

INSOLVENCY AND BANKRUPTCY BOARD OF INDIA

15th April, 2026

Discussion Paper on amendments to IBBI (Pre-Packaged Insolvency Resolution Process) Regulations, 2021

Background

The Insolvency and Bankruptcy Code (Amendment) Act, 2026 (**Amendment Act**), introduces changes to the procedural requirements for initiating the Pre-Packaged Insolvency Resolution Process (**PPIRP**). Specifically, clause 35 of the Amendment Act amends section 54C(3) of the principal Act which explicitly listed the documents required for initiation (such as special resolutions, approvals of financial creditors, and declarations regarding avoidance transactions) within the statute itself.

2. The proposed amendment substitutes this detailed list with a broader enabling provision:

“(3) The corporate applicant shall, along with the application, furnish such information as may be specified.”

3. The Select Committee in its report noted that the Ministry through this amendment seeks to substitute the existing details about the information to be furnished along with the application for initiation of Pre-Packaged Insolvency Resolution Process (PPIRP) in the section 54C(3) of the Principal Act.

4. It is felt that the substitution gives flexibility to IBBI to seek any information that they deem fit based on the experience of implementation of PPIRP.

5. Since the specific requirements/documentation for initiation are being removed from the Act (section 54C(3)), these must be suitably migrated to the IBBI (Pre-packaged Insolvency Resolution Process) Regulations, 2021 (**PPIRP Regulations**). Currently, regulation 18 of these regulations deals with information to be furnished.

6. The Ministry of Corporate Affairs, Government of India, *vide* its Notice dated 18.01.2023 invited public comments on changes being considered to the Insolvency and Bankruptcy Code, 2016 (IBC/Code). One of the issues flagged in the said was:

“In practice, it is observed that the MSME CDs face challenges in furnishing a declaration regarding avoidance transactions or improper trading under section 54C (3) (c). Such transactions or trading may not be easy to identify as it is often not the nature of the transaction or trading but the zone of insolvency, which renders transactions or trading suspect. Further, in the case of larger companies too, this may be a cumbersome requirement. Such a requirement should not discourage bona fide CDs from utilising the PPIRP for insolvency resolution. Accordingly, it is being considered to omit clause (c) of sub-section (3) of section 54C. The possibility of abuse of this relaxation is mitigated by the CoC’s power to terminate the PPIRP or direct the initiation of separate proceedings where it is made aware of such transactions or

trading. Notably, during the CIRP, where an application is filed by the CD, such declaration is not required to be furnished before and after the commencement of the process.”

7. Accordingly, the said requirement of declaration regarding avoidance transactions at stage of commencement is proposed to be dispensed with, in the proposed amendments to regulations. However, it is to be noted that under the present regulations, a duty already exists upon the resolution professional to identify and file applications for PUFÉ transactions, ensuring that the issue is duly addressed in the current framework.

8. Also, since the Forms relate only to procedural and administrative aspects, notifying them through Circulars is adequate and efficient. Unlike substantive provisions which require incorporation in Regulations, Forms-related updates are merely operational in nature and can be flexibly addressed *via* Circulars. No change is suggested in the content of the present Forms.

9. Proposed Amendment –

(a) Amendment proposed in regulation 18 of PPIRP Regulations to provide a list of documents to be furnished by applicant in light of amendment made to sub-section (3) of section 54C.

(b) All forms are to be notified through a Circular and the regulations are updated to reference “*such format as notified by the Board*”.

(c) Further, a draft of proposed notification for amendment of IBBI (Pre-Packaged Insolvency Resolution Process) Regulations, 2021 is placed at **Annexure**.

10. **Public comments:** The Board accordingly solicits comments on the proposals discussed above and the draft regulations proposed above. After considering the comments, the Board proposes to make regulations under clauses (aa) and (t) of sub-section (1) of section 196 read with section 240 of the Code. The process for submission of comments is provided at **Page 6**.

11. The last date for submission of comments is **28th April, 2026**.

Draft of proposed notification for amendment of IBBI (Pre-Packaged Insolvency Resolution Process) Regulations, 2021

**THE GAZETTE OF INDIA
EXTRAORDINARY
PART III, SECTION 4
PUBLISHED BY AUTHORITY
NEW DELHI, ..., 2026**

INSOLVENCY AND BANKRUPTCY BOARD OF INDIA

NOTIFICATION

New Delhi, the 2026

Insolvency and Bankruptcy Board of India (Pre-Packaged Insolvency Resolution Process) (... Amendment) Regulations, 2026

No. IBBI/2025-26/GN/REG....— In exercise of the powers conferred by clause (t) of sub-section (1) of section 196 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 further amend the Insolvency and Bankruptcy Board of India (Pre-Packaged Insolvency Resolution Process) Regulations, 2021, namely: -

1. (1) These regulations may be called Insolvency and Bankruptcy Board of India (Pre-Packaged Insolvency Resolution Process) (...Amendment) Regulations, 2026.

(2) They shall come into force on the date of publication in the Official Gazette.

2. In the Insolvency and Bankruptcy Board of India (Pre-Packaged Insolvency Resolution Process) Regulations, 2021, (hereinafter referred to as ‘the principal regulations’), in regulation 2, in sub-regulation (1),

a. for clause (h), for the words “a Form specified in the Schedule”, the words “such format as notified by the Board” shall be substituted.

b. clause (o) shall be omitted.

3. In the principal regulations, in sub-regulation (1) of regulation 7, for the words “Form P1”, the words “such format as notified by the Board” shall be substituted.

4. In the principal regulations, in regulation 14,

a. in sub-regulation (3), for the words “Form P2”, the words “such format as notified by the Board” shall be substituted.

b. in sub-regulation (5), for the words “Form P3”, the words “such format as notified by the Board” shall be substituted.

c. in sub-regulation (7), for the words “Form P4”, the words “such format as notified by the Board” shall be substituted.

