

To
The Editor
Business Standard

18th August, 2017

Sub: News item: “Insolvency regulator empowers property buyers, puts them on a par with creditors” in the Business Standard dated 18th August, 2017.

The above news item attributes certain aspects to the Insolvency and Bankruptcy Board of India (Board). For example, it carries:

“The Insolvency and Bankruptcy Board of India (IBBI), which is implementing the Insolvency and Bankruptcy Code, has said owner of undelivered properties can become part of the committee of creditors and stake a claim equivalent to the amount they have paid to realtors. Their claims, according to the regulator, would be treated on a par with claims of other financial and operational creditors and would not be pushed to the bottom of the list.”

It also carries:

“ “Such entities should submit proof of their claims to the interim resolution professional or resolution professional,” a notification issued by the IBBI on Wednesday said.”

2. It is clarified that the Board has not made any such statements. Further, such news reports create confusion amongst the stakeholders and vitiate the insolvency resolution process under the Insolvency and Bankruptcy Code, 2016. We advise you not to attribute statements to the Board which it has not made and avoid such news reports.

3. By amendments to regulations [The Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, and the Insolvency and Bankruptcy Board of India (Fast Track Insolvency Resolution Process for Corporate Persons) Regulations, 2017] notified on 16th August, 2017, the Board has tried to facilitate the process of collection and collation by the interim resolution professional / resolution professional of all the claims pertaining to corporate debtors.

4. We request you to kindly publish this letter prominently in the Business Standard for the benefit of the stakeholders.

Yours faithfully,

(Ms. Anita Kulshrestha)
Deputy General Manager