

Amendments to the IBBI (Liquidation Process) Regulations, 2016

The Governing Board considered the Board Note and approved the proposals as under:

(a) Regulation 3 (c) may be amended as under:

“(c) has not been an employee or proprietor or a partner:

(i) of a firm of auditors or secretarial auditors or cost auditors of the corporate debtor;
or

(ii) of a professional services firm that has or had any transaction with the corporate debtor contributing five per cent or more of the gross turnover of such firm, at any time in the preceding three years.”;

(b) Regulations may be amended to provide for liquidation costs at one place, and sale of corporate debtor as a going concern, as proposed in the Board Note;

(c) Regulations may be amended to provide that interest on interim finance for a period of 12 months or for the period from the liquidation commencement date till repayment of interim finance, whichever is lower, to form part of liquidation cost.