

**INSOLVENCY AND BANKRUPTCY BOARD OF INDIA (INSOLVENCY  
PROFESSIONALS) REGULATIONS, 2016<sup>1</sup>**

[AMENDED UPTO 23-07-2019]

In exercise of the powers conferred by sections 196, 207 and 208 read with section 240 of the Insolvency and Bankruptcy Code, 2016 (31 of 2016), the Board hereby makes the following Regulations, namely-

**CHAPTER I  
GENERAL**

**Short title and commencement.**

1. (1) These Regulations may be called the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016.
- (2) These Regulations shall come into force on 29<sup>th</sup> November, 2016.

**Definitions.**

2. (1) In these Regulations, unless the context otherwise requires -

<sup>2</sup>[(a) “assignment” means any assignment of an insolvency professional as interim resolution professional, resolution professional, liquidator, bankruptcy trustee, authorised representative or in any other role under the Code;

(aa) “authorisation for assignment” means an authorisation to undertake an assignment, issued by an insolvency professional agency to an insolvency professional, who is its professional member, in accordance with its bye-laws;

(ab) “Bar Council” means a Bar Council constituted under the Advocates Act, 1961 (25 of 1961);

(b) “certificate of registration” means a certificate of registration granted by the Board under section 207 of the Code read with these Regulations;

- (c) “Code” means the Insolvency and Bankruptcy Code, 2016 (31 of 2016);

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<sup>1</sup> Vide Notification No. IBBI/2016-17/GN/REG003, dated 23<sup>rd</sup> November, 2016 published in the Gazette of India, Extraordinary, Part III, Sec.4, vide No. 424, dated 23<sup>rd</sup> November, 2016 (w.e.f. 29.11.2016).

<sup>2</sup>Substituted by Notification No. IBBI/2019-20/GN/REG045, dated 23<sup>rd</sup> July, 2019 (w.e.f. 23.07.2019). Clause (a), before substitution, stood as under:

‘(a) “Bar Council” means a Bar Council constituted under the Advocates Act, 1961 (25 of 1961);’

- (d) “Institute of Chartered Accountants of India” means the Institute constituted under the Chartered Accountants Act, 1949 (38 of 1949);
- (e) “Institute of Cost Accountants of India” means the Institute constituted under the Cost and Works Accountants Act, 1959 (23 of 1959);
- (f) “Institute of Company Secretaries of India” means the Institute constituted under the Institute of the Company Secretaries Act, 1980 (56 of 1980); and
- (g) “professional member” means an individual who has been enrolled as a member of an insolvency professional agency;

(2) Unless the context otherwise requires, words and expressions used and not defined in these Regulations, shall have the meanings assigned to them in the Code.

## **CHAPTER II**

### **INSOLVENCY EXAMINATIONS**

3. (1) The Board shall, either on its own or through a designated agency, conduct a ‘National Insolvency Examination’ in such a manner and at such frequency, as may be specified, to test the knowledge and practical skills of individuals in the areas of insolvency, bankruptcy and allied subjects.
- (2) 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.
- <sup>3</sup>[(3)The syllabus, format, qualifying marks and frequency of the Limited Insolvency Examination shall be published on the website of the Board at least three months before the examination.]

## **CHAPTER III**

### **REGISTRATION OF INSOLVENCY PROFESSIONALS**

#### **Eligibility.**

4. No individual shall be eligible to be registered as an insolvency professional if he-
- (a) is a minor;

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<sup>3</sup>Substituted by Notification No. IBBI/2017-18/GN/REG027, dated 27<sup>th</sup> March, 2018 (w.e.f. 01-04-2018). Sub Regulation (3), before substitution, stood as under:

“(3) The syllabus, format and frequency of the ‘Limited Insolvency Examination’, including qualifying marks, shall be published on the website of the Board at least one month before the examination.”

- (b) is not a person resident in India;
- (c) does not have the qualification and experience specified in Regulation 5 or Regulation 9, as the case may be;
- (d) has been convicted by any competent court for an offence punishable with imprisonment for a term exceeding six months or for an offence involving moral turpitude, and a period of five years has not elapsed from the date of expiry of the sentence:

*Provided* that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be registered;

- (e) he is an undischarged insolvent, or has applied to be adjudicated as an insolvent;
- (f) he has been declared to be of unsound mind; or
- (g) he is not a fit and proper person;

*Explanation:* For determining whether an individual is fit and proper under these Regulations, the Board may take account of any consideration as it deems fit, including but not limited to the following criteria-

- (i) integrity, reputation and character,
- (ii) absence of convictions and restraint orders, and
- (iii) competence, including financial solvency and net worth.

#### <sup>4</sup>**[Qualifications and experience.**

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<sup>4</sup>Substituted by Notification No. IBBI/2017-18/GN/REG027, dated 27<sup>th</sup> March, 2018 (w.e.f. 01-04-2018). Regulation 5, before substitution, stood as under:

“5. Subject to the other provisions of these Regulations, an individual shall be eligible for registration, if he-

- (a) has passed the National Insolvency Examination;
- (b) has passed the Limited Insolvency Examination, and has fifteen years of experience in management, after he received a Bachelor’s degree from a university established or recognized by law; or
- (c) has passed the Limited Insolvency Examination and has ten years of experience as -
  - (i) a chartered accountant enrolled as a member of the Institute of Chartered Accountants of India,
  - (ii) a company secretary enrolled as a member of the Institute of Company Secretaries of India,
  - (iii) a cost accountant enrolled as a member of the Institute of Cost Accountants of India, or
  - (iv) an advocate enrolled with a Bar Council.”

