



भारतीय विवाला और शोधन अक्षमता बोर्ड  
Insolvency and Bankruptcy Board of India

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Azadi Ka  
Amrit Mahotsav

# ANNUAL ACCOUNTS 2020-21



सत्यमेव जयते

# **INSOLVENCY AND BANKRUPTCY BOARD OF INDIA**

## **ANNUAL ACCOUNTS**

**2020-21**

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**Insolvency and Bankruptcy Board of India  
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## **INTRODUCTION**

The Insolvency and Bankruptcy Board of India (the Board) was established on 1<sup>st</sup> October, 2016 in accordance with the Insolvency and Bankruptcy Code, 2016 (Code). It is a key pillar of the ecosystem responsible for implementation of the Code that consolidates and amends the laws relating to reorganization and insolvency resolution of corporate persons, partnership firms and individuals in a time bound manner for maximisation of the value of assets of such persons, to promote entrepreneurship, availability of credit and balance the interests of all the stakeholders.

The Board has regulatory oversight over the Insolvency Professionals, Insolvency Professional Agencies, Insolvency Professional Entities, and Information Utilities. It writes and enforces rules for processes, namely, corporate insolvency resolution, corporate liquidation, individual insolvency resolution and individual bankruptcy under the Code. It is tasked to promote the development of, and regulate, the working and practices of, insolvency professionals, insolvency professional agencies and information utilities and other institutions, in furtherance of the purposes of the Code. It has been designated as the ‘Authority’ under the Companies (Registered Valuers and Valuation Rules), 2017 for regulation and development of the profession of valuers in the country.

Section 223(1) of the Code requires that the Board shall maintain proper accounts and other relevant records and prepare an annual statement of accounts in such form as may be prescribed by the Central Government in consultation with the Comptroller and Auditor General of India (C&AG). Accordingly, the Central Government has, vide notification dated 1<sup>st</sup> May, 2018, issued the Insolvency and Bankruptcy Board of India (Form of Annual Statement of Accounts) Rules, 2018 .

Section 223(2) of the Code requires that the accounts of the Board shall be audited by the C&AG at such intervals as may be specified by him. Accordingly, the C&AG has audited the accounts of the Board for the financial year 2020-21 and forwarded the Audit Report vide letter no. AMG-I/12(8)/IBBI A/cs.-2020-21/2021-22/392-394 dated 3<sup>rd</sup> January, 2022.

This report presents the accounts of the Board for the financial year 2020-21, as certified by the C&AG, in the prescribed format and the audit report thereon. This is being forwarded to the Central Government in accordance with section 223(4) of the Code .



**Separate Audit Report of the Comptroller & Auditor General of India on the Accounts of Insolvency and Bankruptcy Board of India for the year ended 31 March 2021**

1. We have audited the attached Balance sheet of Insolvency and Bankruptcy Board of India (IBBI) as at 31 March 2021 and the Income and Expenditure Account/Receipts and Payments Account for the year ended on that date under section 19(2) of the Comptroller & Auditor General's (Duties, Power & Conditions of Service) Act, 1971 read with Section 223(2) of the Insolvency and Bankruptcy Code, 2016. The preparation of these financial statements is the responsibility of IBBI's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. This Separate Audit Report contains the comments of the Comptroller & Auditor General of India (C&AG) on the accounting treatment only with regard to classification, conformity with the best accounting practices, accounting standards and disclosure norms etc. Audit observations on financial transactions with regard to compliance with the Laws, Rules & Regulations (Propriety and Regularity) and efficiency-cum-performance aspects etc., if any, are reported through Inspection reports/CAG's Audit Report separately.
3. We have conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining, on a test basis, evidences supporting the amount and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of financial statements. We believe that our audit provides a reasonable basis for our opinion.
4. Based on our audit, we report that:
  - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - ii. The Balance Sheet, Income and Expenditure Account/Receipts and Payments Account dealt with by this report have been drawn up in the format of Accounts prescribed under the Insolvency and Bankruptcy Board of India (Form of Annual Statement of Accounts) Rules, 2018.
  - iii. In our opinion, proper books of accounts and other relevant records have been maintained by IBBI in so far as it appears from our examination of such books.



iv. We further report that:

**A. Balance sheet**

**A.1 Fixed Assets (Schedule VIII): Rs.2.46 crore**

**A.1.1 CWIP/Assets under Development: Rs.1.23 crore**

IBBI entrusted work of implementation of e-Office including File Management System, e-File MIS Report, Knowledge Management System, Employee Master Detail, Master Data Management, Tour Management System, Leave Management System and Leave MIS Reports to NICS I without any customization at IBBI Mayur Bhawan and made payment of Rs.20.20 lakh on 28th September 2017. All the modules except Leave Management System and Leave MIS Reports are in operation since 12th November 2018. As the leave rules incorporated in the leave module in e-Office are not in coherence with the leave rules of IBBI, the same could not be used in the present format and therefore Board of IBBI decided (in 2021-22) to develop Leave Module in-house.

Thus, the payment of Rs.20.20 lakh for creation of e-Office should have been capitalized in 2018-19 instead of showing under Capital Work in Progress. Further, depreciation for the period November 2018 to March 2021, which works out to Rs.20.20 lakh (2018-19: Rs.4.04 lakh, 2019-20: Rs.8.08 lakh and 2020-21: Rs.8.08 lakh), has also not been provided.

This has resulted in overstatement of CWIP by Rs.20.20 lakh, understatement of depreciation for the previous years by Rs.12.12 lakh and current year depreciation by Rs.8.08 lakh. Consequently, Surplus for the year has been overstated by Rs.8.08 lakh and Corpus Fund by Rs.12.12 lakh.

**B. General**

**B.1 Contingent Liabilities and Notes to Accounts (Schedule XXIII)**

**Note No. 9.7**

IBBI has not mentioned the fact that after opening of Corporate Liquidation Account under the Public Account of India, the balance lying in the separate accounts opened for deposit of unclaimed dividend and undistributed proceeds in a liquidation process would be transferred to Corporate Liquidation Account.

Thus, the note is deficient to the above extent.

**C. Grants-in-aid**

IBBI did not have any opening balance of Grant-in-aid. During 2020-21, IBBI received Rs.12 crore towards Grants-in-aid (General) and Rs.14.58 crore towards Grants-in-aid (Salary), against which, it utilized Rs.15.31 crore towards Salaries and Rs.11.17 crore towards Grants-in-aid (General) leaving unspent balance of Rs.0.10 crore as on 31 March 2021.



- D. Deficiencies which have not been included in the Separate Audit Report would be brought to the notice of IBBI, through a Management Letter for remedial/corrective action.
- v. Subject to our observations in the preceding paragraphs, we report that the Balance Sheet and Income and Expenditure Account/Receipts and Payments Account dealt with by this report are in agreement with the books of account.
- vi. In our opinion and to the best to our information and according to the explanations given to us, the said financial statements read together with the Accounting Policies and Notes on Accounts, and subject to significant matters stated above and other matters mentioned in Annexure, give a true and fair view in conformity with accounting principles generally accepted in India:
- a) In so far as it relates to the Balance Sheet, of the state of affairs of Insolvency and Bankruptcy Board of India as at 31 March 2021; and
  - b) In so far as it relates to Income & Expenditure Account, of the surplus for the year ended on that date.

For and on behalf of the  
Comptroller and Auditor General of India

Sd-/  
(Vidhu Sood)  
Principal Director of Audit  
(Industry and Corporate Affairs)

Place: New Delhi  
Dated: 03.01.2022



**Annexure to Separate Audit Report of  
Insolvency and Bankruptcy Board of India for the year 2020-21**

**1. Adequacy of Internal audit System**

Internal audit is being done by hired Chartered Accountants firm and the same has been completed for the year 2020-21.

**2. Adequacy of Internal control system**

Internal control system in IBBI is commensurate with the size of the organisation.

**3. System of physical verification of fixed assets**

Physical verification of fixed assets for the year 2020-21 was not carried out due to Covid pandemic.

**4. System of physical verification of inventory**

IBBI was not maintaining any inventory as on 31 March 2021.

**5. Regularity in payment of statutory dues**

IBBI was regular in depositing the statutory dues during 2020-21.

Sd-/  
Director (AMG-I)



Form – 'A'

[Sub-rule (1) of rule 4]

**INSOLVENCY AND BANKRUPTCY BOARD OF INDIA****BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2021**

(Amount in Rs.)

<b>FUND AND LIABILITIES</b>	<b>Schedule</b>	<b>Current Year</b>	<b>Previous Year</b>
Fund	I	14,73,49,725	9,35,93,548
Reserves and Surplus	II	-	-
Earmarked/Endowment Funds	III	-	-
Secured Loans and Borrowings	IV	-	-
Unsecured Loans and Borrowings	V	-	-
Deferred Credit Liabilities	VI	3,17,000	2,92,500
Current Liabilities and Provisions	VII	16,01,49,293	11,97,28,839
<b>TOTAL</b>		<b>30,78,16,018</b>	<b>21,36,14,887</b>
<b>ASSETS</b>			
Fixed Assets	VIII	2,45,53,730	2,18,38,385
Investments - From Earmarked/Endowment Funds	IX	-	-
Investments - Others	X	3,68,43,688	2,53,49,789
Current Assets, Loans and Advances	XI	24,64,18,600	16,64,26,713
Miscellaneous Expenditure (to the extent not written off or adjusted)		-	-
<b>TOTAL</b>		<b>30,78,16,018</b>	<b>21,36,14,887</b>
Significant Accounting Policies	XXII		
Contingent Liabilities and Notes on Accounts	XXIII		

FOR INSOLVENCY AND BANKRUPTCY BOARD OF INDIA

Sd/-  
(Dr. Mukulita Vijayawargiya)  
WTM (F&A)

Sd/-  
(Dr. Shashank Saxena)  
Chairperson, Audit Committee

Sd/-  
(Dr. M. S. Sahoo)  
Chairperson

Place: New Delhi

Date: 24.09.2021



## Form-'B'

[Sub rule (1) of rule 4]

**INSOLVENCY AND BANKRUPTCY BOARD OF INDIA**  
**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2021**

(Amount in Rs.)

