by the new exam format will be exemplary. • However, the present exam can be made tougher to guarantee selection of bright IRP's to do the job and in any case an IRP is an 	Not Considered

	<p>expendable asset who can be replaced by another best one by the market forces any time during his appointment.</p> <ul style="list-style-type: none"> • It is therefore requested to continue the present format of exam since at least it guarantees an ethical selection of IRP candidates or otherwise kindly give this job to UPSC for this most privileged examination. 	
21	<ul style="list-style-type: none"> • Since there will be close to 2000 candidates in the year 2017 who have already cleared the written Insolvency Written Examination and have got registered (or are in the process of being registered), then it would be unfair and unbalanced to have others from a future cut-off date who will get registered only after clearing Stage 1 and Stage II. • In the interest of natural justice, the registration of Insolvency Professionals by the Board should continue to be only basis the written Test which is primarily a test of Knowledge and Understanding. • Each such Insolvency Professional who have all cleared the written exam, and registration with the Board as an Insolvency Professional continues only basis the written exam, both those who cleared the written exam in the past and those who clear the written exam in the future, but all of them now can be given a 'rating point' (akin to the rating points given by users in any of the aggregated services like Ola, Uber, TripAdvisor), and initially the first ratings points can be given by the Board basis performance in the Stage 2 to be done by all Registered Insolvency Professionals once in every 5 years. • All subsequent ratings can be given by the 'committee of creditors' about an Insolvency Professional basis his actual performance to deliver on the objectives set out by the AA and the Committee of Creditors for each Insolvency case where the Insolvency Professional has acted as the Corporate IRP or Corporate RP or Fast-track Corporate RP or the Individual/ Partnership Insolvency Professional or the Bankruptcy Trustee. The only case in which Insolvency Professional cannot be rated or benefit from Ratings is during any Voluntary Liquidation Proceedings. 	<p>The advisory committee considered the examination format and recommended that IPAs may train its professional members through a structured two-week programme before recommending the member for registration to IBBI.</p>

	<ul style="list-style-type: none">• This way the process of Registration remains as originally designed, which is fair, transparent and objective.• However, by also having another layer of creating a system of 'rating points' it adds a transparent, and performance-driven, ability-driven transparent bank of individuals where the Board and the various creditors and the AA can take an informed decision before appointing an Insolvency Professional	
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Insolvency and Bankruptcy Board of India

Summary of 13 relevant comments

Sl. No.	Stakeholder	Kind of Comments	Comment Option	User Comment	Remarks
1	Others	Specific Reg 5(b)		The minimum Year In practice for Insolvency professional should be reduce from 15 years to 5 year to empower young professional.	The advisory committee considered and recommended for a Graduate Insolvency program, which is part of agenda
2	IP	Specific Reg 5(c)(i)	Any provision that has been provided in any regulations, but should not have been provided	The requirement for a Chartered Accountants of Minimum 10 years of experience of post qualification to become Insolvency Professional. This condition should be relaxed, so that young Chartered Accountant can enter in this area	The advisory committee considered and recommended for a Graduate Insolvency program, which is part of agenda
3	IP	Specific Reg 13		Please modify the regulation/Act so that an Insolvency Professional Entities may be appointed as IP under the IBC.	The advisory committee considered and recommended that the IPE may not be appointed as IP, but is must receive fees for its directly and not through IP, in the manner approved by the CoC.

