

Insolvency and Bankruptcy Board of India
7th Floor, Mayur Bhawan, Connaught Place, New Delhi-110001

CIRCULAR

No. IBBI/LIQ/73/2024

28th June, 2024

To
All Registered Insolvency Professionals
All Recognised Insolvency Professional Entities, and
All Registered Insolvency Professional Agencies
(By mail to registered email addresses and on the website of the IBBI)

Dear Madam / Sir,

Subject: Filing Forms to monitor liquidation processes under the Insolvency and Bankruptcy Code, 2016, and the regulations made thereunder.

During the liquidation process, the liquidator invites claims from stakeholders, forms a liquidation estate, endeavours to sell assets in consultation with the Stakeholders' Consultation Committee (SCC) and distributes the realized proceeds to stakeholders as per the waterfall mechanism provided under section 53 of the Code.

2. The Insolvency Professional (IP), functioning as a liquidator, is also required to ensure compliance with legal requirements and reporting to the Adjudicating Authority (AA) and IBBI. Presently, the IPs submit the details regarding the liquidation process to the Board through emails, which is time-consuming and inefficient.

3. To ease the compliance burden for Insolvency Professionals (IPs), a set of electronic forms has been developed by the Board to capture the details of the liquidation process. These forms are crucial for the liquidation process under the Insolvency and Bankruptcy Code (IBC), as they facilitate systematic and transparent record-keeping and seamless reporting. The key benefits of these forms include:

- Enhancing the efficiency and effectiveness of the liquidation process.
- Allowing liquidators to easily access and submit forms online, reducing delays and improving efficiency.
- Minimizing the likelihood of errors and omissions, ensuring more accurate and reliable information.

4. An overview of these Forms is as per the Table below:

Form No.	Period Covered and Scope	Timeline
LIQ 1	From Commencement of Liquidation till Public Announcement: This includes details of the Liquidator, Corporate Debtor (CD), and the liquidator's fee	On or before the 10th day of the subsequent month, after a public announcement has been made.
LIQ 2	From Public Announcement till Progress Report: This includes details of valuation, sale, litigations, PUFEE, SCC meetings, Receipts and Payments.	On or before the 10th day of the subsequent month, after

		submission of the Progress report to the AA
LIQ 3	From last Progress Report to Application for Dissolution: This includes details of unclaimed proceeds, sale, litigations, PUFEE, Realisation, distribution of proceeds, Receipts and Payments. (The details required in these forms are carried forward from the last Progress Report and hence need not be filled again)	On or before the 10th day of the subsequent month, after submission of the Dissolution/closure application to the AA.
LIQ 4	From Application for Dissolution to Order for Dissolution: This includes details of, the distribution of proceeds, Receipts and Payments, etc. (The details required in these forms are carried forward from the last Progress Report and hence need not be filled again)	On or before the 14 days of passing of the order for dissolution of corporate debtor or closure of the liquidation process by the AA.

5. The set of forms developed by the Board on an electronic platform has been hosted on its website at <https://www.ibbi.gov.in>. The IP handling the liquidation assignment shall access the platform with a unique username and password provided by the IBBI and upload/submit the Forms, along with relevant information and records, after affixing DSC or e-signing. Further, timely filing of complete and accurate information along with records is the sole responsibility of the IP.

6. It is directed that an IP shall file Forms through the electronic platform:

a. within the prescribed timeline for all cases where a liquidation order is passed on or after issuance of this circular.

b. for ongoing cases: Cases in which no application for dissolution of the corporate debtor/closure of the liquidation process has been filed, shall file form LIQ 1 and LIQ 2 (for the March 24 quarter) latest by 30th September 2024.

c. for cases where an application for dissolution of the corporate debtor/closure of the liquidation process has been filed with AA, shall file forms LIQ 1 and LIQ 2 (for the last quarter of the process), and LIQ 3 by 30th September 2024.

d. for cases where an order for closure of the liquidation process or dissolution of the corporation debtor has been ordered by AA, shall file forms LIQ 1 and LIQ 2 (for the last quarter of the process), LIQ 3, and LIQ 4 by 30th September 2024.

7. It is clarified that an IP who do not comply with applicable provisions of the Code and the Regulations made thereunder, shall be liable for:

(i) failure to file a Form along with relevant information and records,

(ii) inaccurate and incomplete information and/or records filed in or along with a Form.

8. This is issued in exercise of the powers under sub-section (1) of section 196 of the Insolvency and Bankruptcy Code, 2016.

Yours faithfully,
(Rajesh Tiwari)
General Manager