INCOME	Schedule	Current Year	Previous Year
Grants/Subsidies	XII	26,58,00,000	21,50,00,000
Fees/Subscriptions	XIII	5,37,99,433	5,45,36,965
Income from Investments (Income on investment, from earmarked/endowment funds transferred to Funds)	XIV	-	-
Income from Royalty, Publications etc.	XV	-	-
Interest Earned	XVI	53,38,323	53,08,672
Other Income	XVII	99,05,907	76,023
<b>Total (A)</b>		<b>33,48,43,663</b>	<b>27,49,21,660</b>
EXPENDITURE			
Establishment Expenses	XVIII	15,32,07,204	12,00,51,205
Other Administrative Expenses etc.	XIX	12,30,33,789	12,99,03,981
Expenditure on Grants, subsidies etc.	XX	-	-
Interest	XXI	-	-
Depreciation (Net Total at the year end corresponding to Schedule VIII)	XXII	48,46,493	51,38,934
<b>Total (B)</b>		<b>28,10,87,486</b>	<b>25,50,94,120</b>
Balance being excess of Income over Expenditure (A-B)		5,37,56,177	1,98,27,540
Transfer to Special Reserve			
Transfer to/from General Reserve			
Balance Being Surplus (Deficit) Carried to Corpus/Capital Fund		<b>5,37,56,177</b>	<b>1,98,27,540</b>
Significant Accounting Policies	XXII		
Contingent Liabilities and Notes on Accounts	XXIII		

FOR INSOLVENCY AND BANKRUPTCY BOARD OF INDIA

Sd/-  
**(Dr. Mukulita Vijayawargiya)**  
 WTM (F&A)

Sd/-  
**(Dr. Shashank Saksena)**  
 Chairperson, Audit Committee

Sd/-  
**(Dr. M. S. Sahoo)**  
 Chairperson

Place: Delhi

Date: 24.09.2021

**Form 'C'**  
**[Sub rule (1) of rule 4]**
**INSOLVENCY AND BANKRUPTCY BOARD OF INDIA**  
**RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2021**
**(Amount in Rs.)**

RECEIPTS	Current Year	Previous Year	PAYMENTS	Current Year	Previous Year
I. Opening Balances			I. Expenses		
(a) Cash in Hand	59,058		a) Establishment expenses (corresponding to Schedule XVIII)	11,38,05,530	9,57,31,786
(b) Bank Balance			b) Administrative Expenses (corresponding to Schedule XIX)	10,77,59,150	12,75,85,830
(i) In Current Accounts	7,09,55,419	1,24,42,772	c) Input GST	94,73,408	1,27,80,454
(ii) In Deposit Accounts	7,00,00,000	8,00,00,000			
(iii) Saving Accounts	-	-			
II. Grants Received			II. Payment made against funds for various projects (Name of the fund or project should be shown along with the particulars of payment made for each project)		
(a) From Government of India	26,58,00,000	21,50,00,000			
(b) From Other Sources (Details) (Grants for Capital and Revenue Expenditure to be shown separately)	-	-			
III. Income on Investment from			III. Investments and Deposits Made		
(a) Earmarked/Endowment funds	-	-	a) Out of Earmarked/Endowment funds	-	-
(b) Own funds (Investment - others)	-	-	b) Out of own funds (Investment - others)	95,17,398	95,07,082
IV. Interest Received			IV. Expenditure on Fixed Assets & Capital Work-in- Progress		
(i) On Bank Deposits	80,88,084	73,91,391	a) Purchase of fixed Assets	75,61,839	1,52,84,919
(ii) Loans, advances etc.	-	-	b) Expenditure on Capital Work-in-progress	-	-
V. Other Income (Generated through internal resources)			V. Refund of surplus money/loans		
Application Fees	5,37,77,764	5,58,88,255	a) To the Government of India	-	-
Miscellaneous Income	87,907	76,023	b) To other providers of funds	-	-
VI. Amount Borrowed	-	-	VI. Finance Charges (Interest)	-	-
VII. Any other receipts			VII. Other Payments		
Security Deposit	10,00,000	-	a) Security Deposit	10,00,000	12,00,000
Insolvency Professionals-Other Fees	37,000	2,500	b) TDS Payment	2,99,12,582	2,54,46,257
Earlier year Advance Received	18,653	7,962	c) GST Payment	26,12,358	9,91,110
Output GST Received	96,70,033	95,50,636	d) Loan and Advances	9,25,613	45,27,835
Penalty-CFI	75,31,222	-	e) Interest and Penalty to CFI	69,46,199	48,65,041
Unclaimed proceeds of Liquidation and Voluntary Liquidation	2,28,24,718	5,85,75,252	VIII. Closing Balances		
			a) Cash in Hand	466	59,058
			b) Bank Balances		
			(i) In current Accounts & sweep a/c with PNB	11,83,35,315	7,09,55,419
			(ii) In Deposit Accounts	10,20,00,000	7,00,00,000
			(iii) Savings Accounts	-	-
<b>TOTAL</b>	<b>50,98,49,858</b>	<b>43,89,34,791</b>	<b>TOTAL</b>	<b>50,98,49,858</b>	<b>43,89,34,791</b>

**FOR INSOLVENCY AND BANKRUPTCY BOARD OF INDIA**
**Sd/-**  
**(Dr. Mukulita Vijayawargiya)**  
**WTM (F&A)**
**Sd/-**  
**(Dr. Shashank Saxena)**  
**Chairperson, Audit Committee**
**Sd/-**  
**(Dr. M. S. Sahoo)**  
**Chairperson**
**Place: New Delhi**  
**Date: 24.09.2021**



**INSOLVENCY AND BANKRUPTCY BOARD OF INDIA**  
**SCHEDULE FORMING PART OF BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2021**

**SCHEDULE - I**  
**[Sub-rule (1) of rule 4]**  
**FUND (Refer Note no.7 of Schedule XXIII)**

(Amount in Rs.)

	Current Year	Previous Year
Balance as at the beginning of the year	9,35,93,548	7,88,46,898
Add: Contributions towards Fund	-	-
Add/(Deduct): Balance of net income/ (expenditure) transferred from the Income and Expenditure Account	5,37,56,177	1,98,27,540
Add/(Deduct): Adjustments from the opening Fund	-	-50,80,890
<b>BALANCE AS AT THE YEAR-END</b>	<b>14,73,49,725</b>	<b>9,35,93,548</b>

**SCHEDULE – II**  
**[Sub-rule (1) of rule 4]**  
**RESERVES AND SURPLUS**

(Amount in Rs.)

	Current Year	Previous Year
1.Capital Reserve As per last Account		
Addition during the year	-	-
Less: Deductions during the year		
2. Revaluation Reserve As per last Account		
Addition during the year	-	-
Less: Deductions during the year		
3.Special Reserves As per last Account		
Addition during the year	-	-
Less: Deductions during the year		
4.General Reserve As per last Account		
Addition during the year	-	-
Less: Deductions during the year		
<b>TOTAL</b>	<b>-</b>	<b>-</b>

**FOR INSOLVENCY AND BANKRUPTCY BOARD OF INDIA**

Sd/-  
 (Dr.Mukulita Vijayawargiya)  
 WTM (F&A)

Sd/-  
 (Dr. Shashank Saksena)  
 Chairperson, Audit Committee

Sd/-  
 (Dr. M. S. Sahoo)  
 Chairperson

Place: New Delhi  
 Date: 24.09.2021



**INSOLVENCY AND BANKRUPTCY BOARD OF INDIA**  
**SCHEDULE FORMING PART OF BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2021**

**SCHEDULE – III**  
**[Sub-rule (1) of rule 4]**  
**EARMARKED/ENDOWMENT FUNDS**

(Amount in Rs.)

	Fund Wise Break up				Totals	
	Fund	Fund	Fund	Fund	Current Year	Previous Year
(a) Opening balance of the funds	-	-	-	-	-	-
(b) Additions to the Funds:						
(i) Donations/grants	-	-	-	-	-	-
(ii) Income from investments made on account of funds	-	-	-	-	-	-
(iii) Other additions (specify nature)	-	-	-	-	-	-
<b>Total (a + b)</b>	-	-	-	-	-	-
(c) Utilisation/Expenditure towards objectives of funds						
(i) Capital Expenditure						
- Fixed Assets	-	-	-	-	-	-
- Others	-	-	-	-	-	-
Total	-	-	-	-	-	-
(ii) Revenue Expenditure						
- Salaries, Wages and allowances etc.	-	-	-	-	-	-
- Rent	-	-	-	-	-	-
- Other Administrative Expenses	-	-	-	-	-	-
Total	-	-	-	-	-	-
<b>Total (c)</b>	-	-	-	-	-	-
<b>NET BALANCE AS AT THE YEAR END (a + b - c)</b>	-	-	-	-	-	-

FOR INSOLVENCY AND BANKRUPTCY BOARD OF INDIA

Sd/-  
(Dr. Mukulita Vijayawargiya)  
WTM (F&A)

Sd/-  
(Dr. Shashank Saksena)  
Chairperson, Audit Committee

Sd/-  
(Dr. M. S. Sahoo)  
Chairperson

Place: New Delhi  
Date: 24.09.2021



**INSOLVENCY AND BANKRUPTCY BOARD OF INDIA**  
**SCHEDULE FORMING PART OF BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2021**

**SCHEDULE – IV**  
**[Sub-rule (1) of rule 4]**  
**SECURED LOANS AND BORROWINGS**

(Amount in Rs.)

	Current Year	Previous Year
1. Central Government	-	-
2. Financial Institutions		
(a) Terms Loans	-	-
(b) Interest accrued and due	-	-
3. Banks		
(a) Term Loans	-	-
Interest accrued and due		
(b) Other Loans (specify)	-	-
4. Other Institutions and Agencies	-	-
5. Debentures and bonds	-	-
6. Others (Specify)	-	-
<b>TOTAL</b>	-	-
Note: Amounts due within one year	-	-

**SCHEDULE – V**  
**[Sub-rule (1) of rule 4]**  
**UNSECURED LOANS AND BORROWINGS**

(Amount in Rs.)

