

REPORTING ALMANAC

Indian Institute of Insolvency Professional of ICAI (hereinafter referred to as IIPI) is a public limited company registered under Section 8 of the Companies Act, 2013.

IIPI has been awarded with the registration certificate as the First ever Insolvency Professional Agency of India by the then Hon'ble Finance Minister; Late Shri Arun Jaitley on 28th November, 2016.

Congruent with Chapter VIII clause 15 of the Insolvency and Bankruptcy Board of India (Model Bye-Laws and Governing Board of Insolvency Professional Agencies) Regulations, 2016 read with Chapter VIII clause 15 of Bye Laws of IIPI of ICAI, the Insolvency Professional Agency shall have a Monitoring Policy to monitor the professional activities and conduct of professional members for their adherence to the provisions of the Insolvency & Bankruptcy Code, rules, regulations and guidelines issued there-under, the bye-laws, the Code of Conduct and directions given by the Governing Board of IIPI.

PROVISIONS PERTAINING TO THE REPORTING TO BE DONE BY THE INSOLVENCY PROFESSIONALS UNDER THE CODE

- In conformity with Section 208 (2)(d) of the Code, every Insolvency Professional shall submit a copy of the records of every proceeding before the Adjudicating Authority to the Insolvency and Bankruptcy Board of India (IBBI) as well as to the Insolvency Professional Agency of which he is a member.
- Section 31(3)(b) of the Code requires Insolvency Professionals to forward all records relating to the conduct of the corporate insolvency resolution process and the resolution plan to the Board.
- In conformity with Chapter VIII Clause 16 of IBBI (Model Bye-Laws & Governing Board of Insolvency Professional Agencies) Regulations, 2016 and Chapter VIII Clause 16 of Bye Laws of IIPI of ICAI; a professional member shall submit information, including records of ongoing and concluded engagements as an IP, in the manner and format specified by the respective Insolvency Professional Agency at least twice a year.
- An IP shall abide by the Monitoring Policy adopted by the Insolvency Professional Agency with whom he/she is enrolled and shall make timely reporting in accordance with the policy.
- An IP shall maintain and preserve complete and proper record of all the assignments (corporate insolvency resolution process/ voluntary liquidation/ liquidation) handled by them. IBBI in consultation with IPAs will soon notify the retention schedule of records by an IP. The reference of the same has been given under Regulation 39A of the Insolvency and Bankruptcy Board of India (insolvency Resolution Process for Corporate Persons) (Fourth Amendment) Regulations, 2018.

REPORTING REQUIREMENTS IN COMPLIANCE WITH MONITORING POLICY OF IIPI/ CIRCULARS AND REGUALTIONS

Copy of Public Announcement	Copy of Public announcement to be uploaded on the website of IIPI
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Every member shall submit the copy of public announcement in respect of CIRP/Liquidation assignments, within 07 days of his appointment as IRP/Liquidator in their respective cases via an online module available on the website of IIPI.

IBBI Circular dated 16th January, 2018	Disclosures by Insolvency Professionals and other professionals appointed by Insolvency Professionals conducting Resolution Process to be submitted on the website of IIPI
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Events specific filing of Relationship Disclosure (*within 3 days from the occurrence of the event*)

- On Appointment as IRP/RP
- On Constitution of Committee of Creditors
- On Appointment of other professionals (Registered Valuers, Advocates etc.)
- On Raising of Interim Finance
- On Supply of Information Memorandum

Relationship shall mean any one or more of the four kinds of relationships at the time of the event or at any time whenever relation comes to the attention or during the three years preceding the appointment.

Kind A	Where the Insolvency Professional or the Other Professional, as the case may be, has derived 5% or more of his / its gross revenue in a year from professional services to the related party.
Kind B	Where the Insolvency Professional or the Other Professional, as the case may be, is a Shareholder, Director, Key Managerial Personnel or Partner of the related party.
Kind C	Where a relative (Spouse, Parents, Parents of Spouse, Sibling of Self and Spouse, and Children) of the Insolvency Professional or the Other Professional, as the case may be, has a relationship of kind A or B with the related party.
Kind D	Where the Insolvency Professional or the Other Professional, as the case may be, is a partner or director of a company, firm or LLP, such as, an Insolvency Professional Entity or Registered Valuer, the relationship of kind A, B or C of every partner or director of such company, firm or LLP with the related party.