5. Subject to the other provisions of these regulations, an individual shall be eligible for registration, if he –

- (a) has passed the Limited Insolvency Examination within twelve months before the date of his application for enrolment with the insolvency professional agency;
- (b) has completed a pre-registration educational course, as may be required by the Board, from an insolvency professional agency after his enrolment as a professional member; and
- (c) has-
  - (i) successfully completed the National Insolvency Programme, as may be approved by the Board;
  - (ii) successfully completed the Graduate Insolvency Programme, as may approved by the Board;
  - (iii) fifteen years' of experience in management, after receiving a Bachelor's degree from a university established or recognised by law; or
  - (iv) ten years' of experience as –
    - (a) chartered accountant registered as a member of the Institute of Chartered Accountants of India,
    - (b) company secretary registered as a member of the Institute of Company Secretaries of India,
    - (c) cost accountant registered as a member of the Institute of Cost Accountants of India, or
    - (d) advocate enrolled with the Bar Council.]

**Application for certificate of registration.**

6. (1) 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.

(2) The Board shall acknowledge an application made under this Regulation within seven days of its receipt.

(3) The Board may require the applicant to submit, within reasonable time, additional documents, information or clarification that it deems fit.

(4) The Board may require the applicant to appear, within reasonable time, before the Board in person, or through his authorised representative for clarifications required for processing the application.

**Certificate of registration.**

7. (1) If the Board is satisfied, after such inspection or inquiry as it deems necessary that the applicant is eligible under these Regulations, it may grant a certificate of registration to the applicant to carry on the activities of an insolvency professional in Form B of the Second

Schedule to these Regulations, within sixty days of receipt of the application, excluding the time given by the Board for presenting additional documents, information or clarification, or appearing in person, as the case may be.

- (2) The registration shall be subject to the conditions that the insolvency professional shall -
- (a) at all times abide by the Code, rules, regulations, and guidelines thereunder and the bye-laws of the insolvency professional agency with which he is enrolled;
  - (b) at all times continue to satisfy the requirements under Regulation 4;
  - <sup>5</sup>[(ba) undergo continuing professional education, as may be required by the Board;
  - (bb) not outsource any of his duties and responsibilities under the Code, except those specifically permitted by the Board.]
  - <sup>6</sup> [(c) pay to the Board, a fee of ten thousand rupees, every five years after the year in which the certificate is granted and such fee shall be paid on or before the 30<sup>th</sup> April of the year it falls due;

*Illustration*

Where registration is granted on 2<sup>nd</sup> February, 2018 in the year 2017-18, the fee shall become due on 1<sup>st</sup> April, 2023, after five years (2018-19, 2019-20, 2020-21, 2021-22 and 2022-23) and it shall be paid on or before the 30<sup>th</sup> April, 2023.

- (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 30<sup>th</sup> of April every year, along with a statement in Form E of the Second Schedule;]
- (d) not render services as an insolvency professional unless he becomes a partner or director of an insolvency professional entity recognised by the Board under Regulation 13, if he is not a citizen of India;
- (e) take prior permission of the Board for shifting his professional membership from one insolvency professional agency to another, after receiving no objection from both the concerned insolvency professional agencies;
- (f) take adequate steps for redressal of grievances;
- (g) maintain records of all assignments undertaken by him under the Code for at least three years from the completion of such assignment;

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<sup>5</sup>Inserted by Notification No. IBBI/2017-18/GN/REG027, dated 27<sup>th</sup> March, 2018 (w.e.f. 01-04-2018).

<sup>6</sup> Substituted by Notification No. IBBI/2018-19/GN/REG036, dated 11<sup>th</sup> October, 2018 (w.e.f. 11-10-2018). clause (c), before substitution, stood as under:

“(c) pay a fee of ten thousand rupees to the Board, every five years after the year in which the certificate is granted;”

(h) abide by the Code of Conduct specified in the First Schedule to these Regulations;  
and

(i) abide by such other conditions as may be imposed by the Board.

<sup>7</sup>**[Authorisation for assignment.**

7A. An insolvency professional shall not accept or undertake an assignment after 31<sup>st</sup> December, 2019 unless he holds a valid authorisation for assignment on the date of such acceptance or commencement of such assignment, as the case may be:

Provided that provisions of this regulation shall not apply to an assignment which an insolvency professional is undertaking as on-

- (a) 31<sup>st</sup> December, 2019; or
- (b) the date of expiry of his authorisation for assignment.]

**Refusal to grant certificate.**

8. (1) If, after considering an application made under Regulation 6, the Board is of the *prima facie* opinion that the registration ought not be granted, it shall communicate the reasons for forming such an opinion and give the applicant an opportunity to explain why his application should be accepted, within fifteen days of the receipt of the communication from the Board, to enable it to form a final opinion.

(2) The communication under sub-regulation (1) shall be made to the applicant within forty five days of receipt of the application, excluding the time given by the Board for presenting additional documents, information or clarifications, or appearing in person, as the case may be.

(3) After considering the explanation, if any, given by the applicant under sub-regulation (1), the Board shall communicate its decision to-

- (a) accept the application, along with the certificate of registration, or
- (b) reject the application by an order, giving reasons thereof,

within thirty days of receipt of the explanation.