	Current Year	Previous Year
1. Central Government	-	-
2. Financial Institutions	-	-
3. Banks		
(a) Term Loans	-	-
(b) Other Loans (specify)	-	-
4. Other Institutions and Agencies	-	-
5. Debentures and bonds	-	-
6. Fixed Deposits	-	-
7. Others (Specify)	-	-
<b>TOTAL</b>	-	-
Note: Amounts due within one year	-	-

FOR INSOLVENCY AND BANKRUPTCY BOARD OF INDIA

Sd/-  
(Dr. Mukulita Vijayawargiya)  
WTM (F&A)

Sd/-  
(Dr. Shashank Saksena)  
Chairperson, Audit Committee

Sd/-  
(Dr. M. S. Sahoo)  
Chairperson

Place: New Delhi  
Date: 24.09.2021

**INSOLVENCY AND BANKRUPTCY BOARD OF INDIA**  
**SCHEDULE FORMING PART OF BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2021**

**SCHEDULE – VI**  
**[Sub-rule (1) of rule 4]**  
**DEFERRED CREDIT LIABILITIES**

	(Amount in Rs.)	
	Current Year	Previous Year
1. Acceptances secured by hypothecation of capital equipment and other assets	-	-
2. Others		
- IP-Other Fees (Refer Note no. 8 of Schedule XXIII)	3,17,000	2,92,500
<b>TOTAL</b>	<b>3,17,000</b>	<b>2,92,500</b>
Note: Amounts due within one year	1,77,500	1,92,500

**SCHEDULE – VII**  
**[Sub-rule (1) of rule 4]**  
**CURRENT LIABILITIES AND PROVISIONS**

	(Amount in Rs.)			
	Current Year		Previous Year	
<b>A. CURRENT LIABILITIES</b>				
1. Acceptances		-		-
2. Sundry creditors:-				
(a). For Goods		-		-
(b). Others (Refer Note no. 9.1 of Schedule XXIII)		63,52,939		4,97,630
3. Advances Received (Refer Note no. 9.2 of Schedule XXIII)		19,17,690		20,18,876
4. Interest accrued but not due on:				
(a) Secured Loans/borrowings		-		-
(b) Unsecured Loans/borrowings		-		-
5. Statutory Liabilities:				
(a) Overdue		-		-
(b) Others				
CPF Contribution (Refer Note no. 9.3 of Schedule XXIII)	3,16,80,776		2,23,38,061	
NPS Contribution (Refer Note no. 9.4 of Schedule XXIII)	3,30,582		6,05,744	
TDS Payable (Refer Note no. 9.5 of Schedule XXIII)	32,45,980	3,52,57,338	23,24,699	2,52,68,504
6. Other Current Liabilities				
Security Deposit (Refer Note no. 9.6 of Schedule XXIII)	5,00,000		5,00,000	
Unclaimed proceeds (Refer Note no. 9.7 of Schedule XXIII)	8,13,99,970		5,85,75,252	
Interest on Grants-in-aid, Penalty and Unclaimed proceeds (Refer Note no. 9.8 of Schedule XXIII)	34,60,816		22,75,789	
Others (Refer Note no. 9.9 of Schedule XXIII)	1,01,09,190	9,54,69,976	28,42,796	6,41,93,837
<b>TOTAL (A)</b>		<b>13,89,97,943</b>		<b>9,19,78,847</b>
<b>B. PROVISIONS</b>				
1. For Taxation		-		-
2. Gratuity (Refer Note no. 10.1 of Schedule XXIII)		17,78,005		12,42,720
3. Superannuation/Pension				
Provision for officers on Deputation (Refer Note no. 10.2 of Schedule XXIII)				
- towards Pension	15,11,838		16,93,980	
- towards Leave Salary Contribution	27,72,110	42,83,948	34,62,485	51,56,465
4. Accumulated Leave Encashment (Refer Note no. 10.3 of Schedule XXIII)		45,38,249		28,63,182
5. Trade Warranties/Claims		-		-
6. Others:				
- Electricity	1,50,404		1,47,188	
- Rent (Refer Note no. 10.4 of Schedule XXIII)	5,60,000		1,01,38,000	
- Salaries (Refer Note no. 10.5 of Schedule XXIII)	26,00,518		20,00,098	
- Outsourced Staff on Contract	11,05,768		10,22,373	
- Professional Charges	22,61,363		7,30,255	
- Telephone	19,943		23,329	
- Tour & Travelling	7,861		2,02,021	
- Hospitality	50,294		28,116	
- Auditor's Fee (Refer Note no.10.6 of Schedule XXIII)	6,99,130		99,000	
- Examination expenses	14,17,480		22,09,502	
- Misc. Expenditure (Refer Note no.10.7 of Schedule XXIII)	16,78,387	1,05,51,148	18,87,743	1,84,87,625
<b>TOTAL (B)</b>		<b>2,11,51,350</b>		<b>2,77,49,992</b>
<b>TOTAL (A +B)</b>		<b>16,01,49,293</b>		<b>11,97,28,839</b>

FOR INSOLVENCY AND BANKRUPTCY BOARD OF INDIA

Sd/-  
 (Dr. Mukulita Vijayawargiya)  
 WTM (F&A)

Sd/-  
 (Dr. Shashank Saksena)  
 Chairperson, Audit Committee

Sd/-  
 (Dr. M. S. Sahoo)  
 Chairperson

Place: New Delhi  
 Date: 24.09.2021



**INSOLVENCY AND BANKRUPTCY BOARD OF INDIA**  
**SCHEDULE FORMING PART OF BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2021**  
**SCHEDULE – VIII**  
**[Sub-rule (1) of rule 4]**  
**FIXED ASSETS**

(Amount in Rs.)

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost as at beginning of the year	Additions during the year	Deductions/ Adjustments during the year	Cost at the year end	As at the beginning of the year	During the year	Deductions/ Adjustments during the year	Total upto the year end	As at the current year end	As at the previous year end
A. Fixed Assets										
1. Land										
(a) Freehold	-	-	-	-	-	-	-	-	-	-
(b) Leasehold	-	-	-	-	-	-	-	-	-	-
2. Buildings										
(a) On Freehold Land	-	-	-	-	-	-	-	-	-	-
(b) On Leasehold Land (Refer Note no. 11.1 of Schedule XXIII)	46,32,374	-	-	46,32,374	4,63,237	4,63,237	-	9,26,474	37,05,900	41,69,137
(c) Ownership Flat/ Premises	-	-	-	-	-	-	-	-	-	-
(d) Superstructures on Land not belonging to the entity	-	-	-	-	-	-	-	-	-	-
3. Plant Machinery & Equipment	-	-	-	-	-	-	-	-	-	-
4. Vehicles	-	-	-	-	-	-	-	-	-	-
5. Furniture & Fixture (Refer Note no. 11.1 of Schedule XXIII)	6,43,305	-	-33,000	6,10,305	1,38,834	61,030	-12,585	1,87,279	4,23,026	5,04,471
6. Office Equipment (Refer Note no. 11.1 of Schedule XXIII)	43,71,239	5,69,689	-71,400	48,69,528	8,90,032	4,73,787	12,585	13,76,404	34,93,122	34,81,206
7. Computers/ Peripherals (Refer Note no. 11.1 of Schedule XXIII)	1,15,08,609	22,22,537	-1,49,035	1,35,82,111	1,04,23,268	27,54,166	-	1,31,77,434	4,04,677	10,85,341
8. Electrical Installations	-	-	-	-	-	-	-	-	-	-
9. Library Books	-	-	-	-	-	-	-	-	-	-
10. Tube wells & Water Supply	-	-	-	-	-	-	-	-	-	-
11. Other Fixed Assets - Website (Refer Note no. 11.1 and 11.2 of Schedule XXIII)	-	53,00,211	-	53,00,211	-	10,94,273	-	10,94,273	42,05,938	-
Total of Current year	<b>2,11,55,527</b>	<b>80,92,437</b>	<b>-2,53,435</b>	<b>2,89,94,529</b>	<b>1,19,15,371</b>	<b>48,46,493</b>	<b>-</b>	<b>1,67,61,864</b>	<b>1,22,32,663</b>	<b>92,40,154</b>
Total of previous year	<b>1,47,22,328</b>	<b>69,39,876</b>	<b>-5,06,677</b>	<b>2,11,55,527</b>	<b>67,76,437</b>	<b>51,38,934</b>	<b>-</b>	<b>1,19,15,371</b>	<b>92,40,154</b>	<b>79,45,888</b>
B. Capital work-in-progress/Assets under Development (Refer Note no.11.2 of Schedule XXIII)	1,25,98,231	59,77,083	-62,54,247	1,23,21,067	-	-	-	-	1,23,21,067	1,25,98,231
<b>TOTAL</b>	<b>3,37,53,758</b>	<b>1,40,69,520</b>	<b>-65,07,682</b>	<b>4,13,15,596</b>	<b>1,19,15,371</b>	<b>48,46,493</b>	<b>-</b>	<b>1,67,61,864</b>	<b>2,45,53,730</b>	<b>2,18,38,385</b>

FOR INSOLVENCY AND BANKRUPTCY BOARD OF INDIA

Sd/-  
(Dr. Mukulita Vijayawargiya)  
WTM (F&A)

Sd/-  
(Dr. Shashank Saksema)  
Chairperson, Audit Committee

Sd/-  
(Dr. M. S. Sahoo)  
Chairperson

Place: New Delhi  
Date: 24.09.2021

**INSOLVENCY AND BANKRUPTCY BOARD OF INDIA**  
**SCHEDULE FORMING PART OF BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2021**

**SCHEDULE – IX**  
**[Sub-rule (1) of rule 4]**  
**INVESTMENTS FROM EARMARKED/ENDOWMENT FUNDS**

(Amount in Rs.)

	Current Year	Previous Year
1. In Government Securities	-	-
2. Other approved Securities	-	-
3. Shares	-	-
4. Debentures and Bonds	-	-
5. Subsidiaries and Joint Ventures	-	-
6. Others	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

**SCHEDULE – X**  
**[Sub-rule (1) of rule 4]**  
**INVESTMENTS – OTHERS**

(Amount in Rs.)

	Current Year	Previous Year
1. In Government Securities	-	-
2. Other approved Securities	-	-
3. Shares	-	-
4. Debentures and Bonds	-	-
5. Subsidiaries and Joint Ventures	-	-
6. Others (Refer Note no. 12 of Schedule XXIII)		
Funds held towards CPF	3,32,98,183	2,48,01,528
Funds held towards Gratuity	9,44,593	5,48,261
Funds held towards deposit of penalty amount	26,00,912	-
<b>TOTAL</b>	<b>3,68,43,688</b>	<b>2,53,49,789</b>

**FOR INSOLVENCY AND BANKRUPTCY BOARD OF INDIA**

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 WTM (F&A)

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**(Dr. Shashank Saxena)**  
 Chairperson, Audit Committee

Sd/-  
**(Dr. M. S. Sahoo)**  
 Chairperson

**Place: New Delhi**  
**Date: 24.09.2021**



**INSOLVENCY AND BANKRUPTCY BOARD OF INDIA**  
**SCHEDULE FORMING PART OF BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2021**

**SCHEDULE – XI**  
**[Sub-rule (1) of rule 4]**  
**CURRENT ASSETS, LOANS, ADVANCES ETC.**

(Amount in Rs.)

