

# **Insolvency and Bankruptcy Board of India**

## **Frequently Asked Questions-Insolvency Professionals**

### **1. Who is an insolvency professional (IP)?**

**Ans.** As per the Insolvency and Bankruptcy Code (IBC), 2016 an insolvency professional(IP) means a person:

- a. enrolled with an insolvency professional agency (IPA) as its member and,
- b. registered with Insolvency and Bankruptcy Board of India (the Board) as an insolvency professional (IP).

### **2. What is the process to become an insolvency professional (IP)?**

**Ans.** Following are the (*mandatory*) stages to be followed to become an insolvency professional (IP):

- A.** For Professionals (Chartered Accountant, Company Secretary, Cost Accountant or an Advocate) having 10 years of experience, or graduates having 15 years of managerial experience:

**Stage 1:** Pass the limited insolvency examination

**Stage-2:** Enrol as a professional member with an insolvency professional agency (IPA)

**Stage-3:** Complete a pre-registration educational course by the IPA.

**Stage-4:** Apply to the Board for registration as an 'insolvency professional (IP),'within a period of 12 months of clearing the Limited Insolvency Examination.

- B.** The Graduate Insolvency Programme and the National Insolvency Programme will be notified by the Board in due time.

### **3. What is the Eligibility Criteria for becoming an insolvency professional (IP)?**

**Ans.** An individual is eligible to become an insolvency professional(IP) provided he/she:

- a. is a person resident in India,
- b. is not a minor,
- c. is solvent (i.e. he / she is not an undischarged insolvent or he / she has not applied to be adjudicated as an insolvent)

- d. is of sound mind,
- e. has the qualification and experience as specified by the Board,
- f. has not been convicted by any competent court, for an offence punishable with imprisonment for a term exceeding six months, or for an offence involving moral turpitude, and a period of five years has not elapsed from the date of expiry of the sentence.
- g. is a fit and proper person.

**4. Where can I get more information (viz. syllabus, frequency of examination etc) about the Limited Insolvency Examination?**

**Ans.** The syllabus, format, qualifying marks, and the frequency of the Limited Insolvency Examination are published on the website of the Board. For more information, please visit <http://www.ibbi.gov.in/limited-insolvency.html>

**5. I have passed the Limited Insolvency Examination. How can I enrol myself as a professional member with an insolvency professional agency?**

**Ans.** You may approach any one of the IPAs for enrolment after clearing the Limited Insolvency Examination. At present the following agencies are registered as IPA with the Board:

- a. **Indian Institute of Insolvency Professionals of ICAI [IIIP-ICAI]**  
(For more information, click on:[www.iiipicai.in](http://www.iiipicai.in))
- b. **ICSI Institute of Insolvency Professionals [ICIS-IIP]**  
(For more information, click on:[www.icsiipa.com](http://www.icsiipa.com))
- c. **Insolvency Professional Agency of Institute of Cost Accountants of India [IPA-ICAI]**  
(For more information, click on:[www.ipaicmai.in](http://www.ipaicmai.in))

**6. Is there any standard format for an application for registration with the Board as an insolvency professional?**

**Ans.** Yes. An application for registration with the Board must be made in Form A of Second Schedule of *Insolvency and Bankruptcy Board of India (Insolvency Professionals) (Amendment) Regulations, 2018*. The application has to be submitted online on the link provided on IBBI website.

**7. What is the quantum of fee payable to the Board, along with the application for registration?**

**Ans.** Application fee amounts to Rs.10,000/- (Non-refundable) plus applicable taxes. However, the fee is subject to revision from time to time.

**8. What are the modes for payment of registration fee?**

**Ans.** While filling-up the e-form for seeking registration as an Insolvency Professional, the fee is to be paid online through debit/credit card.

**9. Is this a one-time fee? If No, at what intervals the renewal fee is to be paid to the Board?**

**Ans.** Application fee is one time. However, an insolvency professional registered with the Board should, on every five years (from the year in which the certificate is granted) pay a fee of Rs.10000/- plus applicable taxes to the Board for continuation of registration by the Board.

**10. Within how many days of submission of application, the Board grants registration to the applicant?**

**Ans.** Subject to the fulfilment of terms and conditions, the Board may grant registration to the applicant **within sixty days** of receipt of the application. These sixty days do not include the time given by the Board for presenting additional documents, information or clarification, or appearing in person, as the case may be.

**11. Whether any membership card, identity card, registration certificate etc. is issued by the Board upon registration as an insolvency professional?**

**Ans.** An eligible applicant, upon registration would receive a **certificate of registration** from the Board, to carry on the activities of an insolvency professional. Physical copy of the same shall be despatched within 21 days of grant of registration, to the address of the individual registered with the Board. However, no membership card / identity card etc. shall be issued by the Board other than the certificate of registration.

**12. Are there any conditions to continue registration with the Board?**

**Ans.** Yes, subject to other terms and conditions as applicable, an insolvency professional shall also:

- a. undergo continuing professional education, as may be required by the Board,
- b. pay renewal fees to the Board, every five years.

**13. Can an insolvency professional undertake any other employment?**

**Ans.** No. An insolvency professional must not engage in any employment, except when he has temporarily surrendered his certificate of membership with the insolvency professional agency (IPA) with whom he is enrolled as a professional member.

**14. I wish to pursue a full-time employment and would like to surrender my certificate of registration on temporary basis. Whether the same is permitted?**

**Ans.** Yes. You may inform the same to the Board through the insolvency professional agency wherein you are enrolled as a professional member.

**15. Can I shift my professional membership from one insolvency professional agency to another insolvency professional agency?**

**Ans.** Yes. An insolvency professional can shift professional membership from one insolvency professional agency to another, subject to prior permission of the Board, after receiving no objection from both the concerned insolvency professional agencies.

**16. Is there any upper age limit for seeking registration with the Board as an insolvency professional (IP)?**

**Ans.** No, there is no such upper age limit.

**17. Can a non-individual viz. body corporate, partnership firm etc. become an insolvency professional (IP)?**

**Ans.** No. Only individuals are eligible to become as an Insolvency professional (IP) subject to other terms and conditions, as applicable.

**18. Can, an individual who is not a citizen of India, render services as an insolvency professional?**

**Ans.** No. An individual who is not a citizen of India cannot render services as an insolvency professional unless he/she becomes a partner or director of an Insolvency Professional Entity (IPE) recognised by the Board.

**19. Where can I get more information on the eligibility for becoming an insolvency professional?**

**Ans.** Please refer to Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016 available at [http://ibbi.gov.in/webfront/legal\\_framework.php](http://ibbi.gov.in/webfront/legal_framework.php)

**20. Where to contact if I need some clarification regarding registration as an insolvency professional?**

**Ans.** You may contact your IPA or mail at [ipreg@ibbi.gov.in](mailto:ipreg@ibbi.gov.in)

**21. Can I give more than one correspondence address, one mail ID & one mobile number in the application form?**

**Ans.** Only one correspondence address, one mail ID and one mobile number shall be furnished. All correspondence will be made to these only.

\*\*\*