4	IP	Specific Clause 25 of First Schedule	Any difficulty in implementation of any of the provisions in any regulations	<p>1. Considering the present trend of very low quotes by IPs for taking assignments and the fee prescribed by various banks for inviting EoIs, it is desirable to have standards for fee. There should also be a provision for peer review</p> <p>2. It would be desirable that the Board specify the remuneration that an IRP / RP charge as it has done for liquidation process. This will avoid unhealthy competition among IPs and also Banks from fixing arbitrary remunerations.</p> <p>3. kindly give fee structure of Insolvency Professional. huge black marketing is going in relation to get their consent. they ask anything, and the operation creditor are left with no option. i think fees of IP should be fixed according to the claim.</p> <p>4. While appointing the interim Professional or IP the fees on account fees may fixed by the Adjudicating Authority while appointing the IP that may be recorded in the order it self</p>	The advisory committee deliberated and recommended for disclosure of fees in public domain through website of IPA
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5	Others	Specific Second Schedule - Form A		The requirement of providing experience certificate is not practical in the private sector space as in a lot of cases companies have closed down been bought over, recommend replacement of requirement of experience certificate with affidavit.	Sometimes applicants face difficulty in obtaining experience certificate from their previous employer in the private sector. Whether the applicant may be allowed to provide an affidavit in this regard to the Board along with his application
6	IP	General	Any provision that has been provided in any regulations, but should not have been provided	<p>1. Anomaly in registration of IPs and allotment of work to them.</p> <p>2. Appointment of IRPs, in the case of CIRP by Operational Creditors should be done on the pattern adopted by the World Bank (i.e. based on costing basis) in order to avoid corrupt practices by the IPs. It has been gathered that IPs are quoting too low.</p> <p>3. Tenders or EOIs requiring hiring of Insolvency Professional services, either for empanelment or a specific assignment should also be copied to and displayed on IBBI website.</p>	IBBI has prepared a panel of IPs to serve as IRPs/Liquidators and shared with AA.
7	IP	General	Inconsistency, if any, between the provisions in any regulations with	SBI is maintaining their own panel of insolvency professionals and they are appointing them as IP and utilising them as their recovery agents after replacing	The advisory committee considered and recommended for disclosure of relationship of IPs with members of CoC.

			those in the rule	IRP appointed by NCLT. Is it according to rule 5 of first schedule u/r 7 (2) (g) IP regulations.	
8	IP	General	Second Schedule Form A	<p>Additional information to be added to Form A:</p> <p>a) Whether any disciplinary action is pending or has been taken any time in the preceding 3 years against the professional member by the ICAI, ICSI, IC (Cost)AI or Bar council of which he is a member</p> <p>b) Whether a regulator ICAI, ICSI, IC (Cost)AI or Bar council has initiated any criminal proceeding against the professional member is pending for disposal?</p> <p>c) Whether the professional member had an unblemished service with the last employer if he was in employment?</p> <p>d) Whether the name of the professional member appears in the databases of Ministry of Corporate affairs regarding i) Directors disqualified under section 164 of the companies act, 2013 or ii) proclaimed offenders under section 82 of the Code of criminal procedure, 1973</p> <p>e) Whether the</p>	The advisory committee considered and recommended that this information is being sought and the same may be incorporated in Form A.

				<p>professional member has been penalised by a market regulator (SEBI and CCI) in the last 3 years? f) Whether the name of professional member appears in the list of RBI/Credit Information Company?</p>	
9	IBBI	Specific Reg 12(1)(b)		<p>(a) The Companies Act, 2013 does not prescribe minimum number of whole-time directors to be on the Board of Directors. However, regulation 12(1)(b) of IBBI (Insolvency Professionals) Regulations, 2016 requires a majority of whole-time directors to be Insolvency Professionals as criteria for being recognized as an IPE. With this criteria we are not able to give recognition to companies with one whole-time director since the regulation is silent on the minimum number of whole-time directors to be Insolvency Professional.</p> <p>(b) Regulation 23 of the IBBI (Insolvency Professionals) Regulations, 2016 requires that an insolvency professional must not engage in any employment, except when he has</p>	<p>The advisor committee deliberated on the issue and recommended that an entity may be eligible for recognition as an IPE if: (i) it is a company, partnership or LLP, (ii) majority of its whole-time directors are IPs, (iii) majority of its directors or partners are IPs, (iv) majority of its shares is held by IPs who are its partners / directors, (iv) none of its partners or directors can be a partner or director of another IPE, and (v) it has a net worth of Rs.1 crore. The existing IPEs may be allowed a reasonable time to comply with these requirements.</p>

				temporarily surrendered his certificate of membership with the insolvency professional agency with which he is registered. Therefore, regulation 12(1)(b) of the regulation is in contravention of regulation 23 of the regulations by making it mandatory for IPE applicants to have majority of whole-time director as Insolvency Professional. An Insolvency Professional cannot be a whole-time director since he is in whole-time employment of the company as defined in clause 94 of Section 2 of the Companies Act, 2013.	
10	IPE	General	Any provision that should have been provided in any regulations, but has not been provided	Empanelment of IPs by IPEs need to be prohibited: like this specific example: http://www.insolvencyprofessionals.org.in/empanelment.php We should not forget that IP's role would be like that of a quasi-judicial person.	The advisor committee deliberated on the issue and recommended that an IPE may provide support services to an IP who is its partner or director. It may be paid directly for its services, not through the IP, in the manner approved by the Committee of Creditors.