Important Instructions:

- File relationship disclosure on each event, even if there is no relationship
- Enter correct dates for every event.
- Choose the correct disclosure purpose while submitting the disclosure. (from the drop down menu)
- File disclosure on the event of appointment of every professional, e.g. Registered Valuer, Accountant, Forensic Auditor, Process Advisor etc.
- Declare whether the appointment/s have been made at arm's length relationship.
- File disclosure in the event of availing support services from IPE.
- Properly evaluate existence of relationship (if any).
- Submit the disclosures within due dates.

Always make sure to file correct and complete disclosures.

IBBI Circular dated 12th June,2018	Fee and other Expenses incurred for Corporate Insolvency Resolution Process
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Events for Filing Fee and Other Expenses Disclosure (*within 7 days from demitting office as an IRP/RP as the case may be*)

- **Form I & II:** Within 7 days from demitting office as IRP
- **Form III:** Within 7 days from demitting office as RP

Demitting means leaving office either on completion of term as IRP, resignation, removal, reappointment as RP or otherwise(Withdrawal, Settlement, Set aside etc.)

Important Instructions

- Enter correct dates regarding the appointment as IRP/RP.
- Select relevant head before putting value in respect of any expense.
- Fee paid for support services taken from IPE to be disclosed in the forms.
- Enter correct values under each head and same should in synchronization with the supporting document of the respective fee/s and expense.
- If an expense is not required to be ratified by CoC, then write 0 under the head "Amount approved/ratified by CoC" and give a clarification in the Remarks column.
- Ensure synchronization between the relationship disclosure and cost disclosure especially regarding the appointment of the professionals.
- Submit the forms within the due dates.
- The fee and expenses incurred and entered in the form shall be with respect to the relevant period only i.e; with respect to Form I & II the relevant period is limited to the tenure of the IRP whereas with respect to Form III the relevant period is limited to the tenure of the RP only.

IBBI Circular dated 17th October, 2018 and 13th August 2019

Valuation under Insolvency and Bankruptcy Code, 2016

- Appointment of any person, other than a 'registered valuer', i.e, a valuer registered with the IBBI under the Companies (Registered Valuers and Valuation) Rules, 2017, on or after 1st February, 2019, to conduct any valuation required under the Insolvency and Bankruptcy Code, 2016, or any regulations made thereunder, including the Insolvency and Bankruptcy Board of India (Insolvency Resolution for Corporate Persons) Regulations, 2016, and the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016, **is illegal and amounts to violation of the aforesaid Circular.**
- Any fees paid to any person, other than a 'registered valuer' appointed to conduct valuation required under the code or regulations thereunder on or after the effective date of the Circular as mentioned above i.e; 1st February, 2019 shall **not form a part of the insolvency resolution process costs or liquidation cost.**

For the purpose of valuation under the Code and engagement letter being entered into should be either with IBBI Registered Valuer or with Registered Valuers Entity transparently defining their name, address, IBBI registration number, their scope of work, fees and timeline within which report has to be provided.

Important Instructions:

- While making relationship disclosure, IPs should specifically mention the individual names of the Valuers registered with IBBI and shall disclose his/her IBBI valuer registration number along with the respective Asset Class to be valued.
- Make sure to appoint only those valuers in the process, which are registered with IBBI.
- Make sure that the valuation report is signed by the Individual Valuer registered with IBBI for the respective Asset Class.
- Make sure that the fee payable for the assignment has been paid to the Individual Valuer.
- Make sure that the appointment letter of Registered Valuer must contain the timeline of appointment also.

IBBI Circular dated 12th April, 2019

Compliance with Regulation 7(2)(ca) of the IBBI (Insolvency Professionals) Regulation, 2016.

- The Circular dated 12th April, 2019 amended the IBBI (Insolvency Professionals) Regulation, 2016 and inserted Regulation 7(2)(ca) and Regulation 13(2)(ca).
- As required under Regulation 7(2)(ca), the members are required to pay to Insolvency and Bankruptcy Board of India, a fee calculated at the rate of 0.25% of the professional fee earned for the services rendered by him as an IP in the preceding financial year, on or before the 30th April of every year, along with a statement in Form E of the Second schedule of the IBBI (Insolvency Professionals) Regulation, 2016. Form E is required to be submitted on the website of IBBI.

