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

CIRCULAR

Circular No. IBBI/CIRP/88/2025 **18th November, 2025**

To:

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

Subject: Strengthening due diligence under Section 29A- reg.

The Insolvency and Bankruptcy Code, 2016 (Code/ IBC) and Regulations made thereunder cast various duties on the Resolution Professional (RP) to ensure transparency during corporate insolvency resolution process (CIRP) and to facilitate informed decision making by the Committee of Creditors (CoC) and Prospective Resolution Applicants (PRAs).

2. Section 29A of the Code lays down the ineligibility criteria for resolution applicants i.e. persons who are not eligible to submit a resolution plan for a corporate debtor (CD) undergoing CIRP. Accordingly, various duties have been cast on the RPs and the PRAs under the Code and IBBI (Insolvency Resolution Process for Corporate Persons) Regulations as under:

- **Regulation 36A(4):** RP must mention in Form G the ineligibility criteria under Section 29A.
- **Regulation 36A(7)**: PRA must submit an undertaking with the Expression of Interest confirming they are not ineligible.
- **Section 30 & Regulation 39**: PRA must submit an affidavit with the resolution plan confirming eligibility.
- **Regulation 36A(8):** RP must carry out due diligence to verify that PRAs comply with Section 29A.
- **Compliance Certificate – Form H**: RP must confirm that the affidavit is in order and attach a Due Diligence Certificate.

3. Due diligence with respect to section 29A compliance is paramount as it safeguards the integrity of the process by ensuring that only credible resolution applicants participate in the process. It also reduces the risk of legal challenges post-approval of resolution plan.

4. In view of the above, RPs are hereby directed to place a detailed note on section 29A compliance before the CoC when resolution plans are considered and ensure that deliberations and observations of the CoC are properly recorded in the minutes.

5. This is issued in the exercise of the powers conferred under section 196 of the Code.

Yours faithfully,
-Sd/-
(Rajesh Tiwari)
General Manager