11	IPE	General	Any provision that should have been provided in any regulations, but has not been provided	The law should restrict that an IP can be a director or partner of preferably only one or at the most of two IPEs. In any case it should not allow without any limits.	The advisor committee deliberated on the issue and recommended that as a condition of recognition, none of partners or directors of an entity can be a partner or director of another IPE.
12	IPE	General	Any provision that should have been provided in any regulations, but has not been provided	If any IPE advertises with an intention to mislead the readers of the publicised matter - strict disciplinary action needs to be taken. (Refer: advertisement Dynamic Insolvency and Bankruptcy Services Private Limited)	The advisor committee deliberated on the issue and recommended that IPES may be subject to a Code of conduct.
13	IPE	General	Any provision that should have been provided in any regulations, but has not been provided	If any IPE advertises stating that it is a registered entity under IBBI/IBC 2016, it should be with regn.no	Not considered

Insolvency and Bankruptcy Board of India

Minutes of the 3rd meeting of the Advisory Committee on Service Providers

The 3rd meeting of the Advisory Committee on Service Providers took place on 26th February, 2018 at IBBI office in New Delhi. Mr. Mohandas Pai chaired the meeting. The following attended the meeting.

Sl. No.	Name and Position	
Chairperson		
1.	Mr. Mohandas Pai, Chairperson, Manipal Global Education	
Members		
2.	Mr. J. Ranganayakulu, Former Executive Director (Law), SEBI	
3.	Mr. Ravi Narain, Former Managing Director, NSEIL	
4.	Mr. P. R. Ramesh, Chairman, Deloitte India	
5.	Ms. Alka Kapoor, Chief Executive Officer, ICSI IPA	
Others Present		
Sl. No.	Name	Position
1.	Dr. M. S. Sahoo	Chairperson, IBBI
2.	Smt. Suman Saxena	WTM, IBBI
3.	Dr. Navrang Saini	WTM, IBBI
4.	Dr. (Ms.) Mukulita Vijaywargiya	WTM, IBBI
5.	Dr. (Ms.) Mamta Suri	ED, IBBI
6.	Mr. Ritesh Kavdia	ED, IBBI
7.	Mr. K. R. Saji Kumar	ED, IBBI
8.	Mr. D. R. Chaudhuri	CGM, IBBI
9.	Mr. P. P. Panda	CGM, IBBI
10.	Mr. Rameshwar Dhariwal	CGM, IBBI
11.	Mr. I. Sreekara Rao	DGM, IBBI
12.	Ms. Anita Kulshrestha	DGM, IBBI
13.	Mr. Umesh Kuma Sharma	DGM, IBBI

14.	Ms. Ranjeeta Dubey	DGM, IBBI
15.	Mr. Dilip Khandale	DGM, IBBI
16.	Mr. Vijay Kumar	AGM, IBBI
17.	Mr. Sunil Kumar	AGM, IBBI
18.	Mr. Sunil Pant	CEO, Indian Institute of Insolvency Professionals of ICAI
19.	Mr. Sanjeev Ghai	CEO, Insolvency Professional Agency of Institute of Cost Accountants of India

2. The Committee confirmed the minutes of the 2nd meeting of the Advisory Committee held on 21.02.2017 as approved by Chairperson of the Committee and circulated to members vide mail dated 06.03.2017.

