

Ministry of Corporate Affairs

Notice inviting comments on the review of rules prescribed under the Insolvency and Bankruptcy Code, 2016

Dated: _____

The Ministry of Corporate Affairs (MCA) has prescribed various Rules under the Powers available under the Insolvency and Bankruptcy Code, 2016 (Code) to carry out the provisions of the Code. While prescribing these Rules, the following factors have been considered by the MCA viz:-

- a) Necessity of a robust corporate governance framework
- b) Ease of doing business and ease of compliance
- c) Economic environment in the country as well as internationally
- d) Levels of various thresholds in respect of class or classes of companies for the purpose of various governance and compliance requirements
- e) Pronouncement of various Courts/NCLT/NCLAT & other quasi-judicial bodies
- f) Legal & Technologies developments taking place across the globe
- g) Ease of Exit.

2. Pursuant to the announcement made in para 99 & 100 of the Budget Speech (2023-2024), the Ministry of Corporate Affairs (MCA) has released a policy for pre-legislative consultation and Comprehensive review of existing Rules and Regulations prescribed under various legislations administered by it. The policy has been placed on the website of MCA.

3. In accordance with para-B.1 of such policy. It has been decided to initiate a comprehensive review of all the Rules prescribed under various legislations being administered by MCA. Accordingly, Comments/ Suggestions are invited on the following Rules from all the stakeholders:

- a) The Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016
- b) The IBBI (Form of Annual Statement of Accounts) Rules, 2018
- c) The IBBI (Annual Report) Rules, 2018
- d) The Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019
- e) The Insolvency and Bankruptcy (Application to Adjudicating Authority for Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) Rules, 2019

- f) The Insolvency and Bankruptcy (Application to Adjudicating Authority for Bankruptcy Process for Personal Guarantor to Corporate Debtor) Rules, 2019
- g) The Insolvency and Bankruptcy (Pre-packaged Insolvency Resolution Process) Rules, 2021

4. For providing comments, please follow the process as under:

- a. Visit MCA's website, www.mca.gov.in; E-consultation Tab or click on the URL: <https://www.mca.gov.in/content/mca/global/en/econsultation.html>
- b. Select "Public Comments";
- c. From the drop-down menu, select "comments on Rules";
- d. Provide your Name, and Email ID;
- e. Select the stakeholder category, namely, -
 - i. Corporate Debtor;
 - ii. Creditor to a Corporate Debtor;
 - iii. Insolvency Professional;
 - iv. Insolvency Professional Agency;
 - v. Insolvency Professional Entity;
 - vi. Personal Guarantor to a Corporate Debtor;
 - vii. Proprietorship firms;
 - viii. Partnership firms;
 - ix. Academics;
 - x. Investors;
 - xi. Others.

5. Select the rules, you wish to make a comment upon, from the drop down menu, as under:

- a) The Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016
- b) The IBBI (Form of Annual Statement of Accounts) Rules, 2018
- c) The IBBI (Annual Report) Rules, 2018
- d) The Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019
- e) The Insolvency and Bankruptcy (Application to Adjudicating Authority for Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) Rules, 2019
- f) The Insolvency and Bankruptcy (Application to Adjudicating Authority for Bankruptcy Process for Personal Guarantor to Corporate Debtor) Rules, 2019
- g) The Insolvency and Bankruptcy (Pre-packaged Insolvency Resolution Process) Rules, 2021

6. Please note that the selected rules can be found by clicking the pdf icon right next to the “select rules” option.

7. Select the kind of comments you wish to make, namely,

a. General Comments; or

b. Specific Comments.

8. If you have selected “General Comments”, please select one of the following options:

a) Inconsistency, if any, between the provisions within any rules (intra-rules);

b) Inconsistency, if any, between the provisions in different rules (inter-rules);

c) Inconsistency, if any, between the provisions in any with those in the rules;

d) Inconsistency, if any, between the provisions in any rules with those in the Code;

e) Inconsistency, if any, between the provisions in any rules with those in any other law;

f) Any difficulty in implementation of any of the provisions in any rules;

g) Any provision that should have been provided in any rules, but has not been provided;

h) Any provision that has been provided in any rules, but should not have been provided.

and then write comments in the “Write Comment” box.

9. If you have selected “Specific Comments”, please select rules number and then sub-rules number, and write comments in the “Write Comment” box, under the selected rules / sub-rules number.

10. You can make comments on more than one rules, or more than one rules / sub rules number, by clicking on more comments and repeating the process outlined above from point 6 onward.

11. Click ‘Submit’, after entering the image text in the box provided on the portal, if you have no more comments to make.

12. Comments should be sent only through the web link created for the purpose, and should not be sent separately through e-mail or hard copy. It is requested that comments/suggestions may be submitted on the Rules within 30 days from the date of upload.

Rajan Jain

(Deputy Secretary to Govt. of India)