<b>A</b>	<b>CURRENT ASSETS, LOANS, ADVANCES ETC.</b>	<b>Current Year</b>	<b>Previous Year</b>
	<b>Current Assets:</b>		
	1. Debts:		
	(a) Debts Outstanding for a period exceeding six months	-	-
	(b) Others (Refer Note no. 13 of Schedule XXIII)	1,82,454	35,576
	2. Cash balances in hand (including cheques/ drafts, postal orders, imprest and foreign currency in hand) (Refer Note no. 14 of Schedule XXIII)	466	59,058
	3. Bank Balances:		
	(a) With Scheduled Banks:		
	Balance at Punjab National Bank (Refer Note no. 15 of Schedule XXIII)	11,83,35,315	7,09,55,419
	Deposits at Public Sector Banks (Refer Note no. 15 of Schedule XXIII)	10,39,67,849	7,17,18,518
	(b) With Non-Scheduled Banks:		
	- In current accounts	-	-
	- In deposit accounts	-	-
	- In savings accounts	-	-
	4. Post Office - Savings Accounts	-	-
	<b>TOTAL (A)</b>	<b>22,24,86,084</b>	<b>14,27,68,571</b>
<b>B</b>	<b>LOANS, ADVANCES AND OTHER ASSETS</b>		
	1. Loans to:		
	(a) Staff	-	-
	(b) Other Entities engaged in activities/ objectives similar to that of the entity	-	-
	(c) Other (specify)	-	-
	2. Advances and other amount recoverable in cash or in kind or for value to be received:		
	(a) On capital account	-	-
	(b) Prepayments (Refer Note no. 16 of Schedule XXIII)	1,45,41,367	1,71,17,047
	(c) Others		
	GST Receivables	71,24,832	47,09,099
	TDS Receivables	10,02,232	12,88,832
	Security Deposit	4,72,000	4,72,000
	Sundry Receivables	7,92,085	71,164
	Staff	-	2,39,32,516
	3. Income Accrued		
	(a) On investments from Earmarked/ Endowment fund	-	-
	(b) On investment - others	-	-
	(c) On loans and advances	-	-
	(d) Others	-	-
	4. Claims Receivable		
	<b>TOTAL (B)</b>	<b>2,39,32,516</b>	<b>2,36,58,142</b>
	<b>TOTAL (A+ B)</b>	<b>24,64,18,600</b>	<b>16,64,26,713</b>

FOR INSOLVENCY AND BANKRUPTCY BOARD OF INDIA

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(Dr. Shashank Saksena)  
Chairperson, Audit Committee

Sd/-  
(Dr. M. S. Sahoo)  
Chairperson

Place: New Delhi  
Date: 24.09.2021

**INSOLVENCY AND BANKRUPTCY BOARD OF INDIA**  
**SCHEDULE FORMING PART OF INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED**  
**31<sup>st</sup> MARCH, 2021**

**SCHEDULE – XII**  
**[Sub-rule (1) of rule 4]**  
**GRANTS/SUBSIDIES**  
 (Irrevocable Grants & Subsidies Received)

(Amount in Rs.)

	Current Year	Previous Year
1. Central Government (Refer Note no. 7 of Schedule XXIII)	26,58,00,000	21,50,00,000
2. Government Agencies	-	-
3. Institutions/ Welfare Bodies	-	-
4. International Organisations	-	-
5. Others (Specify)	-	-
<b>TOTAL</b>	<b>26,58,00,000</b>	<b>21,50,00,000</b>

**SCHEDULE – XIII**  
**[Sub-rule (1) of rule 4]**  
**FEES / SUBSCRIPTIONS**

(Amount in Rs.)

	Current Year	Previous Year
1. Entrance Fees	-	-
2. Filing Fees - Application Fees (Refer Note no. 17.1 of Schedule XXIII)		
- Insolvency Professional	50,60,000	55,40,000
- Insolvency Professional Agency	15,00,000	15,00,000
- Information Utilities	50,19,016	50,00,000
- Registered valuers	48,85,000	94,15,000
- Registered Valuer Organisations	4,00,000	1,00,000
- Insolvency Professional Entities	9,75,799	15,20,340
- Examination Fee - Limited Insolvency Examination	67,69,068	75,33,051
- Valuation Examination	1,51,94,136	1,39,78,288
- Professional fee from IPs/IPEs	1,13,69,948	87,55,896
- CIRP forms filing fee	25,73,500	-
3. Seminar/ Program Fees (Refer Note no. 17.2 of Schedule XXIII)	-	11,16,000
4. Consultancy Fees	-	-
5. Others - Application Fees from Recruitment	-	-
- Grievance fee (Refer Note no. 17.3 of Schedule XXIII)	52,966	78,390
<b>TOTAL</b>	<b>5,37,99,433</b>	<b>5,45,36,965</b>

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**INSOLVENCY AND BANKRUPTCY BOARD OF INDIA**  
**SCHEDULE FORMING PART OF INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2021**

**SCHEDULE – XIV**  
[Sub-rule (1) of rule 4]  
**INCOME FROM INVESTMENTS**  
(Income on Investments from Earmarked/ Endowment Funds transferred to Funds)

(Amount in Rs.)

	Investment from Earmarked Fund		Investment- others	
	Current Year	Previous Year	Current Year	Previous Year
1. Interest				
a) On Government Securities	-	-	-	-
b) Other Bonds/ Debentures	-	-	-	-
2. Dividends				
a) On Shares	-	-	-	-
b) On Mutual Fund Securities	-	-	-	-
3. Rents	-	-	-	-
4. Others (Specify)	-	-	-	-
<b>TOTAL</b>	-	-	-	-

**SCHEDULE XV**  
[Sub-rule (1) of rule 4]  
**INCOME FROM ROYALTY, PUBLICATION ETC.**

(Amount in Rs.)

	Current Year	Previous Year
1. Income from Royalty	-	-
2. Income from Publications	-	-
3. Others (Specify)	-	-
<b>TOTAL</b>	-	-

**SCHEDULE XVI**  
[Sub-rule (1) of rule 4]  
**INTEREST EARNED**

(Amount in Rs.)

	Current Year	Previous Year
1. On Term Deposits		
(a) With Scheduled Banks (Refer Note no. 18 of Schedule XXIII)	53,38,323	53,08,672
(b) With Non - Scheduled Banks	-	-
(c) With Institutions	-	-
(d) Others	-	-
2. On Savings Accounts		
(a) With Scheduled Banks	-	-
(b) With Non - Scheduled Banks	-	-
(c) Post Office Savings Accounts	-	-
(d) Others	-	-
3. On Loans		
(a) Employees/Staff	-	-
(b) Others	-	-
4. Interest on Debtors and Other Receivables	-	-
<b>TOTAL</b>	<b>53,38,323</b>	<b>53,08,672</b>

FOR INSOLVENCY AND BANKRUPTCY BOARD OF INDIA

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**INSOLVENCY AND BANKRUPTCY BOARD OF INDIA**  
**SCHEDULE FORMING PART OF INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021**

**SCHEDULE – XVII**  
**[Sub-rule (1) of rule 4]**  
**OTHER INCOME**

	(Amount in Rs.)	
	Current Year	Previous Year
1. Profit on Sale/disposal of Assets		
(a) Owned Assets	-	-
(b) Assets acquired out of grants, or received free of cost	-	-
2. Fees for Miscellaneous Services	55,896	76,023
3. Miscellaneous Income (Refer Note no. 10.4 of Schedule XXIII)	98,50,011	-
<b>TOTAL</b>	<b>99,05,907</b>	<b>76,023</b>

**SCHEDULE XVIII**  
**[Sub-rule (1) of rule 4]**  
**ESTABLISHMENT EXPENSES**

	(Amount in Rs.)	
	Current Year	Previous Year
(a) Salaries and Wages	10,79,08,004	8,74,24,352
(b) Allowances and Bonus	3,14,37,578	2,15,10,054
(c) Contribution to Provident/Superannuation Fund	26,56,640	20,39,339
(d) Contribution to Other Fund - NPS	31,10,470	22,83,818
(e) Staff Welfare Expenses	-	-
(f) Expenses on Employees' Retirement and Terminal Benefits	80,94,512	67,93,642
(g) Others (Specify)	-	-
<b>TOTAL</b>	<b>15,32,07,204</b>	<b>12,00,51,205</b>

**SCHEDULE XIX**  
**[Sub-rule (1) of rule 4]**  
**OTHER ADMINISTRATIVE EXPENSES**

	(Amount in Rs.)	
	Current Year	Previous Year
(a) Purchases	-	-
(b) Labour and processing expenses	-	-
(c) Cartage and Carriage Inwards	-	-
(d) Electricity and power	19,66,712	19,13,534
(e) Water charges	6,63,142	2,41,337
(f) Insurance	-	-
(g) Repairs and Maintenance	34,64,348	52,16,760
(h) Rent, Rates and Taxes	3,04,90,181	2,80,45,976
(i) Vehicles Running, Maintenance or Hiring charges	11,51,649	20,98,650
(j) Postage, Telephone and Communication charges	26,14,932	19,03,370
(k) Printing and Stationery	31,68,239	35,40,743
(l) Travelling and Conveyance Expenses (Refer Note no. 6.2 of Schedule XXIII)	6,77,298	1,20,55,674
(m) Expenses on Seminar/ Workshops	6,97,425	34,05,010
(n) Subscription Expenses	2,98,193	6,45,897
(o) Expenses of fee	8,83,427	10,04,941
(p) Auditors Remuneration	15,78,560	2,80,000
(q) Hospitality Expenses	6,43,463	23,71,344
(r) Professional Charges	3,86,96,277	3,24,50,535
(s) Provision for Bad and Doubtful Debts/ Advances	-	-
(t) Irrecoverable Balances written -off	1,88,791	-
(u) Packing Charges	-	-
(v) Freight and Forwarding Expenses	-	-
(w) Distribution Expenses	-	-
(x) Advertisement and Publicity	-	-
(y) Others	-	-
- Payment to Outsourced Staff on contract	1,70,15,416	1,68,22,664
- Advisory Committee & Board Meeting Expenses	3,66,200	1,54,000
- Books & Periodicals	81,339	1,21,911
- Publication Expenses	4,06,000	12,23,500
- Examination administrator fee	1,64,12,270	1,53,02,320
- Miscellaneous Expenses	15,69,927	11,05,815
<b>TOTAL</b>	<b>12,30,33,789</b>	<b>12,99,03,981</b>

FOR INSOLVENCY AND BANKRUPTCY BOARD OF INDIA

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**(Dr. Shashank Saksena)**  
 Chairperson, Audit Committee

Sd/-  
**(Dr. M. S. Sahoo)**  
 Chairperson

Place: New Delhi  
 Date: 24.09.2021

**INSOLVENCY AND BANKRUPTCY BOARD OF INDIA  
SCHEDULE FORMING PART OF INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2021**

**SCHEDULE XX  
[Sub-rule (1) of rule 4]  
EXPENDITURE ON GRANTS, SUBSIDIES ETC.**

(Amount in Rs.)