3. The Committee deliberated on the issues listed in the agenda in detail. The issues along with its recommendations on the issues are as under:

Sl No	Issues	Recommendations
1	Graduate Insolvency Examination: While evolution and delivery of National Insolvency Programme would take some time, it was proposed, keeping in view substantial knowledge already generated, an 18 months' graduate program in between National Insolvency Programme and Limited Insolvency Examination.	The Committee recommended as under: a. A Graduate Insolvency Programme may be introduced for young professionals, namely, CA, CS, Cost Accountant, and Advocates without any mandatory requirement of experience. It may be a 27 months programme comprising of two stages: (i) 9 months' residential group learning in a class room environment, (ii) 18 months' structured internship. On completion of each stage, a certificate of completion may be issued to candidates. c. On completion of both the stages, a candidate may seek registration as an insolvency professional on passing the Limited Insolvency Examination or some other appropriate examination conducted by the Board. d. The programme may be delivered by the IPAs. They may admit candidates through a screening test. e. The detailed syllabus may be proposed by the three IPAs and approved by the Board.
2	Role of IPEs: With experience gained, the structure of IPEs and its role may be refined.	The Committee recommended as under: a. IPE may provide support services to an IP who is its partner or director. b. It may be paid directly for its services, not through the IP, in the manner approved by the Committee of Creditors. c. It may subject to a Code of Conduct.

		<p>d. An entity may be eligible for recognition as an IPE if: (i) it is a company, partnership or LLP, (ii) majority of its whole-time directors are IPs, (iii) majority of its directors or partners are IPs, (iv) majority of its shares is held by IPs who are its partners / directors, (iv) none of its partners or directors can be a partner or director of another IPE, and (v) it has a net worth of Rs.1 crore. The existing IPEs may be allowed a reasonable time to comply with these requirements.</p> <p>e. An entity seeking recognition may pay a fee of Rs. 50,000 for recognition. It may pay a fee @ 1% of its turnover from support services on accrual basis. It may also pay a surcharge @10% of fee towards the Professional Development Fund to be maintained by IBBI. It may also a filing fee of Rs.2000 for recording change in directors/ partners.</p>
3	<p>Information Utility: There were several suggestions such as (a) access to other databases, (b) presumption about information, (c) using information for other purposes, (d) authentication of information from foreign users, (e) non-disclosure of default by an IU to all creditors, etc.</p>	<p>The Committee did not find much merit in these suggestions. It, however, suggested that the suggestions at (a), (b) and (c) may be referred to Insolvency Law Committee for its consideration.</p>
	<p>IBBI(IU) Regulation 42 stipulates appeal as per NCLT Rules. Whereas Sec 211 states appeal to NCLAT.</p>	<p>IBBI (IU) Regulation 42 may be amended.</p>
4	<p>Limited Insolvency Examination: Several suggestions, including group discussion, were made to improve the quality of examination.</p>	<p>The Committee recommended as under:</p> <p>a. It did not favour the suggestion to limit the number of attempts or cooling off between two attempts. It recommended that a candidate may be allowed only one enrolment (blocking examination slot) at a time.</p> <p>b. It did not favour the suggestion to include group discussion as a part of the Limited Insolvency Examination. It, however, recommended that the IPA may train its professional members through a structured residential two-week programme before recommending the member for registration to IBBI. The IPAs may design curriculum incorporating both practical and theoretical aspects required for the IPs and provide study material.</p> <p>c. The syllabus may be notified at least 3 months before the commencement of the new phase of the Limited Insolvency Examination.</p> <p>d. A person may be eligible for registration as an IP, if he has passed the Limited Insolvency Examination</p>

		within the last 12 months of submission of application.
5	IPA: It was suggested to relax the requirement of section 8 company to become an IPA. Further measures to build capacity of IPAs were suggested.	The Committee recommended as under: a. The requirement of section 8 may be relaxed. b. IPAs may have regular employees who can focus on research activities and meet 50% of training requirement of their members. They may also have collaboration with academia for balance training and research needs.
7	Insolvency Professionals: a. The IP may have association in a variety of ways such as past employee, panel of RPs, etc. with a member of CoC and consequently there is likely to be conflict of interests. Hence there may be restrictions on engagement of such IPs. b. Since an IP replaces the MD for all practical purposes, his fee may be fixed by CoC within \pm 25% of the remuneration of the MD. The COC may fix the fee beyond this range after recording reasons. c. The IPs may be required to submit an annual statement of fees earned by him and pay a percentage thereof as fees to the IBBI. d. Additional information (proceedings before the regulator of the profession / employer, disqualified as director, proclaimed offender, actions from market regulator or RBI, etc.) regarding fit and proper being collected through IPAs may be inserted into regulations. e. IPs may not out source their responsibilities, as provided in circular. f. An RP may not be removed ordinarily by the CoC, as this may affect his independence. g. An RP may not be allowed to act as the liquidator of the corporate debtor. Otherwise, he	<p>The Committee did not favour the suggestion (a) and (b). It, however, recommended, disclosure of such relationship and fees in a public domain such as web site of the respective IPA.</p> <p>An IP may submit an annual statement of fees earned by him. He may pay a fee @ 1% of its turnover from his services on accrual basis to IBBI. He may also pay a surcharge @ 10% of the annual fee towards the Professional Development Fund of the IBBI. The Committee recommended the suggestion.</p> <p>This may be reiterated in the IP regulations.</p> <p>The CoC may file its request seeking replacement of an RP along with reasons for the same for consideration of the Adjudicating Authority.</p> <p>The Committee favoured the suggestion. As it requires amendment to section 34 of the Code, it may be referred to ILC.</p>