**Registration for a limited period.**

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<sup>7</sup> Inserted by Notification No. IBBI/2019-20/GN/REG045, dated 23<sup>rd</sup> July, 2019 (w.e.f. 23.07.2019).

9. (1) Notwithstanding any of the provisions of Regulation 5, an individual shall be eligible to be registered for a limited period as an insolvency professional if he-

a. has been 'in practice' for fifteen years as-

(i) a chartered accountant enrolled as a member of the Institute of Chartered Accountants of India,

(ii) a company secretary enrolled as a member of the Institute of Company Secretaries of India,

(iii) a cost accountant enrolled as a member of the Institute of Cost Accountants of India, or

(iv) an advocate enrolled with a Bar Council; and

b. submits an application for registration in Form A of the Second Schedule to these Regulations to the insolvency professional agency with which he is enrolled on or before 31<sup>st</sup> December, 2016 along with a non-refundable application fee of five thousand rupees which shall be collected by such insolvency professional agency on behalf of the Board.

(2) The insolvency professional agency shall submit to the Board the fee collected and the details of the applications received under sub-regulation (1)(b).

(3) An individual referred to sub-regulation (1) shall be registered for a limited period upon submission of the details and fee to the Board under sub-regulation (2), which shall be valid for a period of six months from the date of such submission.

(4) An insolvency professional registered under sub-regulation (3) shall not undertake any assignment as an insolvency professional after the expiry of his registration:

*Provided* that he may complete the pending assignments undertaken before the expiry of his registration, and his registration shall be deemed to be valid for this limited purpose.

## **<sup>8</sup>[CHAPTER IV**

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<sup>8</sup>Substituted by Notification No. IBBI/2019-20/GN/REG045, dated 23<sup>rd</sup> July, 2019 (w.e.f. 23.07.2019). Before substitution, it stood as -"TEMPORARY SURRENDER AND DISCIPLINARY PROCEEDINGS".

## **ISSUE AND SURRENDER OF AUTHORISATION FOR ASSIGNMENT AND DISCIPLINARY PROCEEDINGS]**

### **Temporary surrender.**

10. <sup>9</sup>[(1) An insolvency professional agency shall inform the Board when it-
- (a) issues or renews an authorisation for assignment;
  - (b) suspends or cancels an authorisation for assignment;
  - (c) revokes the suspension of an authorisation for assignment; or
  - (d) accepts the surrender of an authorisation for assignment,

within one working day of taking such action.]

- (2) The Board shall take note of the information received under sub-regulation (1).

### **Disciplinary proceedings.**

11. (1) Based on the findings of an inspection or investigation, or on material otherwise available on record, if the Board is of the *prima facie* opinion that sufficient cause exists to take actions permissible under section 220, it shall issue a show-cause notice to the insolvency professional.

- (2) The show-cause notice shall be in writing, and shall state-

- a. the provisions of the Code under which it has been issued;
- b. the details of the alleged facts;
- c. the details of the evidence in support of the alleged facts;
- d. the provisions of the Code, rules, regulations and guidelines thereunder allegedly violated, or the manner in which the public interest is allegedly affected;
- e. the actions or directions that the Board proposes to take or issue if the allegations are established;
- f. the manner in which the insolvency professional is required to respond to the show-cause notice;
- g. consequences of failure to respond to the show-cause notice; and

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<sup>9</sup> Substituted by Notification No. IBBI/2019-20/GN/REG045, dated 23<sup>rd</sup> July, 2019 (w.e.f. 23.07.2019). Before substitution, it stood as under:

“(1) An insolvency professional agency shall inform the Board if any of its professional members has temporarily surrendered his certificate of membership or revived his certificate of membership after temporary surrender, not later than seven days from approval of the application for temporary surrender or revival, as the case may be.”



- h. procedure to be followed for disposal of the show-cause notice.
- (3) The show-cause notice shall enclose copies of documents relied upon and extracts of relevant portions from the report of investigation or inspection, or other records.
- (4) A show-cause notice issued shall be served on the insolvency professional in the following manner-
- (a) by sending it to the insolvency professional, at the address provided by him or provided by the insolvency professional agency with which he is enrolled , by registered post with acknowledgement due; or
  - (b) by an appropriate electronic means to the email address of the insolvency professional, provided by him or provided by the insolvency professional agency with which he is enrolled.
- (5) The Board shall constitute a Disciplinary Committee for disposal of the show-cause notice.
- (6) The Disciplinary Committee shall endeavour to dispose of the show-cause notice within a period of six months of the assignment.
- (7) The Disciplinary Committee shall dispose of the show-cause notice assigned under sub-regulation (5) by a reasoned order in adherence to principles of natural justice, and after considering the submissions, if any, made by the insolvency professional, the relevant material facts and circumstances, and the material on record.
- (8) The order disposing of a show-cause notice may provide for-
- (a) no action;
  - (b) warning;
  - <sup>10</sup>[(ba) suspension or cancellation of authorisation for assignment;]
  - (c) any of the actions under section 220(2) to (4); or
  - (d) a reference to the Board to take any action under section 220(5).
- (9) The order passed under sub-regulation (7) shall not become effective until thirty days have elapsed from the date of issue of the order unless the Disciplinary Committee states otherwise in the order along with the reason for the same.

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<sup>10</sup> Inserted by Notification No. IBBI/2019-20/GN/REG045, dated 23<sup>rd</sup> July, 2019 (w.e.f. 23.07.2019).