	Current Year	Previous Year
(a) Grants given to Institutions/ Organisations	-	-
(b) Subsidies given to Institutions/ Organisations	-	-
<b>TOTAL</b>	-	-

**SCHEDULE XXI  
[Sub-rule (1) of rule 4]  
INTEREST**

(Amount in Rs.)

	Current Year	Previous Year
(a) On Fixed Loans	-	-
(b) On Other Loans (including Bank Charges)	-	-
(c) Others (specify)	-	-
<b>TOTAL</b>	-	-

**FOR INSOLVENCY AND BANKRUPTCY BOARD OF INDIA**

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Chairperson, Audit Committee

Sd/-  
(Dr. M. S. Sahoo)  
Chairperson

Place: New Delhi  
Date: 24.09.2021



**SCHEDULE-XXII  
SIGNIFICANT ACCOUNTING POLICIES**

Section 223(1) of the Insolvency and Bankruptcy Code, 2016 (“the Code”) requires the Board to maintain proper accounts and other relevant records and prepare an annual statement of accounts in such form as may be prescribed by the Central Government in consultation with the Comptroller and Auditor-General of India (C&AG). The Central Government notified the Insolvency and Bankruptcy Board of India (Form of Annual Statement of Accounts) Rules, 2018 on 1<sup>st</sup> May, 2018.

**1.ACCOUNTING CONVENTION**

The financial statements are prepared under the historical cost convention on accrual basis, in accordance with the applicable accounting standards issued by the Institute of Chartered Accountants of India (ICAI) and generally accepted accounting principles (Indian GAAP), subject to note 17.1 (g) in Schedule-XXIII.

**2. INVESTMENTS**

2.1 Investments classified as "long term investments" are carried at cost. Provision for decline, other than temporary, is made in carrying cost of such investments.

2.2 Investments classified as "Current" are carried at lower of cost and fair value. Provision for shortfall on the value of such investments is made for each investment considered individually and not on a global basis.

2.3 Cost includes acquisition expenses like brokerage, transfer stamps.

**3. FIXED ASSETS**

Fixed Assets are stated at their original cost less accumulated depreciation and provision for impairment, if any. The cost includes expenditure incurred in the acquisition and construction/installation and other related direct and incidental expenses in bringing the assets to working condition for its intended use.

**4. DEPRECIATION**

4.1 Depreciation is provided on straight-line method as per rates specified in the Income-tax Act, 1961 except depreciation on cost adjustments arising on account of conversion of foreign currency liabilities for acquisition of fixed assets, which is amortized over the residual life of the respective assets.

4.2 In respect of additions to/deductions from fixed assets during the year, depreciation is considered on pro-rata basis.

4.3 Assets consisting of Rs. 5,000/- or less acquisition value each are fully provided for in the year of their acquisition.



## **5. MISCELLANEOUS EXPENDITURE**

Deferred revenue expenditure is written off over a period of 5 years from the year in which it is incurred.

## **6. REVENUE RECOGNITION**

The Revenue is recognized on accrual basis subject to note 17.1 (g) in Schedule-XXIII.

## **7. GOVERNMENT GRANTS/SUBSIDIES**

7.1 Government grants of the nature of contribution towards capital cost of setting up projects are treated as Capital Reserve.

7.2 Grants in respect of specific fixed assets acquired are shown as a deduction from the cost of the related assets.

7.3 Government grants are accounted on realisation basis and utilisation is accounted on accrual basis.

## **8. FOREIGN CURRENCY TRANSACTIONS**

8.1 Transactions denominated in foreign currency are accounted at the exchange rate prevailing at the date of the transaction.

8.2 Current assets, foreign currency loans and current liabilities are converted at the exchange rate prevailing as at the year end and the resultant gain/loss is adjusted to cost of fixed assets, if the foreign currency liability is related to fixed assets, and in other cases is considered to revenue.

## **9. LEASE**

Lease rentals are expensed with reference to lease terms.

## **10. RETIREMENT BENEFITS**

10.1 Liability towards gratuity payable on death/retirement of employees is accrued based on actuarial valuation.

10.2 Provision for accumulated leave encashment benefit to the employees is accrued and computed on the assumption that employees are entitled to receive the benefit as at each year end.

**FOR INSOLVENCY AND BANKRUPTCY BOARD OF INDIA**

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WTM (F&A)

Sd/-  
(Dr. Shashank Saxena)  
Chairperson, Audit Committee

Sd/-  
(Dr. M. S. Sahoo)  
Chairperson

Place: New Delhi  
Date: 24.09.2021



**SCHEDULE-XXIII  
CONTINGENT LIABILITIES AND NOTES ON ACCOUNTS**

**1. CONTINGENT LIABILITIES**

1.1 Claims against the Entity not acknowledged as debts – Rs. Nil.

(Previous year-Rs. Nil).

1.2 In respect of:

- Bank guarantees given by/on behalf of the Entity – Rs. Nil.

(Previous year-Rs. Nil).

- Letters of Credit opened by Bank on behalf of the Entity -Rs. Nil.

(Previous year-Rs. Nil).

- Bills discounted with banks Rs. Nil.

(Previous year-Rs. Nil).

1.3 Disputed demands in respect of:

Income-tax Rs. Nil (Previous year-Rs. Nil).

G.S.T. Rs. Nil (Previous year-Rs. Nil).

Municipal Taxes Rs. Nil (Previous year-Rs. Nil).

1.4 In respect of claims from parties for non-execution of orders but contested by the Entity - Rs. Nil (Previous year-Rs. Nil).

**2. CAPITAL COMMITMENTS: NIL**

**3. LEASE OBLIGATIONS**

Future obligations for rentals under finance lease arrangements for plant and machinery amount to Rs. Nil. (Previous year-Rs. Nil).

**4. CURRENT ASSETS, LOANS AND ADVANCES**

In the opinion of the Management, the current assets, loans and advances have a value on realisation in the ordinary course of business, equal at least to the aggregate amount shown in the Balance Sheet.

**5. TAXATION**

In view of the Para 5 of Schedule XXIII of the notified accounting policy of the Board notified by MCA vide notification no. 422(E) dated 1<sup>st</sup> May, 2018 which reads as “there being no taxable income under Income-tax Act, 1961, no provision for Income tax has been considered necessary”. Further, the Central Government vide its Notification No.38/2018



dated 10<sup>th</sup> August 2018 has provided exemption under clause 46 of Section 10 of Income Tax Act, 1961. (Previous year-Rs. Nil).

## **6. FOREIGN CURRENCY TRANSACTIONS**

6.1 Value of Imports calculated on C.I.F Basis: Not Applicable

- Purchase of finished goods
- Raw Materials & Components (Including in transit)
- Capital Goods
- Stores, Spares and Consumables

6.2 Expenditure in foreign currency:

(i) Travel - (Current year – Rs.1,34,127/-) (Previous year -Rs.35,33,317/-)

Due to nationwide COVID-19 pandemic, no foreign tour was organised in the financial year 2020-21. The bills amounting to Rs.1,34,127/-paid during the current financial year pertains to the financial year 2019-20.

(ii) Remittances and Interest payment to Financial Institutions/Banks in Foreign Currency (Current year – Rs. Nil) (Previous year – Rs. Nil).

(iii) Other Expenditure (Current year- Membership fee paid to International Association of Insolvency Regulators- Rs.52,895/-) (Previous year -Rs.1,12,092/-)

(iv) Commission on Sales (Current year – Rs. Nil) (Previous year – Rs. Nil).

(v) Legal and Professional Expenses (Current year – Rs. Nil) (Previous year – Rs. Nil).

(vi) Miscellaneous Expenses (Current year – Rs. Nil) (Previous year – Rs. Nil).

6.3 Earnings in foreign currency (Current year – Rs. Nil) (Previous year – Rs. Nil).

### **6A. Remuneration to auditors**

As auditors:

- Taxation matters
- For management services
- For certification
- Others-C&AG Audit, Internal Audit, GST and RTI Audit (Current year – Rs.15,78,560/-). The expenditure amounting to Rs.11,53,060/- incurred during the current financial year pertains to the audit expenses of C&AG Audit for the previous financial years. (Previous year – Rs.2,80,000/-).

## **7. GOVERNMENT GRANTS**

7.1 Accounting for Government Grants has been carried out as per the Accounting Standard-12 (now IAS 20), as issued by Accounting Standards Board (ASB) of ICAI. Further, as



provided under Note 7 of Schedule XXII – Significant Accounting Policies, Government grants are accounted on realisation basis and utilisation is accounted on accrual basis.

The Fund of the Board has been constituted as per the provisions of section 222 of the Code, which reads as under:

“(1) There shall be constituted a Fund to be called the Fund of the Insolvency and Bankruptcy Board and there shall be credited thereto—

(a) all grants, fees and charges received by the Board under this Code;

(b) all sums received by the Board from such other sources as may be decided upon by the Central Government;

(c) such other funds as may be specified by the Board or prescribed by the Central Government.

(2) The Fund shall be applied for meeting—

(a) the salaries, allowances and other remuneration of the members, officers and other employees of the Board;

(b) the expenses of the Board in the discharge of its functions under section 196;

(c) the expenses on objects and for purposes authorised by this Code;

(d) such other purposes as may be prescribed”.

