

# INDIA JURIS

## **IBBI Amends Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.**

The Insolvency and Bankruptcy Board of India 'IBBI' has amended the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 vide notification **no. IBBI/2017-18/GN/REG030** dated 27<sup>th</sup> March, 2018. This is the second time IBBI is amending Insolvency Resolution Process for Corporate Persons Regulations, 2016. By virtue of this amendment two new regulations have been added namely regulation 34A and regulation 35A.

Regulation 34A makes it mandatory for the acting Interim Resolution Professionals or Resolution Professionals to disclose item wise insolvency resolution process costs incurred by them in a manner as prescribed by the IBBI. Regulation 35A prescribes a time limit for identifying the Prospective Resolution Applicants by the Resolution Professional. Now the Resolution Professional will have to identify the Prospective Resolution Applicants within 105 days from the insolvency commencement date.

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## **IBBI Amends Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2018.**

Insolvency and Bankruptcy Board of India 'IBBI' amends Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016, vide notification **no. IBBI/2017-18/GN/REG028** dated 27<sup>th</sup> March, 2018. This is the first amendment in Liquidation Process Regulations, 2016 by IBBI so far. By virtue of this amendment new clauses have been added to regulation 2 and regulation 32.

New clause (ea) of regulation 2 defines liquidation cost as mentioned in section 5 (16) of Insolvency and Bankruptcy Code, 2016. It specifies that the liquidation cost is inclusive of fee payable to the liquidator (as mentioned in regulation 4), remuneration paid by the liquidator to the professionals appointed by him, cost incurred by liquidator in verification and determination of claims and interest on interim finance for a period of twelve months or for the period from the liquidation commencement date till repayment of interim finance whichever is lower. New clause (c) of regulation 32 gives liberty to the liquidator to sell the corporate person as a going concern.

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## WORLD PRACTICE

Asia Europe USA UK Middle East Africa

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In this issue:

- **IBBI Amends Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.**
- **IBBI Amends Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2018.**

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