	<p>would have incentive to push the debtor into liquidation.</p> <p>h. An IP may be required to have some minimum continuing professional education.</p>	<p>The Committee recommended 20 hours of CPE to be delivered by the IPA or its partner agency every year to an IP.</p>
<p>8.</p>	<p>Other Recommendations</p> <ul style="list-style-type: none"> a. IBBI may have a Chief Technology Officer to deal with the technology issues. b. IBBI may define the business processes to the last detail. c. IBBI may use the IUs to collect and store the data of proceedings from IPs. d. IBBI may consider publishing monthly e-reports and issue a press-release covering developments every month. e. IBBI may follow up with authorities for inclusion of insolvency in the syllabus of Law, CA, CS, Cost Accountancy courses. 	

4. The meeting ended with vote of thanks to the Chairperson of the Committee.

**GAZETTE OF INDIA
EXTRAORDINARY
PART III, SECTION 4
PUBLISHED BY AUTHORITY
NEW DELHI, _____ MARCH, 2018**

INSOLVENCY AND BANKRUPTCY BOARD OF INDIA

NOTIFICATION

New Delhi, ____ March, 2018

Insolvency and Bankruptcy Board of India (Insolvency Professionals) (Amendment) Regulations, 2018

IBBI/2017-18/GN/REG0__ - In exercise of the powers conferred by sections 196, 207 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 to amend the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016 namely:-

1. These regulations may be called the Insolvency and Bankruptcy Board of India (Insolvency Professionals) (Amendment) Regulations, 2018.
2. They shall come into force from 1st April, 2018.
3. In the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016 (hereinafter referred to as principal regulations), for sub-regulation (3) of regulation 3, the following sub-regulation shall be substituted, namely: -

“(3) The syllabus, format, qualifying marks and frequency of the ‘Limited Insolvency Examination’ shall be published on the website of the Board at least three months before the examination.”

4. In the principal regulations, in regulation 5, -
 - (a) for sub-regulation (b) of regulation 5, the following sub-regulation shall be substituted, namely:-

“(b) has fifteen years of experience in management, after he received a Bachelor’s degree from a university established or recognized by law, has passed the Limited Insolvency Examination, within the last twelve months of submission of application for enrolment with an insolvency professional agency and has completed the two weeks mandatory training program with an insolvency professional agency; or”.

(b) for sub-regulation (c) of regulation 5, the following sub-regulation shall be substituted, namely:-

“(c) has ten years of experience as - (i) a chartered accountant enrolled as a member of the Institute of Chartered Accountants of India, (ii) a company secretary enrolled as a member of the Institute of Company Secretaries of India, (iii) a cost accountant enrolled as a member of the Institute of Cost Accountants of India, or (iv) an advocate enrolled with a Bar Council, has passed the Limited Insolvency Examination, within the last twelve months of submission of application for enrolment with an insolvency professional agency and has completed the two weeks mandatory training program with an insolvency professional agency.”