7.2 The position of fund (Grants-in-aid and Internal Receipts) and utilization (from Grants-in-aid and Internal Receipts) by the Board during the year 2020-21 and the unspent balance of Grants-in-aid as on 31<sup>st</sup> March, 2021 along with Previous Year figures is as follows:

(Rs. In lakh)

Budget Head	2019-20				2020-21				
	Opening Balance	Receipts	Utilization	Unspent Balance	Receipts	Utilization	Fixed assets	Net Advances	Unspent Balance
	1	2	3	4=1+2-3	5	6	7	8	9=4+5-(6+7+8)
Grants-in-Aid (General)	-	950.00	950.00	-	1,200.00	1,066.21	75.62	-24.38	82.55**
Grants-in-Aid (Salary)	-	1,200.00	1,200.00	-	1,458.00	1,532.07	-	-1.37	72.70**
Grants-in-Aid (Capital)	123.54	-	123.54	-	-	-	-	-	-
<b>Sub-total (A)</b>	<b>123.54</b>	<b>2,150.00</b>	<b>2,273.54</b>	<b>-</b>	<b>2,658.00</b>	<b>2,598.28</b>	<b>75.62</b>	<b>-25.75</b>	<b>9.85</b>
Internally generated Revenue (B)	339.54	599.22	392.38*	546.38	690.43	164.12	-	-	1,072.69
<b>Grand Total (A+B)</b>	<b>463.08</b>	<b>2,749.22</b>	<b>2,665.92</b>	<b>546.38</b>	<b>3,348.43</b>	<b>2,762.40</b>	<b>75.62</b>	<b>-25.75</b>	<b>1,082.54</b>



\* The GST Audit for the financial year 2017-18 had concluded during the financial year 2019-20 and hence, Rs.8,80,784/- as GST liability for the F.Y.2017-18 had been paid out of the opening fund of the Board. Further, interest on grants-in-aid amounting to Rs.40,14,041/- received in previous financial years had been remitted to the Ministry of Corporate Affairs during the financial year 2019-20. Also, interest on grants-in-aid accrued in the previous financial years amounting to Rs.1,86,065/- had been created as a liability during the financial year 2019-20 and appropriate adjustment had been made from the opening fund.

\*\*The shortage of funds under Grants-in-Aid Salary amounting to Rs.72.70 lakh has been funded out of Grants-in-Aid General, for which regularization is being sought from MCA.

7.3 The components of the Fund as on 31.03.2021 are as follows:

<b>Particulars</b>	<b>Amount (In Rs.)</b>
Fixed Assets/Capital WIP at the Year End (Net)	2,45,53,730
Unutilized Grants-in-aid	9,85,119
Advances paid to vendors pending to be recognized as expense	1,45,41,367
Funds generated out of Internal accruals of the Board	10,72,69,509
<b>Closing Fund at the Year End</b>	<b>14,73,49,725</b>

## **8.DEFERRED CREDIT LIABILITIES**

Insolvency and Bankruptcy Board of India (Grievance and Complaint Handling Procedure) Regulations, 2017 provides for filing of grievances and complaints against service providers wherein sub-regulation 8 of regulation 7 provides “where the Board is of the opinion that the complaint is not frivolous, it shall refund the fee of two thousand five hundred rupees received under sub-regulation 3 of regulation 3”. A sum of Rs.3,17,000/-received against complaints which are under process has been kept as liability under Schedule-VI “Deferred Credit Liabilities”. (Previous year– Rs.2,92,500/-).

## **9. CURRENT LIABILITIES**

9.1 Sundry creditors amounting to Rs.63,52,939/- comprises of liabilities towards vendors which are regular in nature. (Previous year - Rs.4,97,630/-).

9.2 Advances received includes receipts from service providers and applicants for registration/recognition as IP/IPE/RV/RVO with the Board. (Current year – Rs.19,17,690/- (Net of GST Component) (Previous year - Rs.20,18,876/- net of GST Component).

9.3 The subscription towards CPF amounting to Rs.3,16,80,776/-(inclusive of interest) has been kept partly as fixed Deposit with Canara Bank and monthly contribution has been transferred to Recurring Deposit with Punjab National Bank. (Previous year – CPF contribution along with interest thereon was Rs.2,23,38,061/-).



9.4 NPS contribution of Rs.3,30,582/- pertains to the balance pending to be remitted to respective NPS accounts of the employees as at 31<sup>st</sup> March, 2021. The remittance has since been made. (Previous Year- Rs.6,05,744/-).

9.5 The Tax Deducted at Source (TDS) dues of Rs.32,45,980/- have been duly deposited with the Income Tax and GST authorities in the financial year 2021-22. (Previous Year TDS dues of Rs.23,24,699/- deposited).

9.6 An amount of Rs.5,00,000/- has been received as Security Deposit from NSE-IT Ltd. for administration of Limited Insolvency examination. (Previous Year – Rs.5,00,000/-).

9.7 Regulation 46 and 39 of the IBBI (Liquidation Process) Regulations, 2016 and IBBI (Voluntary Liquidation Process) Regulations, 2017 respectively provides for the Board to open a separate bank account with a scheduled bank for deposit of the amount of unclaimed dividends, if any, and undistributed proceeds, if any, in a liquidation process. Accordingly, the Board has opened two separate accounts for deposit of unclaimed dividends and undistributed proceeds of Liquidation and Voluntary Liquidation process respectively. The balance lying in these accounts as at the current year end is Rs.8,13,99,970/-. (Previous Year – Rs.5,85,75,252/-).

9.8 An amount of Rs.6,48,444/- as interest earned on grants-in-aid, Rs.1,03,970/- as interest earned on penalty amount credited to the Board and Rs.27,08,402/- as interest earned on undistributed proceeds of liquidation and voluntary liquidation credited to the Board is due to be remitted to Consolidated Fund of India as at 31<sup>st</sup> March, 2021. (Previous Year – Rs.22,75,789/-).

9.9 Other Current Liabilities-Others includes (i) Rs.69,15,175/- pertains to salary related remittances payable to employees or the parent organisations for officers on deputation/secondment; (ii) Rs.42,500/- for refunds due to the complainants where complaints have been decided as non-frivolous; (iii) Rs.9,440/- and Rs.6,42,075/- for refunds due to the IPs for filing of CIRP forms and applicants of Valuation Examination respectively and (iv) Rs.25,00,000/- pertains to the penalty amount levied on an Insolvency Professional which has been kept as a fixed deposit on the directions of Hon'ble High Court of Delhi. (Previous Year – Rs.28,42,796/-).

## **10. PROVISIONS**

10.1 Provision of Rs.12,84,627/- has been made with respect to gratuity for Grade-A officers on the basis of actuarial valuation. Further, provision of Rs.4,93,378/- has been made for officers on deputation as per the Order received from parent organisation. (Previous Year – Rs.12,42,720/-).

10.2 For officers on deputation from Central/State Government, the provision for retirement benefits for leave salary contribution amounting to Rs.11,40,789/- and pension Rs.15,11,838/- has been made as per the rules of Department of Personnel and Training (DOPT) or as per the order received from the parent organisation. The Board has also provided for leave salary of



Rs.16,31,321/- for the officers who are on deputation from banks/financial institutions. (Previous Year- Rs.51,56,465/-).

10.3 In pursuance of Rule 16 of IBBI (Salary, Allowances and other Terms and Conditions of Service of Chairperson and Members) Rules, 2016 which provides that “*The payment of leave salary during leave shall be governed by rule 40 of the Central Civil Services (Leave) Rules, 1972. The Chairperson and a whole-time member shall be entitled to encashment of fifty per cent of earned leave standing to their credit at any time*”. Provision of Rs.13,56,667/- has been made for leave encashment for Chairperson and Whole Time Members (WTMs); and Rs.31,81,582/- for other officers as per IBBI (Employees’ Service) Regulations, 2017. (Previous Year – Rs.28,63,182/-).

10.4 Provision for rent amounting to Rs.98,18,000/- for office space at 2<sup>nd</sup> floor of Jeevan Vihar building made out of internal accruals in the financial year 2017-18 has been written back in the current financial year and recognized as Miscellaneous income. The same has been done in pursuance of MCA letter dated 6<sup>th</sup> December, 2017 wherein it has been indicated that the office rent will be paid by the Ministry. In response to this, the Board had also requested MCA vide its letter dated 23<sup>rd</sup> July, 2018 to continue paying the bills and to adjust the same from the grants of IBBI. Further, the provision for Rs.5,60,000/- towards car parking rent payable to NDMC @Rs.20,000 per month for the period December, 2018 to March, 2021 is based on the fixed liability of the Board towards the rental services of car parking space. Since the vendor has not raised any bill since December, 2018 for the car parking space, the matter is being taken up with the vendor for appropriate adjustment of this provision.

10.5 Provision has been made for outstanding salaries and allowances of Rs.26,00,518/- payable to employees of the Board on direct recruitment/deputation. (Previous Year- Rs.20,00,098/-).

10.6 Audit Fees of Rs.6,99,130/- (Net of TDS) payable to C&AG and Internal Auditors for the statutory audit and transaction audit of the Board for the F.Y.2019-20 and 2020-21 and internal audit for the F.Y.2020-21 has been provided for in the current financial year. (Previous Year – Rs.99,000/-).

10.7 The provisions amounting to Rs.2,60,924/- are carried forward from the previous financial years. Since the concerned vendors have not raised the final bills till date, the provisions are not cleared and kept intact. The matter is being taken up with each vendor for appropriate adjustment.

**11. DEPRECIATION**

11.1 Depreciation is provided on straight line method as per rates specified in the Income-tax Act, 1961 as under:

<b>Assets</b>	<b>Rate of Depreciation</b>
Computer/ Peripherals / software/ hardware	40%
Office Equipment & Furniture & fixtures	10%



Building	10%
Website	25%

11.2 An amount of Rs.53,00,211/- (net of GST) on account of website development has been duly accounted for as website under the Head – Fixed Assets on receipt of tax invoices from National Informatics Centre Services Inc. (NICSI). The remaining amount of Rs.63,43,984/- has been shown as Capital work in progress. The same shall be accounted as respective Fixed Assets on completion of the projects and receipt of tax invoices from the vendor. Further, an amount of Rs.59,77,083/- payable to NICSI on account of development of various online modules and website has been shown as Capital work in progress/Assets under Development. (Previous Year-Rs.1,25,98,231/-).

11.3 Library books are recognised as revenue expenditure and charged to Income and Expenditure Account.

## 12. INVESTMENTS

(i) An amount of Rs.3,32,98,183/-(inclusive of interest)has been invested in Fixed and Recurring deposits against the Contributory Provident Fund (CPF) liability with Canara Bank and Punjab National Bank;(ii) An amount of Rs.9,44,593/-(inclusive of interest) has been kept as fixed deposit against the gratuity liability of the Board with Indian Bank and Punjab &Sind Bank and (iii) An amount of Rs.26,00,912/- (inclusive of interest) has been kept as a fixed deposit against the penalty deposited by an Insolvency Professional with Punjab & Sind Bank on the directions of Hon’ble High Court of Delhi. (Previous Year-Rs.2,53,49,789/-(inclusive of interest).

