

Insolvency and Bankruptcy Board of India

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Press Release

The Insolvency and Bankruptcy Board of India amends the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016

The Insolvency and Bankruptcy Board of India (IBBI) notified the Insolvency and Bankruptcy Board of India (Liquidation Process) (Third Amendment) Regulations, 2020 today.

2. The Regulations require the committee of creditors to fix the fee payable to the liquidator. Where the fee has not been fixed by the committee of creditors, the Regulations provide for a fee as a percentage of the amount realised and of the amount distributed by the liquidator. There have been instances where a liquidator realises the amount while another liquidator distributes the same to stakeholders. The amendment made to the Regulations today clarifies that where a liquidator realises any amount, but does not distribute the same, he shall be entitled to a fee corresponding to the amount realised by him. Likewise, where a liquidator distributes any amount, which is not realised by him, he shall be entitled to a fee corresponding to the amount distributed by him.

3. The amended regulations are effective from today. These are available at www.mca.gov.in and www.ibbi.gov.in.