Important Instructions:

- Form E is required to be submitted by every IP even if he has not earned any

professional fee or does not have any turnover during the financial year.

IBBI Circular dated 14th August, 2019 and Regulation 40B of CIRP regulations

Filing of Forms for the purpose of monitoring corporate insolvency resolution processes and performance of insolvency professionals under the Insolvency and Bankruptcy Code, 2016 and the regulations made thereunder

In the aftermath of notification of the above mentioned Circular and CIRP regulations, IBBI developed an electronic platform for filing of the CIRP Forms via online module. The said platform is hosted on the website of the IBBI. The IP shall access the said platform with the help of a unique username and password provided to him by the IBBI and upload / submit the Forms available online, along with relevant information and records, by affixing DSC or by e-signing.

An overview of these Forms congruent with the above-mentioned Circular, as available on the website of IBBI, is as per the Table below:

Form	Period Coverage and Scope	To be filed by	Timelines
IP 1	Pre-Assignment: This includes consent to accept assignment as IRP / RP, the details of IP and the Applicant, the details of the person which will undergo the process, terms of consent, terms of engagement, etc.	IP	Within three days of signing of Form-2 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 or Form-AA of the Regulations, as the case may be.
CIRP 1	From Commencement of CIRP till Issue of Public Announcement: This includes details of IRP, CD, and the Applicant; admission of application by AA; public announcement; details of suggested Authorised Representatives; non-compliances with the provisions of the Code and other laws applicable to the CD; etc	IRP	Within seven days of making the Public Announcement under section 13.

CIRP 2	From Public Announcement till confirmation/ replacement of IRP: This includes details of Authorised Representative selected by IRPs for a class of creditors; taking over management of the CD; receipt and verification of claims; constitution of CoC, first meeting of CoC; confirmation / replacement of IRP; applications seeking cooperation of management (if any); expenses incurred on or by IRP; relationship of IRP with the CD, Financial Creditors and Professionals; support services taken from IPE; non-compliances with the provisions of the Code and other laws applicable to the CD; etc	IRP	Within seven days of confirmation/ replacement of IRP under section 22.
CIRP 3	From Appointment of RP till issue of Information Memorandum (IM) to Members of CoC: This includes details of RP; details of registered valuers; handing over of records of CD by IRP to RP; taking over management of the CD; applications seeking co-operation of management (if any); details in IM; non-compliances with the provisions of the Code and other laws applicable to the CD; etc.	RP	Within seven days of issue of IM to members of CoC under regulation 36.
CIRP 4	From Issue of IM till issue of Request for Resolution Plans (RFRP): This includes expression of interest; RFRP and modification thereof; evaluation matrix and modification thereof; non-compliances with the provisions of the Code and other laws applicable to the CD; etc.	RP	Within seven days of the issue of RFRP under regulation 36B.
CIRP 5	From Issue of RFRP till completion of CIRP: Updated list of claimants, updated CoC, details of the resolution applicants, details of resolution plans received, details of approval or rejection of resolution RP Within seven days of the approval or rejection of the plans by CoC, application filed with AA for approval of resolution plan; details of resolution plan approved by the AA, initiation of liquidation, if applicable, expenses incurred on or by RP, appointment of professionals and the terms of appointment, relationship of the RP with the CD, financial creditors, and professionals, support services sought from IPE, non- compliances with the provisions of	RP	Within seven days of the approval or rejection of the resolution plan under section 31 or issue of liquidation order under section 33, as the case may be, by the AA.

	the Code and other laws applicable to the CD.		
CIRP 6	Event Specific: This includes: <ol style="list-style-type: none"> Filing of application in respect of preferential transaction, undervalued transaction, fraudulent transaction, and extortionate transaction; Raising interim finance; Commencement of insolvency resolution process of guarantors of the CD; Extension of period of CIRP and exclusion of time; Premature closure of CIRP (appeal, settlement, withdrawal, etc.); Request for liquidation before completion of CIRP; and Non implementation of resolution plan, as approved by the AA. 	IRP/RP	Within seven days of the occurrence of the relevant event.