## 13. Current assets - Debtors

Debts-“Others” of Rs. 1,82,454/- pertains to fee due from Insolvency Professionals, Insolvency Professional Entities and Examination Administrators. (Previous Year – Rs.35,576/-).

## 14. Cash balances in hand

14.1 The Board maintains an imprest system of petty cash with an approved limit of Rs.50,000/-.

14.2 The foreign currency of 100 USD and 6700 ZAR in hand as at 31<sup>st</sup> March, 2020 has been converted into Indian Rupees (INR) during the current financial year. The exchange difference arising on this transaction has been recognized as income/expense in accordance with AS-11.

## 15. Balances kept in Bank Accounts

The balances at Punjab National Bank represents the following amounts:

In Current Account (Internal Receipts)- Rs.2,17,111.92/-(Dr.)(Previous Year -Rs.2,13,450.34/-(Cr.)



In Current Account (Grants) - Rs.1,06,772.30/-(Dr.)(Previous Year – Rs.32,804.90/-(Dr.)).

In Current Account (Liquidation)- Rs.94,11,837.74/-(Dr.)(Previous Year – Rs.13,50,105.22/-(Dr.))

In Current Account (Voluntary Liquidation) - Rs.1,15,46,534.33/-(Dr.)(Previous Year – Rs.10,35,958.85/-(Dr.))

In Current Account (Penalty) - Rs.3,059/-(Dr.)(Previous Year – Nil).

In Sweep Accounts- Rs.9,70,50,000/-(Previous Year – Rs.6,87,50,000/-).

In Term Deposit Accounts- Rs.10,39,67,849/- (Previous Year – Rs.7,17,18,518/-).

### 16.Prepaid Expenses:

16.1The Governing Board in its 13<sup>th</sup> meeting held on 27<sup>th</sup> March, 2019 decided to set up an IBBI Insolvency Chair in Indian Institute of Corporate Affairs (IICA) for a period of 3 years entailing a one-time endowment grant of one crore rupees. The amount of Rs.1 crore is being amortized every year on the basis of actual expenditure incurred by IICA as per the annual utilization certificate submitted with the Board.(Current Year – Rs.95,63,108/-) (Previous Year-Rs.97,76,644/-).

16.2The remaining advances of Rs.49,78,259/- pertains to the vendors which are regular in nature. (Previous Year - Rs.73,40,403/-).

### 17. Fees/Subscriptions (Schedule XIII)

17.1 Filing Fees/Application Fees: It include fee received from sources as detailed below:

**a) Insolvency Professionals:** Section 196(1)(c) of the Code provides that the Board shall “levy fee or other charges for carrying out the purposes of this Code, including fee for registration and renewal of insolvency professional agencies, insolvency professionals and information utilities”.

Further, sub-regulation1 of regulation 6 of the IBBI (Insolvency Professionals) Regulations, 2016 provides as under:

*“An individual enrolled with an insolvency professional agency as a professional member may make an application to the Board in Form A of the Second Schedule to these Regulations, along with a non-refundable application fee of ten thousand rupees to the Board.”*

In view of the above, the Board is authorised to collect the fee for registration of Insolvency professionals. The registration fee is booked as advance till registration process is completed. The same is shown as registration fee under the head Fee/Subscription on grant of registration and miscellaneous income in case of rejection of application. Current year-Rs.50,60,000/-. (Previous year- Rs.55,40,000/-).

**b) Insolvency Professional Agencies:** Section 196(1)(c) of the Code provides that the Board shall “levy fee or other charges for carrying out the purposes of this Code,



**including fee for registration and renewal of insolvency professional agencies, insolvency professionals and information utilities”.**

Further, regulation 4 of the IBBI (Insolvency Professional Agencies) Regulations, 2016 provides as under:

*“(1) A company eligible for registration as an insolvency professional agency, may make an application to the Board in Form A of the Schedule to these Regulations, along with a non-refundable application fee of ten lakh rupees.*

*“(2) An insolvency professional agency who has been granted registration under Regulation 5, may six months before the expiry of such registration, make an application for renewal in Form A of the Schedule to these Regulations, along with a non-refundable application fee of five lakh rupees.*

*.....”.*

Sub-regulation 2 of Regulation 5 of the Regulations provides that the registration shall be subject to the conditions that the insolvency professional agency shall –

*“(a) .....*

*(b) .....*

*(c) pay an annual fee of five lakh rupees to the Board, within fifteen days from the date of commencement of the financial year.....”.*

Sub-regulation 3 of Regulation 5 of the Regulations provides that *“the certificate of registration shall be valid for a period of five years from the date of issue”.*

In view of the above, the Board is authorised to collect the fee for registration and renewal of Insolvency professional agencies. The registration fee is booked as advance till registration process is completed. The same is shown as registration fee under the head Fee/Subscription on grant of registration and miscellaneous income in case of rejection of application. Annual fee is recognised on the date of accrual of fee from Insolvency professional agencies. Current year - Rs.15,00,000/- (Previous year- Rs.15,00,000/-).

**c) Information utilities:** Section 196(1)(c) of the Code provides that the Board shall **“levy fee or other charges for carrying out the purposes of this Code, including fee for registration and renewal of insolvency professional agencies, insolvency professionals and information utilities”.**

Further, regulation 4 of the IBBI (Information Utilities) Regulations, 2017 provides as under:

*“(1) A person eligible for registration as an information utility may make an application to the Board in Form A of the Schedule, along with a non-refundable application fee of five lakh rupees.*



*(2) An information utility seeking renewal of registration shall, at least six months before the expiry of its registration, make an application for renewal in Form A of the Schedule, along with a non-refundable application fee of five lakh rupees.*

*.....”.*

Regulation 6 of the Regulations provides as under:

*“(1) The certificate of registration shall be valid for a period of five years from the date of issue.*

*(2) The certificate of registration shall be subject to the conditions that the information utility shall –*

*“(a) .....*

*(b) .....*

*(c) .....*

*(d) pay a fee of fifty lakh rupees to the Board, within fifteen days of receipt of intimation of registration or renewal from the Board, as applicable;*

*(e) pay an annual fee of fifty lakh rupees to the Board, within fifteen days from the date of commencement of the financial year:*

*Provided that no annual fee shall be payable in the financial year in which an information utility is granted registration or renewal, as the case may be:*

*Provided further that without prejudice to any other action which the Board may take as it deems fit, any delay in payment of fee by an information utility shall attract simple interest at the rate of twelve percent per annum until paid.*

*.....”.*

In view of the above, the Board is authorised to collect the fee for registration, renewal of Information Utilities. The registration fee is booked as advance till registration process is completed. The same is shown as registration fee under the head Fee/Subscription on grant of registration and miscellaneous income in case of rejection of application. Annual fee is recognised on the date of accrual of fee from Information Utilities. Current year - Rs.50,19,016/- (inclusive of Interest). (Previous year- Rs.50,00,000/-).

**d) Registered Valuers:** In exercise of the powers conferred by section 458 of the Companies Act, 2013 (18 of 2013), the Central Government has delegated the powers and functions vested in it under section 247 of the said Act to the Insolvency and Bankruptcy Board of India vide MCA Notification no. S.O. 3401 (E) dated 23<sup>rd</sup> October 2017.

Further, rule 6 of the Companies (Registered Valuers and Valuation) Rules, 2017 provides as under:



*“(1) An individual eligible for registration as a registered valuer under rule 3 may make an application to the authority in Form-A of Annexure II along with a non-refundable application fee of five thousand rupees in favour of the authority.*

*(2) A partnership entity or company eligible for registration as a registered valuer under rule 3 may make an application to the authority in Form-B of Annexure-II along with a non-refundable application fee of ten thousand rupees in favour of the authority.*

*.....”.*

In view of the above, the Board is authorised to collect the fee for registration of registered valuers. The registration fee is booked as advance till registration process is completed. The same is shown as registration fee under the head Fee/Subscription on grant of registration and miscellaneous income in case of rejection or withdrawal of application. Current year–Rs.48,85,000/- (Previous year- Rs.94,15,000/-).

**e) Registered Valuer Organizations:** Rule 13 of the Companies (Registered Valuers and Valuation) Rules, 2017 provides as under:

*“(1) An eligible organisation which meets the conditions specified in rule 12 may make an application for recognition as a registered valuers organisation for asset class or classes to the authority in Form-D of the Annexure-II along with a non-refundable application fee of rupees one lakh in favour of the authority.*

*.....”.*

In view of the above, the Board is authorised to collect the fee for recognition of Registered Valuers Organisations. The recognition fee is booked as advance till recognition process is completed. The same is shown as recognition fee under the head Fee/Subscription on grant of recognition and miscellaneous income in case of rejection of application. Current year - Rs.4,00,000/- (Previous year- Rs.1,00,000/-).

**f) Insolvency Professional Entities:** Sub-regulation 2 of Regulation 12 of the IBBI (Insolvency Professionals) Regulations, 2016 provides as under:

*“A person eligible under sub-regulation (1) may make an application for recognition as an insolvency professional entity to the Board in Form C of the Second Schedule along with an application fee of fifty thousand rupees”.*

In view of the above, the Board is authorised to collect the fee for recognition of Insolvency Professional Entities. The recognition fee is booked as advance till recognition process is completed. The same is shown as recognition fee under the head Fee/Subscription on grant of recognition and miscellaneous income in case of rejection of application. Current year - Rs.7,00,000/- (Previous year- Rs.11,50,000/-).

Sub-regulation 2 of Regulation 13 of the Regulations provides as under:



*“The recognition shall be subject to the conditions that the insolvency professional entity shall-*

- (a) at all times continue to satisfy the requirements under Regulation 12;*
- (b) inform the Board, within seven days, when an individual ceases to be its director or partner, as the case may be, in Form F of the Second Schedule along with a fee of two thousand rupees.....;*
- (c) inform the Board, within seven days, when an individual joins as its director or partner, as the case may be, in Form F of the Second Schedule along with a fee of two thousand rupees.....”.*

In view of the above, the Board is authorised to collect the fee for compliance under Chapter 5. The fee is recognised on the basis of intimation received in Form F from the Insolvency Professional Entities. Current year -Rs.2,75,799/-. (Previous year- Rs.3,70,340/-).

**g) Examination fees:** Sub-regulation 2 of regulation 3 of the IBBI (Insolvency Professionals) Regulations, 2016 provides as under:

*“The Board shall, either on its own or through a designated agency, conduct a ‘Limited Insolvency Examination’ to test the knowledge and application of knowledge of individuals in the areas of insolvency, bankruptcy and allied subjects”.*

In view of the above, the Board is authorised to collect the fee for Limited Insolvency Examination. The Board has engaged NSE-IT Ltd. As examination administrator for conducting the examination. The fee received for examination is recognised on receipt basis since the amount is non-refundable irrespective of the date when the candidate appears in the exam. Current year– Rs.67,69,068/-. (Previous year- Rs.75,33,051/-).