(10) The order passed under sub-regulation (7) shall be issued to the insolvency professional, with a copy issued to the insolvency professional agency with which he is enrolled immediately, and be published on the website of the Board.

## **CHAPTER V**

### **RECOGNITION OF INSOLVENCY PROFESSIONAL ENTITIES**

#### **Recognition of Insolvency Professional Entities.**

12. <sup>11</sup>[(1) A company, a registered partnership firm or a limited liability partnership may be recognised as an insolvency professional entity, if -
- (a) its sole objective is to provide support services to insolvency professionals, who are its partners or directors, as the case may be;
  - (b) it has a net worth of not less than one crore rupees;
  - (c) majority of its shares is held by insolvency professionals, who are its directors, in case it is a company;
  - (d) majority of capital contribution is made by insolvency professionals, who are its partners, in case it is a limited liability partnership firm or a registered partnership firm;
  - (e) majority of its partners or directors, as the case may be, are insolvency professionals;
  - (f) majority of its whole time directors are insolvency professionals, in case it is a company; and
  - (g) none of its partners or directors is a partner or a director of another insolvency professional entity:

Provided that the insolvency professional entities recognised as on the date of commencement of the Insolvency and Bankruptcy Board of India (Insolvency Professionals) (Amendment) Regulations, 2018 shall comply with the provisions of clauses (a), (b) (c) and (d) on or before 30<sup>th</sup> September, 2018 and the provisions of clauses (e), (f) and (g) on or before 30<sup>th</sup> June, 2018.]

<sup>12</sup>[(2) 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.]

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<sup>11</sup> Substituted by Notification No. IBBI/2017-18/GN/REG027, dated 27<sup>th</sup> March, 2018 (w.e.f. 01-04-2018). Sub regulation (1) of Regulation 12, before substitution, stood as under:

“A limited liability partnership, a registered partnership firm or a company may be recognised as an insolvency professional entity if-

- (a) a majority of the partners of the limited liability partnership or registered partnership firm are registered as insolvency professionals; or
- (b) a majority of the whole-time directors of the company are registered as insolvency professionals, as the case may be.”

<sup>12</sup>Substituted by Notification No. IBBI/2018-19/GN/REG036, dated 11<sup>th</sup> October, 2018 (w.e.f.11-10-2018). Sub -regulation (2), before substitution, stood as under:

“(2) 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 to these Regulations.”

13. (1) If the Board is satisfied, after such inspection or inquiry as it deems necessary that the applicant is eligible under these Regulations, it may grant a certificate of recognition as an insolvency professional entity in Form D of the Second Schedule to these Regulations.

(2) 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;

<sup>13</sup>[(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;

(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 30<sup>th</sup> of April every year, along with a statement in Form G of the Second Schedule; and]

(d) abide by such other conditions as may be specified.

(3) An insolvency professional entity shall be jointly and severally liable for all acts or omissions of its partners or directors as insolvency professionals committed during such partnership or directorship.

14. Where the Board is of the opinion that sufficient cause exists for de-recognition of an insolvency professional entity, it may do so by passing a reasoned order.

<sup>14</sup>[15. **Interest.-** 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.]

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<sup>13</sup> Substituted by Notification No. IBBI/2018-19/GN/REG036, dated 11<sup>th</sup> October, 2018 (w.e.f.11-10-2018). Clauses (b) & (c) of sub -regulation (2), before substitution, stood as under:

(a) inform the Board, within seven days, when an insolvency professional ceases to be its director or partner, as the case may be,

(b) inform the Board, within seven days, when an insolvency professional joins as its director or partner, as the case may be, and”

<sup>14</sup> Inserted by Notification No. IBBI/2018-19/GN/REG036, dated 11<sup>th</sup> October, 2018 (w.e.f.11-10-2018).

**FIRST SCHEDULE**  
*[<sup>15</sup>Under Regulation 7(2)(h)]*

**CODE OF CONDUCT FOR INSOLVENCY PROFESSIONALS**

**Integrity and objectivity.**

1. An insolvency professional must maintain integrity by being honest, straightforward, and forthright in all professional relationships.
2. An insolvency professional must not misrepresent any facts or situations and should refrain from being involved in any action that would bring disrepute to the profession.
3. An insolvency professional must act with objectivity in his professional dealings by ensuring that his decisions are made without the presence of any bias, conflict of interest, coercion, or undue influence of any party, whether directly connected to the insolvency proceedings or not.

<sup>16</sup>[3A. An insolvency professional must disclose the details of any conflict of interests to the stakeholders, whenever he comes across such conflict of interest during an assignment.]

4. An insolvency professional appointed as an interim resolution professional, resolution professional, liquidator, or bankruptcy trustee should not himself acquire, directly or indirectly, any of the assets of the debtor, nor knowingly permit any relative to do so.

**Independence and impartiality.**

5. An insolvency professional must maintain complete independence in his professional relationships and should conduct the insolvency resolution, liquidation or bankruptcy process, as the case may be, independent of external influences.
6. In cases where the insolvency professional is dealing with assets of a debtor during liquidation or bankruptcy process, he must ensure that he or his relatives do not knowingly acquire any such assets, whether directly or indirectly unless it is shown that there was no impairment of objectivity, independence or impartiality in the liquidation or bankruptcy process and the approval of the Board has been obtained in the matter.
7. An insolvency professional shall not take up an assignment under the Code if he, any of his relatives, any of the partners or directors of the insolvency professional entity of which he is a partner or director, or the insolvency professional entity of which he is a partner or

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<sup>15</sup>Substituted by Notification No. IBBI/2017-18/GN/REG027, dated 27th March, 2018 (w.e.f. 01-04-2018). Before substitution, it stood as under:

“[Under regulation 7(2) (g)]”

<sup>16</sup> Inserted by Notification No. IBBI/2019-20/GN/REG045, dated 23<sup>rd</sup> July, 2019 (w.e.f. 23.07.2019).

director is not independent, in terms of the Regulations related to the processes under the Code, in relation to the corporate person/ debtor and its related parties.

