

Insolvency and Bankruptcy Board of India

No. IBBI/PR/2026/7

08th April 2026

Press Release

Subject: Committee on Framing Guidelines for Insolvency Proceedings in the Real Estate Sector submits its Report to Chairperson, IBBI.

The Committee on Framing Guidelines for Insolvency Proceedings in the Real Estate Sector submitted its Report to the Chairperson, Insolvency and Bankruptcy Board of India (IBBI), Shri Ravi Mital, on 7 April 2026.

2. The IBBI had constituted a Committee pursuant to the directions of the Hon'ble Supreme Court in its judgment dated 12 September 2025 in the matter of *Mansi Brar Fernandes v. Shubha Sharma & Ors.*, wherein the Hon'ble Supreme Court directed the IBBI, in consultation with Real Estate Regulatory Authorities (RERAs), to frame sector-specific guidelines for real estate insolvency, including timelines for project-wise corporate insolvency resolution processes and safeguards for allottees.

3. The Committee was chaired by Shri Jayanti Prasad, Whole Time Member, IBBI, and comprised representatives from the Ministry of Corporate Affairs, Ministry of Housing and Urban Affairs, RERA Uttar Pradesh, RERA Haryana (Gurugram), All India Forum of RERAs and Haryana Shahri Vikas Pradhikaran.

4. In discharging its mandate, the Committee adopted a consultative and evidence-based approach. It undertook extensive stakeholder consultations across financial institutions, industry representatives, homebuyer associations, insolvency professionals, successful resolution applicants, domain experts and former adjudicating authority members, and analysed judicial pronouncements, empirical data, and practical experiences from real estate insolvency cases.

5. The Report recognises that real estate insolvency presents unique challenges, as it directly affects large numbers of homebuyers whose primary expectation is completion and delivery of homes rather than financial recovery. It highlights the need for a shift from an entity-centric, recovery-focused framework to a project-centric, completion-driven approach, with stronger coordination between the IBC and the Real Estate (Regulation and Development) Act, 2016.

6. The Committee has examined 55 key issues affecting real estate insolvency and has made 155 recommendations covering structural, procedural, and institutional aspects of the framework. These recommendations are aimed at improving efficiency, ensuring timely completion of projects, enhancing stakeholder confidence, and strengthening alignment between insolvency processes and sectoral regulation.

7. The full report is available on the website of IBBI at <https://ibbi.gov.in/uploads/resources/e3843d2d5ab054f330e159b28b7dc3a4.pdf>.