(c) after sub-regulation (c) of regulation 5, the following sub-regulation shall be inserted, namely: -

“(d) after acquiring qualification as:

(i) a Chartered Accountant enrolled as a member of the Institute of Chartered Accountants of India,
(ii) a Company Secretary enrolled as a member of the Institute of Company Secretaries of India,
(iii) a Cost Accountant enrolled as a member of the Institute of Cost Accountants of India,
(iv) an Advocate enrolled with a Bar Council, or
(v) a Master of Business Administration from a recognised university, has completed a twenty-seven months’ Graduate Insolvency Programme comprising of nine months’ classroom training conducted by an insolvency professional agency; then an eighteen months’ internship with an insolvency professional or insolvency professional entity; and then passed an examination conducted by the Board.”

5. In the principal regulations, after clause (b) of sub-regulation (2) of regulation 7, the following sub-regulations shall be inserted, namely:-

“(ba) annually attend not less than twenty hours of continuous professional education conducted by an insolvency professional agency or any other agency recognised by the Insolvency Professional Agency.

(bb) submit an annual statement of his remuneration from his services by 30th April every year in Form-E to the Board.

(bc) shall pay a fee which shall be one percent of its turnover from his services on accrual basis to the Board with the statement and he shall also pay a surcharge which shall be ten per cent of the annual fee towards the Professional Development Fund to be maintained by the Board.”

6. In the principal regulations, in regulation 12 -

(a) for sub-regulation (1), the following sub-regulation shall be substituted, namely: -

“(1) A limited liability partnership, a registered partnership firm or a company may be recognised as an insolvency professional entity if –

- (a) it is a company, partnership or limited liability partnership having a net worth of not less than one crore rupees;
- (b) majority of its whole-time directors or partners are insolvency professionals;
- (c) majority of its shares is held by insolvency professionals who are its partners or directors, as the case may be;
- (d) none of its partners or directors is a partner or director of another insolvency professional entity; and
- (e) its sole objective is to provide services to its members or partners who are registered with the Board as insolvency professionals;

Provided that Insolvency Professional Entities existing on the date of commencement of this Amendment Regulations shall comply with the requirements of clauses (a), (b), (c) and (e) of this sub-regulation within a period of twelve months from the date of such commencement and the requirement under clause (d) within a period of three months from date of such commencement.”

(b) for sub-regulation (2), the following sub-regulation shall be substituted, namely: -

“(2) A person eligible under sub-regulation (1) may make an application for recognition as an insolvency professional entity to the Board in Form C of the Second Schedule to these Regulations, along with a non-refundable application fee of fifty thousand rupees payable to the Board.”

(c) after sub-regulation (2), the following sub-regulations shall be inserted, namely: -

“(3) Where there is any change of directors or partners in any Insolvency Professional Entity, information in respect of such change shall be filed with the Board along with the fee of two thousand rupees for recording change in directors/ partners on each occasion.”

7. In the principal regulations, after clause (c) of sub-regulation (2) of regulation 13, the following sub-regulation shall be inserted, namely: -

“(ca) receive remuneration for its services directly, not through the insolvency professional, in the manner approved by the committee of creditors.

(cb) submit an annual statement of turnover by 30th April each year in Form-F to the Board.

(cc) pay a fee which shall be one percent of its turnover from its services on accrual basis to the Board with the statement. It shall also pay a surcharge which shall be ten percent of the annual fee towards the Professional Development Fund to be maintained by the Board.”

8. In the principal regulations, the following regulation will be inserted under a new Chapter, namely Chapter-VI after regulation 14: -

“CHAPTER VI

15. Professional Development Fund. - There shall be formed a Fund to be called the Professional Development Fund, which shall be used for the purpose of development

of profession of insolvency professionals. The Board shall appoint one administrator of the professional development fund, which shall disclose utilization of the professional development fund on the website of the Board by 30th April every year.”

9. In the principal regulations, in the First Schedule, -

(a) after clause (8), the following clauses shall be inserted, namely: -

“8(a). Where an insolvency professional has been empanelled with any bank or a financial institution, he/she shall make full disclosures in this regard to the committee of creditors and the concerned insolvency professional agency. The insolvency professional agency shall publish such disclosures on its website.

8(b). An insolvency professional shall not outsource any of its duties and responsibilities under the Code.

8(c). An insolvency professional shall not keep any relation with an insolvency professional entity, of which he is not a member or director.”