8. An insolvency professional shall disclose the existence of any pecuniary or personal relationship with any of the stakeholders entitled to distribution under sections 53 or 178 of the Code, and the concerned corporate person/ debtor as soon as he becomes aware of it, by making a declaration of the same to the applicant, committee of creditors, and the person proposing appointment, as applicable.

<sup>17</sup>[8A. An insolvency professional shall disclose as to whether he was an employee of or has been in the panel of any financial creditor of the corporate debtor, to the committee of creditors and to the insolvency professional agency of which he is a professional member and the agency shall publish such disclosure on its website.]

9. An insolvency professional shall not influence the decision or the work of the committee of creditors or debtor, or other stakeholders under the Code, so as to make any undue or unlawful gains for himself or his related parties, or cause any undue preference for any other persons for undue or unlawful gains and shall not adopt any illegal or improper means to achieve any *mala fide* objectives.

#### **Professional competence.**

10. An insolvency professional must maintain and upgrade his professional knowledge and skills to render competent professional service.

#### **Representation of correct facts and correcting misapprehensions.**

11. An insolvency professional must inform such persons under the Code as may be required, of a misapprehension or wrongful consideration of a fact of which he becomes aware, as soon as may be practicable.
12. An insolvency professional must not conceal any material information or knowingly make a misleading statement to the Board, the Adjudicating Authority or any stakeholder, as applicable.

#### **Timeliness.**

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<sup>17</sup>Inserted by Notification No. IBBI/2017-18/GN/REG027, dated 27th March, 2018 (w.e.f. 01-04-2018).

13. An insolvency professional must adhere to the time limits prescribed in the Code and the rules, regulations and guidelines thereunder for insolvency resolution, liquidation or bankruptcy process, as the case may be, and must carefully plan his actions, and promptly communicate with all stakeholders involved for the timely discharge of his duties.
14. An insolvency professional must not act with *mala fide* or be negligent while performing his functions and duties under the Code.

**Information management.**

15. An insolvency professional must make efforts to ensure that all communication to the stakeholders, whether in the form of notices, reports, updates, directions, or clarifications, is made well in advance and in a manner which is simple, clear, and easily understood by the recipients.
16. An insolvency professional must ensure that he maintains written contemporaneous records for any decision taken, the reasons for taking the decision, and the information and evidence in support of such decision. This shall be maintained so as to sufficiently enable a reasonable person to take a view on the appropriateness of his decisions and actions.
17. An insolvency professional must not make any private communication with any of the stakeholders unless required by the Code, rules, regulations and guidelines thereunder, or orders of the Adjudicating Authority.
18. An insolvency professional must appear, co-operate and be available for inspections and investigations carried out by the Board, any person authorised by the Board or the insolvency professional agency with which he is enrolled.
19. An insolvency professional must provide all information and records as may be required by the Board or the insolvency professional agency with which he is enrolled.
20. An insolvency professional must be available and provide information for any periodic study, research and audit conducted by the Board.

**Confidentiality.**

21. An insolvency professional must ensure that confidentiality of the information relating to the insolvency resolution process, liquidation or bankruptcy process, as the case may be, is maintained at all times. However, this shall not prevent him from disclosing any information with the consent of the relevant parties or required by law.

**Occupation, employability and restrictions.**

22. An insolvency professional must refrain from accepting too many assignments, if he is unlikely to be able to devote adequate time to each of his assignments.

<sup>18</sup>[23. An insolvency professional must not engage in any employment when he holds a valid authorisation for assignment or when he is undertaking an assignment.

23A. Where an insolvency professional has conducted a corporate insolvency resolution process, he and his relatives shall not accept any employment, other than an employment secured through open competitive recruitment, with, or render professional services, other than services under the Code, to a creditor having more than ten percent voting power, the successful resolution applicant, the corporate debtor or any of their related parties, until a period of one year has elapsed from the date of his cessation from such process.

23B. An insolvency professional shall not engage or appoint any of his relatives or related parties, for or in connection with any work relating to any of his assignment.

23C. An insolvency professional shall not provide any service for or in connection with the assignment which is being undertaken by any of his relatives or related parties.

*Explanation.-* For the purpose of clauses 23A to 23C, “related party” shall have the same meaning as assigned to it in clause (24A) of section 5, but does not include an insolvency professional entity of which the insolvency professional is a partner or director.]

24. An insolvency professional must not conduct business which in the opinion of the Board is inconsistent with the reputation of the profession.

### **Remuneration and costs.**

25. An insolvency professional must provide services for remuneration which is charged in a transparent manner, is a reasonable reflection of the work necessarily and properly undertaken, and is not inconsistent with the applicable regulations.

<sup>19</sup>[**25A.** An insolvency professional shall disclose the fee payable to him, the fee payable to the insolvency professional entity, and the fee payable to professionals engaged by him to the insolvency professional agency of which he is a professional member and the agency shall publish such disclosure on its website.]