5. In the principal regulations, in regulation 15,

a. for the words “Form P2”, the words “such form as referred in Regulation 14” shall be substituted.

b. in clause (iii) and (vi), for the words “Form P5”, the words “such format as notified by the Board” shall be substituted.

6. In the principal regulations, in regulation 16,

a. in sub-regulation (1), for the words “Form P6”, the words “such format as notified by the Board” shall be substituted.

b. in sub-regulation (2), for the words “Form P7”, the words “such format as notified by the Board” shall be substituted.

7. In the principal regulations, in regulation 17, for the words “Form P8”, the words “such format as notified by the Board” shall be substituted.

8. In the principal regulations, for regulation 18, the following shall be substituted namely:-
“**18. Information and documents to be furnished by the applicant.**

For the purposes of sub-section (3) of section 54C of the Code, the corporate applicant shall, along with the application, furnish the following information and documents, namely:—

(1) a copy of the declaration made by the majority of the directors or partners, as the case may be, in such format as notified by the Board;

(2) a copy of the declaration, special resolution or resolution, as the case may be, for initiating pre-packaged insolvency resolution process in terms of section 54A;

(3) proof of approval from financial creditors, not being related parties, representing not less than fifty-one per cent. in value of the financial debt;

(4) Details of insolvency professional as follows:

(a) the written consent of the proposed resolution professional in such format as notified by the Board;

(b) the report of the resolution professional referred to in clause (a) of sub-section (1) of section 54B of the Code, prepared in such format as notified by the Board.

(5) audited financial statements of the corporate debtor for the last two financial years;

(6) provisional financial statements for the current financial year made up to the date of the declaration by the directors or partners, as the case may be; and

(7) A format as notified by the Board and submitted by the authorised representatives selected for the classes of creditors, wherever applicable.”.

9. In the principal regulations, in clause (a) and (b) of sub-regulation (2) of regulation 19, for the words “Form P9”, the words “such format as notified by the Board” shall be substituted.

10. In the principal regulations, in regulation 20,

a. in sub-regulation (1), (2) and (8), for the words “Form P10”, the words “such format as notified by the Board” shall be substituted.

b. in sub-regulation (9) for the words “Form P10”, the words “The format as notified by the Board under sub-regulation (8)” shall be substituted.

11. In the principal regulations, in regulation 43,

a. in sub-regulation (1), for the words “Form P11”, the words “such format as notified by the Board” shall be substituted.

b. in sub-regulation (2) & (3), for the words “Form P11”, the words “form referred in sub-regulation (1)”, shall be substituted.

12. In the principal regulations, in regulation 49,

a. in sub-regulation (1), for the words “Form P12”, the words “such format as notified by the Board” shall be substituted.

b. in sub-regulation (4) for the words “in Form P13”, the words “in such format as notified by the Board” shall be substituted.

13. In the principal regulations, in regulation 51, for the words “in Form P14”, the words “in such format as notified by the Board” shall be substituted.

14. In the principal regulations, “SCHEDULE” after regulation 51 shall be omitted.

RAVI MITAL, Chairperson
[ADVT. -]

Note: The Insolvency and Bankruptcy Board of India (Pre-Packaged Insolvency Resolution Process) Regulations, 2021 were published vide notification No. IBBI/2021- 22/GN/REG071, dated 9th April, 2021 in the Gazette of India, Extraordinary, Part III, Section 4, No. 151 on dated 9th April, 2021 and were last amended by the Insolvency and Bankruptcy Board of India (Pre-Packaged Insolvency Resolution Process)(Amendment) Regulations, 2026 published vide notification No. IBBI/2025-26/GN/REG138, dated the 25th February 2026 in the Gazette of India, Extraordinary, Part III, Section 4, No. ... on 25th February 2026.

Process for submission of Public Comments

The comments may be submitted electronically by **28th April, 2026**. For providing comments, please follow the process as under:

- i. Visit IBBI website at www.ibbi.gov.in;
- ii. Select '**Public Comments**', then select '**Discussion paper – Amendments to PPIRP Regulations 2016**'
- iii. Provide your Name and Email-ID;
- iv. Select the stakeholder category, namely, -
 - a. Corporate Debtor;
 - b. Personal Guarantor to a Corporate Debtor;
 - c. Proprietorship firms;
 - d. Partnership firms;
 - e. Creditor to a Corporate Debtor;
 - f. Insolvency Professional;
 - g. Insolvency Professional Agency;
 - h. Insolvency Professional Entity;
 - i. Academics;
 - j. Investor; or
 - k. Others.
- v. Select the kind of comments you wish to make, namely,
 - a. General Comments; or
 - b. Specific Comments.
- vi. If you have selected 'General Comments', please select one of the following options:
 - a. Inconsistency, if any, between the provisions within the regulations (intra regulations);
 - b. Inconsistency, if any, between the provisions in different regulations (inter regulations);
 - c. Inconsistency, if any, between the provisions in the regulations with those in the rules;
 - d. Inconsistency, if any, between the provisions in the regulations with those in the Code;
 - e. Inconsistency, if any, between the provisions in the regulations with those in any other law;
 - f. Any difficulty in implementation of any of the provisions in the regulations;
 - g. Any provision that should have been provided in the regulations, but has not been provided; or

- h. Any provision that has been provided in the regulations but should not have been provided.

And then write comments under the selected option.

- vii. If you have selected 'Specific Comments', please select Regulation Number on which you want to give the comment, and write comments under the selected Regulation Number.
- viii. You can make comments on more than one Regulation Number, by clicking on more comments and repeating the process outlined above from point (v) onwards.
- ix. Click 'Submit' if you have no more comments to make.