10. In the principal regulations, in the Second Schedule, for FORM A, the following Form shall be substituted, -

“FORM A

[Under Regulation 6 or Regulation 9 of the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016]

To

The Chairperson
Insolvency and Bankruptcy Board of India

Subject: Application for registration as an insolvency professional

Sir/Madam,

I, having been enrolled as a professional member with the (please write the name of the insolvency professional agency), hereby apply for registration as -

(a) an insolvency professional;

under section 207 of the Insolvency and Bankruptcy Code, 2016 read with Regulation 6 or Regulation 9 of the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016.

My details are as under:

A. PERSONAL DETAILS

1. Title (Mr/Mrs/Ms):
2. Name:
3. Father's Name:
4. Date of Birth:
5. Place of Birth:
6. PAN No.:
7. AADHAAR No.:
8. Passport No.:
9. Address for Correspondence:

10. Permanent Address:
11. E-Mail Address:
12. Mobile No.:

B. EDUCATIONAL, PROFESSIONAL AND INSOLVENCY EXAMINATION QUALIFICATIONS

1. Educational Qualifications

[Please provide educational qualifications from Bachelor's degree onwards]

Educational Qualification	Year of Passing	Marks (%)	Grade/ Class	University/College	Remarks, if any

2. Professional Qualifications

Professional Qualification	Institute/ Professional Body	Membership No. (if applicable)	Date of enrolment	Remarks, if any

3. Insolvency Qualifications

- 3.1. Have you passed Limited Insolvency Examination? (Yes / No)
- 3.2. Have you passed National Insolvency Examination? (Yes / No)
- 3.3. Have you completed the Graduate Insolvency Programme? (Yes / No)
- 3.4. Have you completed the two week training with an insolvency professional agency? (Yes / No)

C. WORK EXPERIENCE

1. Are you presently in practice / employment? (Yes/ No)
2. Number of years in practice (in years and months):
3. If in practice, address for professional correspondence:
4. Number of years in employment (in years and months):
5. Experience Details (from the date of enrolment as Advocate / Chartered Accountant / Company Secretary / Cost Accountant/ Bachelors' Degree)

Sl. No.	From Date	To Date	Employment / Practice	If employed, Name of Employer and Designation	If in practice, practice as Advocate / Chartered Accountant / Company Secretary / Cost Accountant	Area of work

D. INSOLVENCY PROFESSIONAL AGENCY

1. Please give details of the insolvency professional agency with which you are enrolled as a professional member:
2. Please state your professional membership number:

E. ADDITIONAL INFORMATION

1. Have you ever been convicted for an offence? (Yes/ No)

If yes, please give details.

2. Are any criminal proceedings pending against you? (Yes/ No)

If yes, please give details.

3. Have you ever been declared as an undischarged insolvent, or applied to be declared so? (Yes/ No)

If yes, please give details.

4. Please provide any additional information that may be relevant for your application.

F. ATTACHMENTS

1. Copy of proof of residence.
2. Copies of documents in support of educational qualifications, professional qualification and insolvency examination qualifications.
3. Copies of documents demonstrating practice as -
 - i. a chartered accountant enrolled with the Institute of Chartered Accountants of India;
 - ii. a company secretary enrolled with the Institute of Company Secretaries of India;
 - iii. a cost accountant enrolled with the Institute of Cost Accountants of India; or
 - iv. an advocate enrolled with the Bar Council of any State in India;
4. Copies of certificate of employment from the employer(s), specifying the period of such employment.
5. Financial statement / Income Tax Returns for the last three years.
6. Copy of certificate of professional membership with an insolvency professional agency.
7. Passport-size photo.
8. Evidence of deposit / payment of five thousand rupees / ten thousand rupees, as applicable.

G. AFFIRMATIONS

1. Copies of documents, as listed in section F of this application form have been attached/ uploaded. The documents attached/ uploaded are
I undertake to furnish any additional information as and when called for.

2. I am not disqualified from being registered as an insolvency professional under the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016.
3. This application and the information furnished by me along with this application is true and complete. If found false or misleading at any stage, my registration/ registration for limited period shall be summarily cancelled.
4. I hereby undertake to comply with the requirements of the Insolvency and Bankruptcy Code, 2016, the rules, regulations and guidelines issued thereunder, the bye-laws of the insolvency professional agency with which I am enrolled, and the resolutions passed and directions given by the Board and the Governing Board of such insolvency professional agency.
5. The applicable fee has been paid.

