

INSOLVENCY AND BANKRUPTCY BOARD OF INDIA

PRESS RELEASE

29th September, 2017

IBBI notifies the IBBI (Information Utilities) (Amendment) Regulations, 2017

IBBI had notified the IBBI (Information Utilities) Regulations, 2017 on 31st March, 2017. These regulations provided that ordinarily a person should not hold more than 10% of paid up equity share capital or voting power of an information utility, while allowing certain specified persons to hold up to 25%. These further provided that a person may hold up to 51% of paid-up equity share capital or total voting power of an information utility till the expiry of three years from its registration.

IBBI has amended the IBBI (Information Utilities) Regulations, 2017 on 29th September, 2017. According to the amended regulations, a person may, directly or indirectly, either by itself or together with persons acting in concert, hold up to fifty-one percent of the paid-up equity share capital or total voting power of an information utility up to three years from the date of its registration. Further, an Indian company, (i) which is listed on a Stock Exchange in India, or (ii) where no individual, directly or indirectly, either by himself or together with persons acting in concert, holds more than ten percent of the paid-up equity share capital, may hold up to hundred percent of the paid-up equity share capital or total voting power of an information utility up to three years from the date of its registration. However, these amended provisions are be available in respect of information utilities registered before 30th September, 2018.

The amendment requires that more than half of the directors of an information utility shall be Indian nationals and residents in India.

The amendments are effective from 29th September, 2017. These are available at www.mca.gov.in and www.ibbi.gov.in