26. An insolvency professional shall not accept any fees or charges other than those which are disclosed to and approved by the persons fixing his remuneration.

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<sup>18</sup> Substituted by Notification No. IBBI/2019-20/GN/REG045, dated 23<sup>rd</sup> July, 2019 (w.e.f. 23.07.2019). Before substitution, clause 23, stood as under:

“An insolvency professional must not engage in any employment, except when he has temporarily surrendered his certificate of membership with the insolvency professional agency with which he is registered.”

<sup>19</sup>Inserted by Notification No. IBBI/2017-18/GN/REG027, dated 27th March, 2018 (w.e.f. 01-04-2018).

27. An insolvency professional shall disclose all costs towards the insolvency resolution process costs, liquidation costs, or costs of the bankruptcy process, as applicable, to all relevant stakeholders, and must endeavour to ensure that such costs are not unreasonable.

**Gifts and hospitality.**

28. An insolvency professional, or his relative must not accept gifts or hospitality which undermines or affects his independence as an insolvency professional.

29. An insolvency professional shall not offer gifts or hospitality or a financial or any other advantage to a public servant or any other person, intending to obtain or retain work for himself, or to obtain or retain an advantage in the conduct of profession for himself.

**SECOND SCHEDULE**

<sup>20</sup>**[FORM A]**

*[Under Regulation 6 of the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016]*

To

The General Manager (IP Division)  
Insolvency and Bankruptcy Board of India

***Subject: Application for registration as an insolvency professional***

**Sir / Madam,**

I, having been enrolled as a professional member with the \_\_\_\_ (please write the name of the insolvency professional agency), hereby apply for registration as an insolvency professional under section 207 of the Insolvency and Bankruptcy Code, 2016 read with regulation 6 of the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016.

My details are as under:

**A. PERSONAL DETAILS**

1. Title (Mr./Mrs/Ms.):
2. Name:
3. Father's Name:

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<sup>20</sup>Substituted by Notification No. IBBI/2017-18/GN/REG027, dated 27th March, 2018 (w.e.f. 01-04-2018).



4. Date of Birth:
5. Place of Birth:
6. PAN No.:
7. AADHAAR No. (if available):
8. Passport No. (if available):
9. Address for Correspondence:
10. Permanent Address:
11. E-Mail Address:
12. Mobile No.:

**B. EDUCATIONAL, PROFESSIONAL AND INSOLVENCY EXAMINATION QUALIFICATIONS**

**1. Educational Qualifications**

[Please provide educational qualifications from Bachelor's degree onwards]

Educational Qualification	Year of Passing	Marks (%)	Grade/ Class	University/College	Remarks, if any

**2. Professional Qualifications**

Professional Qualification	Institute/ Professional Body	Membership No. (if applicable)	Date of registration/enrolment	Remarks, if any

**3. Insolvency Qualifications**

- 3.1. Have you passed Limited Insolvency Examination? (Yes / No)
- 3.2. Have you successfully completed National Insolvency Programme? (Yes / No)
- 3.3. Have you successfully completed the Graduate Insolvency Programme? (Yes / No)
- 3.4. Have you completed the pre-registration training with an insolvency professional agency? (Yes / No)

**C. WORK EXPERIENCE**

1. Are you presently in practice / employment? (Yes/ No)
2. Number of years in practice (in years and months):

3. If in practice, address for professional correspondence:
4. Number of years in employment (in years and months):
5. Experience Details (from the date of enrolment as Advocate / Chartered Accountant / Company Secretary / Cost Accountant/ Bachelors' Degree)

Sl. No.	From Date	To Date	Employment / Practice	If employed, Name of Employer and Designation	If in practice, practice as Advocate / Chartered Accountant / Company Secretary / Cost Accountant	Area of work

#### **D. INSOLVENCY PROFESSIONAL AGENCY**

1. Please give details of the insolvency professional agency with which you are enrolled as a professional member:
2. Please state your professional membership number:

#### **E. ADDITIONAL INFORMATION**

1. Have you ever been convicted for an offence? (Yes/ No)

If yes, please give details.

2. Are any criminal proceedings pending against you? (Yes/ No)

If yes, please give details.

3. Have you ever been declared as an insolvent/bankrupt, or applied to be declared so? (Yes/ No)

If yes, please give details.

4. Please provide any additional information that may be relevant for your application.

#### **F. ATTACHMENTS**

1. Copy of proof of residence.

2. Copies of documents in support of educational qualification, professional qualification and insolvency examination qualification.
3. Copies of documents demonstrating practice as -
  - i. a chartered accountant registered with the Institute of Chartered Accountants of India;
  - ii. a company secretary registered with the Institute of Company Secretaries of India;
  - iii. a cost accountant registered with the Institute of Cost Accountants of India; or
  - iv. an advocate enrolled with the Bar Council;
4. Copies of certificate of employment from the employer(s), specifying the period of such employment.
5. Financial statement / Income-tax Returns for the last three years.
6. Copy of certificate of professional membership with an insolvency professional agency.
7. Passport-size photo.
8. Evidence of deposit / payment of five thousand rupees / ten thousand rupees, as applicable.