Common errors observed on part of IPs while filing forms

- Reason for delay in filing Public Announcement not provided.
- Date of filing disclosure with IPAs not provided.
- Reason for delay in submission of IM was not provided.
- Date of filing the application to AA was not provided.
- Date of filing of list of creditors with the AA was not given though the list is duly attached in the forms.
- Incomplete/corrupt attachments in the forms.
- Errors in date of admission, amount admitted as debt, date of confirmation of RP.
- Wrong CIN details of CD
- Timelines are not correctly incorporated.
- Details of the orders passed by Adjudicating Authorities/Courts are incomplete like date of order; brief of order etc. is not captured.
- Details of Authorized Representative not provided.
- Mismatch in the information pursuant to the relationship and cost disclosure submitted on IPA website and provided in CIRP forms.
- Details/ Disclosure pertaining to the appointment of IPE not made to IPA.
- Difference in date of constitution of Committee of Creditors and actual date.
- Date of confirmation as RP not mentioned.
- Reason of liquidation not provided in the respective form.
- In case of withdrawal of CIRP, forms pertaining to the RP tenure are not filed.
- Values mentioned as preferential, undervalued, fraudulent and extortionate transactions do not correspond to the values mentioned in the Application filed before the Adjudicating Authority.

IBBI Circular dated 17th March 2020 and Regulation 40B of CIRP Regulations

Feature for modification of CIRP Forms (including IP-1 Form) submitted by an Insolvency Professional (IP) in compliance of regulation 40B of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.

As we are aware that sub-regulation (3) of regulation 40B of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 mandates that an Insolvency Professional shall ensure that the Forms and its enclosures filed under this regulation are accurate and complete. Further, subsequent to the abovementioned Circular, sub-regulation (4) was inserted under Regulation 40 B of IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016), which provides for the filing of a Form after due date of submission, whether by correction, updation or otherwise, shall be accompanied by **a fee of five hundred rupees** per Form for each calendar month of delay after 1st October, 2020.

The IPs are advised to exercise due care and diligence while submitting a Form to avoid modification and submit the Forms in time. However, such modification till 31st March, 2020 later extended to 1st October, 2020 did not attract any fee.

The modification of Forms or failure to file a Form in time does not reflect well on an IP and may invite action for non-compliance. Thus, the IRP/RP, as the case may be, shall be liable to any action which the Board may take as deemed fit under the Code or any regulation made thereunder, including refusal to issue or renew Authorization for Assignment, for-

- a) failure to file a form along with requisite information and records;
- b) inaccurate or incomplete information or records filed in or along with a form;
- c) delay in filing the form

Half Yearly Return

Filing of submission of Half Yearly Return within 15 days from the end of respective Half Year

In conformity with Chapter VIII clause 16 of Schedule of Insolvency and Bankruptcy Board of India (Model Bye-Laws and Governing Board of Insolvency Professional Agencies) Regulations, 2016 read with Chapter VIII clause 16 of Bye-Laws of Insolvency Professional Agency, every professional member shall submit information, including records of ongoing and concluded engagements as an insolvency professional, in the manner and format specified by the Agency, at least twice a year. Conforming to the said provisions, the Insolvency Professional shall submit relevant information online by visiting the following link on website of IIPI-

<https://www.iiipicai.in/forms/>

The Professional Member shall submit the Half Yearly Report to IPA in the manner specified by IPA twice in a year as follows:

Reporting Tenure	Last Date of submission
From 1st April to 30th September	15th October
From 1st October to 31st March	15th April

IMPORTANT

The amendment brought about on 16th September, 2020 inserted additional information under

Clause 6.1.1 (i) (c) of the Monitoring Policy of IIIPI regarding the non-submission of Half Yearly Return. The said clause incorporates the penalty to be imposed and actions to be taken against the defaulters.

Actions against defaulters as mentioned in the revised Monitoring Policy of IIIPI dated 16.09.2020 for Non-submission of Half-Yearly Return are as follows:

- i. In respect of the existing defaulters a final reminder letter giving 15 days' time for submission of Half Yearly Return with a late-fee of Rs.1000/- and in case not filed even after the expiry of fifteen days a late-fee of Rs. 500/- per month shall be levied.
- ii. For any such future delay by IP, a late-fee of Rs.1000/- after two reminders each giving 15 days' time and in case not filed even after that a late-fee of Rs. 500/- per month shall be levied.
- iii. Such cases of delay shall be referred by Monitoring Committee to Disciplinary Committee after allowing maximum period of 1 year.

(Explanation- For the purpose of this Clause, "existing defaulters" means IP who fails to submit return for the Half Year ending on 31st March 2019, 30th September 2019 and 31st March 2020, Half Yearly Return;
 "For any future delay" means Delay in respect of submitting Half Yearly Return which become due on or after the period ending on 30th September 2020.)