Sub-rule 1 of rule 5 of the Companies (Registered Valuers and Valuation) Rules, 2017 provides as under:

*“The authority shall, either on its own or through a designated agency, conduct valuation examination for one or more asset classes, for individuals, who possess the qualifications and experience as specified in rule 4, and have completed their educational courses as member of a registered valuers organisation, to test their professional knowledge, skills, values and ethics in respect of valuation.”*

In view of the above, the Board is authorised to collect the fee for Valuation examination. The Board has engaged NISM as examination administrator for conducting the examination. The fee received for examination is recognised on receipt basis since the amount is non-refundable irrespective of the date when the candidate appears in the exam. Current year– Rs.1,51,94,136/-. (Previous year- Rs.1,39,78,288/-).

**h) Professional fee from IPs/IPEs:** Sub-regulation 2 of Regulation 7 of the IBBI (Insolvency Professionals) Regulations, 2016 provides as under:



*“The registration shall be subject to the conditions that the insolvency professional shall –*

*(a) .....*

*(b) .....*

*(c) .....*

*(ca) pay to the Board, a fee calculated at the rate of 0.25 percent of the professional fee earned for the services rendered by him as an insolvency professional in the preceding financial year, on or before the 30th of April every year, along with a statement in Form E of the Second Schedule;*

*Provided that for the financial year 2019-2020, an insolvency professional shall pay the fee under this clause on or before the 30th June, 2020.*

*.....”.*

Sub-regulation 2 of Regulation 13 of the Regulations provides as under:

*“The recognition shall be subject to the conditions that the insolvency professional entity shall-*

*(a) .....*

*(b) .....*

*(c) .....*

*(ca) pay to the Board, a fee calculated at the rate of 0.25 percent of the turnover from the services rendered by it in the preceding financial year, on or before the 30th of April every year, along with a statement in Form G of the Second Schedule:*

*Provided that for the financial year 2019-2020, an insolvency professional entity shall pay the fee under this clause on or before the 30th June, 2020;*

*.....”.*

Regulation 15 of the IBBI (Insolvency Professionals) Regulations, 2016 provides as under:

*“Without prejudice to any other action which the Board may take as deemed fit under the Code or any regulations made thereunder, any delay in payment of fee by an insolvency professional or an insolvency professional entity, a simple interest at the rate of 12% per annum on the amount of fee unpaid shall be paid to the Board after the last date of payment of fee under these regulations”.*

In view of the above, the Board is authorised to collect the turnover based fee under Chapter 3 and 5. The fee is recognised on the basis of intimation received in Form E and



G from the Insolvency Professionals and Insolvency Professional Entities respectively. Current year -Rs.1,13,69,948/-. (Previous year- Rs.87,55,896/-).

**i) Fee from filing of CIRP forms:** Regulation 40B of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 provides for filing of corporate insolvency process related forms by the insolvency professionals. Further sub-regulation 4 of Regulation 40B of the Regulations provides as under:

*“The filing of a Form under this regulation after due date of submission, whether by correction, updation or otherwise, shall be accompanied by a fee of five hundred rupees per Form for each calendar month of delay after 1st October, 2020”.*

In view of the above, the Board is authorised to collect the fee for compliance under Regulation 40B. The fee collected during the current financial year is Rs.25,73,500/- (Previous year- Nil).

**17.2 Seminar/Program fees:** Section 196(1)(aa) of the Code provides that the Board shall *“promote the development of, and regulate, the working and practices of, insolvency professionals, insolvency professional agencies and information utilities and other institutions, in furtherance of the purposes of this Code”.*

Further, section 196(1)(c) empowers the Board to levy fee or other charges for carrying out the purposes of this Code, including fee for registration and renewal of insolvency professional agencies, insolvency professionals and information utilities.

Due to nationwide COVID-19 pandemic, the Board is conducting online workshops to impart training to insolvency professionals. Hence, no seminar/workshop fee is recognised during the current financial year. (Previous year- Rs.11,16,000/-).

**17.3 Grievance and Complaint fee:** Sub-regulation 3 of Regulation 3 of the IBBI (Grievance and complaint handling procedure) Regulations, 2017 provides as under:

*“A Stakeholder, who wishes to file a complaint, shall file it with the Board in Form A along with a demand draft for two thousand and five hundred rupees drawn in favour of Insolvency and Bankruptcy Board of India payable at New Delhi or an online acknowledgement of two thousand and five hundred rupees paid to the credit of the Board towards fee.”*

Further, sub-regulation 8 of regulation 7 of the Regulations provides that *“where the Board is of the opinion that the complaint is not frivolous, it shall refund the fee of two thousand five hundred rupees received under sub-regulation 3 of regulation 3”.* The fee received is shown under the Head ‘Deferred Credit Liabilities’ and is recognised as income in case the grievance/complaint is found frivolous by the Board. The income recognised during the current financial year is Rs.52,966/-. (Previous year- Rs.78,390/-).

**18. Interest Earned:** The Interest earned during the current financial year includes (i) Interest earned on Current account with sweep facility at Punjab National Bank-Rs.5,21,159/- and (ii) Interest accrued on Fixed deposits-Rs.48,17,164/-. (Previous Year-Rs.53,08,672/-).



**19. Prior period expenses recognized in current year:** (i) An amount of Rs.9,551/- has been paid to Amazon Internet Services Pvt. Ltd. for the web services provided by the vendor for the period February 2020 to March 2020; (ii) An amount of Rs.3,15,478/- has been paid to Railtel Corporation for internet port charges for the period 20.09.2019 to 19.09.2020 on receipt of tax invoice from the vendor;(iii) An amount of Rs.8,40,930/- has been paid to Comptroller & Auditor General of India for the statutory and transaction audit fee for the period since inception till March 2019. Further, an amount of Rs.3,12,130/- has been kept as a provision for the statutory and transaction audit fee for the financial year 2019-20; (iv) Legal expenses pertaining to the previous financial year amounting to Rs.24,37,500/- has been paid during the current financial year; (v) An amount of Rs.21,434/- and Rs.44,160/- has been paid to Softlabs Infotech Pvt. Ltd. and Alankar Distributors respectively towards purchase of printer cartridges during the financial year 2018-19; (vi) An amount of Rs.32,797/- has been paid to Softlabs Infotech Pvt. Ltd. towards purchase of MS-Office during the financial year 2018-19; (vii) An amount of Rs.87,489/- has been paid to Balmer Lawrie & Co. towards travelling bills and hotel accommodation expenses pertaining to the previous financial year; (viii) An amount of Rs.73,920/- has been paid to Degree 360 Solutions Pvt. Ltd. towards printing of quarterly newsletter for the period January to March 2020; and (ix) An amount of Rs.5,05,153/- has been paid to Vaibhavi Infotech towards purchase of printing and stationery items during the previous financial years.

**20.**The preparation of financial statements in conformity with Indian GAAP requires the Board to make estimates and assumptions that affect the reported amount of assets, liabilities, income and expenditure in the financial statements. Though it is believed that the estimates used in the preparation of the financial statements are prudent and reasonable, actual results may differ from the estimates. Difference between actual results and the estimates are to be recognised as income/expense in the relevant account heads, in the period in which the results are to be known/ materialised.

**21.**Corresponding figures for the previous year have been regrouped/rearranged, wherever necessary.

**22.**Schedules I to XXIII are annexed to and form an integral part of the Balance Sheet as at 31<sup>st</sup> March, 2021 and the Income and Expenditure Account for the year ended on that date.

**FOR INSOLVENCY AND BANKRUPTCY BOARD OF INDIA**

Sd/-  
**(Dr. Mukulita Vijayawargiya)**  
WTM (F&A)

Sd/-  
**(Dr. Shashank Saxena)**  
Chairperson, Audit Committee

Sd/-  
**(Dr. M. S. Sahoo)**  
Chairperson

**Place: New Delhi**  
**Date: 24.09.2021**



### Compliance to Audit observations

<b>A. Main Report</b>		
<b>Para</b>	<b>Audit Observations</b>	<b>Reply to Audit Observations</b>
<b>A.1.1</b>	<p><b>CWIP/Assets under Development: Rs.1.23 crore</b></p> <p>IBBI entrusted work of implementation of e-Office including File Management System, e-File MIS Report, Knowledge Management System, Employee Master Detail, Master Data Management, Tour Management System, Leave Management System and Leave MIS Reports to NICS I without any customization at IBBI Mayur Bhawan and made payment of Rs.20.20 lakh on 28th September 2017. All the modules except Leave Management System and Leave MIS Reports are in operation since 12th November 2018. As the leave rules incorporated in the leave module in e-Office are not in coherence with the leave rules of IBBI, the same could not be used in the present format and therefore Board of IBBI decided (in 2021-22) to develop Leave Module in-house.</p> <p>Thus, the payment of Rs.20.20 lakh for creation of e-Office should have been capitalized in 2018-19 instead of showing under Capital Work in Progress. Further, depreciation for the period November 2018 to March 2021, which works out to Rs.20.20 lakh (2018-19: Rs.4.04 lakh, 2019-20: Rs.8.08 lakh and 2020-21: Rs.8.08 lakh), has also not been provided.</p> <p>This has resulted in overstatement of CWIP by Rs.20.20 lakh, understatement of depreciation for the previous years by Rs.12.12 lakh and current year depreciation by Rs.8.08 lakh. Consequently, Surplus for the year has been overstated by Rs.8.08 lakh and Corpus Fund by Rs.12.12 lakh.</p>	<p>The E-office module shall be capitalized in the financial year 2021-22 in terms of observation of C&amp;AG. Appropriate disclosures shall be given in the notes to accounts.</p>



<b>B.1</b>	<b>Contingent Liabilities and Notes to Accounts (Schedule XXIII)-Note No. 9.7</b>  IBBI has not mentioned the fact that after opening of Corporate Liquidation Account under the Public Account of India, the balance lying in the separate accounts opened for deposit of unclaimed dividend and undistributed proceeds in a liquidation process would be transferred to Corporate Liquidation Account.  Thus, the note is deficient to the above extent.	Appropriate disclosures shall be given in the notes to accounts in the financial year 2021-22.
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भारतीय दिवाला और शोधन अक्षमता बोर्ड  
Insolvency and Bankruptcy Board of India

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