#### **G. AFFIRMATIONS**

1. Copies of documents, as listed in section F of this application form have been attached/ uploaded. The documents attached/ uploaded are .....  
I undertake to furnish any additional information as and when called for.
2. I am not disqualified from being registered as an insolvency professional under the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016.
3. I hereby certify and declare that I am not an undischarged insolvent/bankrupt and have not made any application to be adjudged so under the laws of any jurisdiction.
4. This application and the information furnished by me along with this application is true and complete. If found false or misleading at any stage, my registration shall be summarily cancelled.
5. I hereby undertake to comply with the requirements of the Insolvency and Bankruptcy Code, 2016, the rules, regulations, guidelines and circulars issued thereunder, the bye-

laws of the insolvency professional agency with which I am enrolled, and the resolutions passed and directions given by the Board and the Governing Board of such insolvency professional agency.

6. The applicable fee has been paid.

Name and Signature of applicant

Place:

Date:

### VERIFICATION BY THE INSOLVENCY PROFESSIONAL AGENCY

We have verified as under:

Verification	Finding
Whether any disciplinary proceedings are pending or any disciplinary action has been taken at any time in the preceding three years against the professional member by the ICAI, ICSI, ICAI(Cost), or Bar Council, of which he is a Member.	Yes / No. If Yes, give details. If required, attach additional papers
Whether a regulator ICAI, ICAI (Cost), ICSI, or Bar Council has initiated any criminal proceeding against the professional member and is pending for disposal?	Yes / No. If Yes, give details. If required, attach additional papers
Whether the professional member had an unblemished service with the last employer if he was in employment?	Yes / No. If No, give details. If required, attach additional papers
Whether the name of the professional member appears in the databases of Ministry of Corporate Affairs regarding- i. Directors disqualified under section 164 of the Companies Act, 2013, or ii. Proclaimed Offenders under section 82 of the Code of Criminal Procedure, 1973.	Yes / No. If Yes, give details. If required, attach additional papers
Whether the professional member has been penalised by a market regulator (SEBI and CCI) in the last three years?	Yes / No. If Yes, give details. If required, attach additional papers
Whether the name of professional member appears in the list of defaulters of RBI / Credit Information Company?	Yes / No. If Yes, give details. If required, attach additional papers

We have verified the above details submitted by ... who is our professional member with professional membership no. ... and confirm these to be true and correct. We recommend registration of ... as an insolvency professional.

Place:

Date:

(Name and Signature)

Authorised Officer of the Insolvency Professional Agency  
(Seal of the Insolvency Professional Agency).]

**SECOND SCHEDULE  
FORM B**

**INSOLVENCY AND BANKRUPTCY BOARD OF INDIA**

**CERTIFICATE OF REGISTRATION**

**IP REGISTRATION NO. \_\_\_**

*[Under Regulation 7 of the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016]*

1. In exercise of the powers conferred by Regulation 7 of the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016 the Board hereby grants a certificate of registration to *[insert name]*, to act as an insolvency professional in accordance with these Regulations.
2. This certificate shall be valid from *[insert start date]*.

Sd/-

(Name and Designation)

For and on behalf of Insolvency and Bankruptcy Board of India

Place:

Date:

**SECOND SCHEDULE  
FORM C**

*[Under Regulation 12 of the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016]*

To  
The Chairperson  
Insolvency and Bankruptcy Board of India

**Sub.: Application for recognition as an insolvency professional entity**

**Sir/Madam,**

1. I, being duly authorized for the purpose, hereby apply on behalf of [*name and address of the applicant*] for recognition as an insolvency professional entity under the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016, and enclose proof that I am authorized to make this application and correspond with the Board in this respect.
2. I, on behalf of [*insert name*], affirm that the applicant is eligible to be recognised as an insolvency professional entity.
3. I, on behalf of [*insert name*], hereby affirm that –
  - i. all information contained in this application is true and correct in all material respects,
  - ii. no material information relevant for the purpose of this application has been suppressed, and
  - iii. recognition granted in pursuance of this application may be cancelled summarily if any information submitted herein is found to be false or misleading in material respects at any stage.
4. If granted recognition, I, on behalf of [*insert name*], undertake to comply with the requirements of the Code, the rules, regulations or guidelines issued thereunder, and such other terms and conditions as may be imposed by the Board while granting the certificate of recognition or subsequently.

Yours faithfully,

Authorized Signatory  
(Name)  
(Designation)

Place:

Date :

## ANNEXURE TO FORM C

### PART I GENERAL

1. Name of the applicant:
2. Address of registered office and principal place of business of the applicant:
3. Corporate Identification Number (CIN)/ Certificate of Registration:
4. PAN:
5. Name, designation and contact details of the person authorized to make this application and correspond with the Board in this respect:

### PART II DIRECTORS/ PARTNERS

1. Please state the details of all directors/ partners of the applicant:

Sl. No.	Name and address of the director/ partner	DIN	PAN	Registration No. as an insolvency professional	Professional membership No.

Yours faithfully,

Authorized Signatory  
(Name)  
(Designation)

Place :  
Date :

**SECOND SCHEDULE  
FORM D**

**INSOLVENCY AND BANKRUPTCY BOARD OF INDIA**

**CERTIFICATE OF RECOGNITION**

**INSOLVENCY PROFESSIONAL ENTITY RECOGNITION No. \_\_**

*[Under Regulation 13 of the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016]*

1. In exercise of the powers conferred by Regulation 13 of the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016 the Board hereby grants a certificate recognising *[insert name]*, as an insolvency professional entity.
2. This certificate of recognition shall be valid from *[insert start date]*.

Sd/-

(Name and Designation)

For and on behalf of Insolvency and Bankruptcy Board of India

Place:

Date:.