IBBI Circular dated 29th October, 2020	Compliance with Rules 4, 6 and 7 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016.
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An applicant is required to provide a copy of the application for initiating corporate insolvency resolution process against a corporate debtor, inter alia, to the Board, before filing the same with the Adjudicating Authority as per the format provided in the Annexure A and step by step guide provided in Annexure B of the Circular.

IBBI Circular dated 27th November, 2020	Filing of list of creditors under clause (ca) of sub-regulation (2) of regulation 13 of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016
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- As per the Clause (ca) of sub-regulation (2) of regulation 13 of the CIRP Regulations, 2016 requires the interim resolution professional or the resolution professional to file the list of creditors on the electronic platform of the Board for dissemination on its website. The purpose of this requirement is to improve transparency and enable stakeholders to ascertain the details of their claims at a central platform.
- The above requirement is applicable to every corporate insolvency resolution process (a) ongoing as on the date 13th November, 2020, that is, the date of commencement of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) (Fifth Amendment) Regulations, 2020; and, (b) commencing on or after the said date.
- In pursuance of the above, the Board has made available an electronic platform at www.ibbi.gov.in for filing of list of creditors as well as updating it thereof. The platform permits multiple filings by the interim resolution professional or the resolution professional as and when the list of creditors is updated by him. The format of list of creditors for the purpose of filing has been placed as Annexure in the circular.

As per the Regulation 39A of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (CIRP Regulations) which mandates the interim resolution professional (IRP) and the resolution professional (RP) to preserve a physical as well as an electronic copy of the records relating to the corporate insolvency resolution process (CIRP) of the corporate debtor (CD).

Thereafter, keeping in view the above provisions and in consultation with the IPAs, the Board has directed retention of records under regulation 39A of the CIRP Regulations as under:

- An IP shall preserve –
 - a) an electronic copy of all records (physical and electronic) for a minimum period of eight years, and
 - b) a physical copy of physical records for minimum period of three years, from the date of completion of the CIRP or the conclusion of any proceeding relating to the CIRP, before the Board, the Adjudicating Authority (AA), Appellate Authority or any Court, whichever is later.
- An IP shall preserve records relating to that period of a CIRP when he acted as IRP or RP, irrespective of the fact that he did not take up the assignment from its commencement or continue the assignment till its conclusion. For example, an IP served for three months as RP before he was replaced by another IP, who served till conclusion of the CIRP. The former shall preserve records relating to the first three months, and the latter shall preserve records relating to the balance period of the CIRP.
- An IP shall preserve copies of records relating to or forming the basis of:
 - a) his appointment as IRP or RP, including the terms of appointment;
 - b) handing over / taking over by him;
 - c) admission of CD into CIRP;
 - d) public announcement;
 - e) the constitution of CoC and CoC Meetings;
 - f) claims, verification of claims, and list of Creditors;
 - g) engagement of professionals, registered valuers, and insolvency professional entity, including work done, reports etc., submitted by them;
 - h) Information Memorandum;
 - i) all filings with the AA, Appellate Authority and their orders;
 - j) invitation, consideration and approval of resolution plan;
 - k) statutory filings with IBBI and IPA;
 - l) correspondence during the CIRP;
 - m) insolvency resolution process cost;
 - n) applications for avoidance transactions or fraudulent trading; and
 - o) any other records, which is required to give a complete account of the CIRP.
- An IP shall preserve the records at a secure place and ensure that unauthorised persons do not have access to the same. For example, he may store copies of records in electronic form with an Information Utility. Notwithstanding the place and manner of storage, the IP shall be obliged to produce records as may be required under the Code and the Regulations.

Other Reporting**Monthly submission of information on Ongoing and concluded cases of IPs**

Monitoring Policy of Indian Institute of Insolvency Professionals of ICAI (IIPI) requires an Insolvency Professional in other reporting to report status of each assignment they undertake under IBC periodically on monthly basis.

In accordance with the same, the professionals are required to update the status of every assignments i.e, CIRP, Liquidation, Voluntary Liquidation, Personal Guarantors to Corporate Debtors and Authorized Representatives through Google link shared by the IPA via email at the month end of every month to all registered members.

The IP is requested to kindly comply with the said reporting in the timebound & accurate manner.