Name and Signature of applicant

Place:

Date:

VERIFICATION BY THE INSOLVENCY PROFESSIONAL AGENCY

We have verified as under:

Verification	Finding
Whether any disciplinary proceedings are pending or any disciplinary action has been taken at any time in the preceding three years against the professional member by the ICAI, ICSI, ICAI(Cost), or Bar Council, of which he is a Member.	Yes / No. If Yes, give details. If required, attach additional papers
Whether a regulator ICAI, ICAI(Cost), ICSI, or Bar Council has initiated any criminal proceeding against the professional member and is pending for disposal?	Yes / No. If Yes, give details. If required, attach additional papers
Whether the professional member had an unblemished service with the last employer if he was in employment?	Yes / No. If No, give details. If required, attach additional papers
Whether the name of the professional member appears in the databases of Ministry of Corporate Affairs regarding- i. Directors disqualified under section 164 of the Companies Act, 2013, or ii. Proclaimed Offenders under section 82 of the Code of Criminal Procedure, 1973.	Yes / No. If Yes, give details. If required, attach additional papers
Whether the professional member has been penalised by a market regulator (SEBI and CCD) in the last three years?	Yes / No. If Yes, give details. If required, attach additional papers

Whether the name of professional member appears in the list of defaulters of RBI / Credit Information Company?	Yes / No. If Yes, give details. If required, attach additional papers
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We have verified the above details submitted by ... who is our professional member with professional membership no. ... and confirm these to be true and correct. We recommend registration of ... as an insolvency professional.

(Name and Signature)
 Authorised Representative of the Insolvency Professional Agency
 Seal of the Insolvency Professional Agency

Place:
Date:”

11. In the principal regulations, after Form D, the following Form shall be inserted, namely:

“FORM E

[Under Regulation 7(2)(bb) of the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016]

To
 The Chairperson
 Insolvency and Bankruptcy Board of India

Subject: Annual statement of turnover of insolvency professional.

Sir, Madam,

1. I, [Insert name] hereby submit the annual statement of remuneration for the financial year [insert financial year].
2. I, [insert name], hereby affirm that –
 - i. all information contained in this application is true and correct in all material respects and
 - ii. no material information relevant for the purpose of this application has been suppressed.
3. My annual turnover for the Financial year [Insert financial year] was Rupees..... from my services as an insolvency professional on accrual basis.
4. The details of turnover, transaction wise are as below:

Sr. No.	Name of Debtor	Services rendered as	Total accrued remuneration in Rs.

Attachments:

- A. Evidence of deposit/payment of fee at the rate one percent of aforesaid turnover as applicable.
- B. Evidence of deposit/payment of surcharge at the rate ten percent of fee as applicable.

Yours faithfully,

(Name)

(Registration number)

Place:

Date :”

12. In the principal regulations, after Form E, the following Form shall be inserted, namely:

“FORM F

[Under Regulation 13(2)(cb) of the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016]

To
The Chairperson
Insolvency and Bankruptcy Board of India

Subject: Annual statement of turnover of insolvency professional entity.

Sir, Madam,

1. I, being duly authorized for the purpose, hereby submit the annual statement of turnover of [Insert name of insolvency professional entity] for the financial year [insert financial year].
2. I, on behalf of [insert name of entity], hereby affirm that –
 - i. all information contained in this application is true and correct in all material respects and
 - ii. no material information relevant for the purpose of this application has been suppressed.
3. The annual turnover of [Insert name of insolvency professional entity] for the financial year [Insert financial year] was Rupees....., for the services as an insolvency professional entity on accrual basis.
4. The details of turnover, transaction wise are as below:

Sr. No.	Name of Debtor	Services rendered	Total accrued amount in Rs.

Attachments:

- A. Evidence of deposit/payment of fee at the rate one percent of aforesaid turnover as applicable.
- B. Evidence of deposit/payment of surcharge at the rate ten percent of fee as applicable.

Yours faithfully,

Authorized Signatory

(Name)

(Designation)

Place:

Date :”

(Dr. M. S. Sahoo)
Chairperson
[ADVT . - _____]