**<sup>21</sup>[ FORM E**

*[Under Regulation 7 (2)(ca) of the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016]*

To  
The General Manager (IP Division)  
Insolvency and Bankruptcy Board of India

*Subject: Annual statement of professional fee of insolvency professional.*

Sir / Madam,

1. I, *[Insert name]* hereby submit the annual statement of professional fee earned (whether received or not) by me from my services as an insolvency professional in the financial year *[insert financial year]*, as under:

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<sup>21</sup>Inserted by Notification No. IBBI/2018-19/GN/REG036 dated 11<sup>th</sup> October, 2018 (w.e.f. 11.10.2018).



Sl. No.	Name of Debtor	Services rendered as (IRP / RP / Liquidator / Trustee / Other, if any)	Professional fee as an insolvency professional for the year (Rs.)
1			
2			
3			
Total			

2. The following amounts are payable to the Board:

Sl. No.	Under regulation	Amount Payable (Rs.)
1	Regulation 7(2)(ca)	
2	Regulation 15, being interest from ... to .....	
Total		

3. A sum of Rs. ..., as worked out in Para 2 above, has been deposited into the account of the Board, vide..... ..

4. I, [insert name], hereby affirm that –

- i. all information contained in this statement is true and correct in all material respects and
- ii. no material information relevant for the purpose of this statement has been suppressed.

Yours faithfully,

Place:  
Date: -----

-----  
(Name)  
(Registration Number)

### FORM F

*[Under Regulation 13 (2) (b) and 13 (2) (c) of the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016]*

To  
The General Manager (IPE Division)  
Insolvency and Bankruptcy Board of India

*Subject: Information of cessation/joining of a Director / Partner in an insolvency professional entity.*

*Sir / Madam,*

I, [Insert name], being duly authorized for the purpose, submit the following information in compliance with sub-regulation (2) (b) and (2) (c) of regulation 13 of the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016:

#### 1. Details of the IPE

- a. Name of the IPE:
- b. Date of Recognition by the Board:
- c. Recognition Number:
- d. E-mail address registered with the Board:
- e. Name and Designation of Authorised Signatory:

**2. Details of director / partner who ceased to be a partner/ director of the IPE**

Description	Particulars
<b>Details of director / partner</b> a. Name b. Registration No. as IP (If applicable) c. Date of Registration (If applicable) d. E-mail Address Registered with the Board as IP (If applicable)	
<b>Details of Cessation</b> a. Date of Cessation as director / partner b. Whether Ceased as Whole Time Director? c. Reason of Cessation (Resignation / Removal / Any other) d. Date of Filing of Cessation with the Concerned Authority	

**3. Details of director / partner who joined the IPE**

Description	Particulars
<b>Details of director / partner</b> a. Name b. Registration No. as IP (If applicable) c. Date of Registration (If applicable) d. E-mail Address Registered with the Board as IP (If applicable)	
<b>Details of Joining</b> a. Date of Joining as director / partner b. Whether Joined as Whole Time Director? c. Date of Filing of Joining with the Concerned Authority	

**4. Composition of the Board / Partnership of the IPE before and after cessation/joining of the Director / Partner**

Sl. No.	Composition (Before)				Composition (After)			
	Name of the Director/ Partner	Designation (Whole Time Director / Director / Partner)	Status as an IP		Name of the Director/ Partner	Designation (Whole Time Director / Director / Partner)	Status as an IP	
			Yes / No	If yes, IP Registration Number			Yes / No	If yes, IP Registration Number
1								
2								
3								
4								

5. I am submitting the above information within seven days of the cessation or joining, as the case may be.

6. A sum of Rs. ..., as required under the regulation 13(2)(b), 13(2)(c) and 15, has been deposited into the account of the Board, vide..... ..
7. I certify that the above information is true and correct.

Yours faithfully,

(Authorised Signatory)

(Name)

(Designation)

(IPE Name)

(IPE Recognition Number)

Place:

Date:

### FORM G

*[Under Regulation 13 (2) (ca) of the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016]*

To

The General Manager (IPE Division)

Insolvency and Bankruptcy Board of India

*Subject: Annual statement of turnover of insolvency professional entity.*

*Sir / Madam,*

1. I, [Insert name], being duly authorized for the purpose, hereby submit the annual statement of turnover (whether received or not) from services rendered by the (write name of the insolvency professional entity) in the financial year [insert financial year], as under:

Sl. No.	Name of Debtor	Name of IP who rendered services as IRP / RP / Liquidator / Trustee / Other, if any	Broad description of kind of service rendered	Turnover from services rendered in the year (In Rs.)
1				
2				
3				
Total				

2. The following amounts are payable to the Board:

Sl. No.	Under regulation	Amount Payable (Rs.)
1	Regulation 13 (2) (ca)	
2	Regulation 15, being interest from ... to .....	
Total		

3. A sum of Rs. ..., as worked out in Para 2 above, has been deposited into the account of the Board, vide..... ..
4. I, on behalf of [insert name of entity], hereby affirm that –
- all information contained in this statement is true and correct in all material respects and
  - no material information relevant for the purpose of this statement has been suppressed.

Place:  
Date:

Yours faithfully,  
(Authorised Signatory)  
(Name)  
(Designation)  
(IPE Name)  
(IPE Recognition Number).

(Dr. M. S. Sahoo)  
Chairperson  
Insolvency and Bankruptcy Board of India