

**THE GAZETTE OF INDIA
EXTRAORDINARY
PART III, SECTION 4
PUBLISHED BY AUTHORITY
NEW DELHI, 23rd JULY, 2019**

**INSOLVENCY AND BANKRUPTCY BOARD OF INDIA
NOTIFICATION
New Delhi, 23rd July, 2019**

Insolvency and Bankruptcy Board of India (Insolvency Professionals) (Amendment) Regulations, 2019

No. IBBI/2019-20/GN/REG045.- In exercise of the powers conferred by sections 196, 207 and 208 read with section 240 of the Insolvency and Bankruptcy Code, 2016 (31 of 2016), the Insolvency and Bankruptcy Board of India hereby makes the following regulations further to amend the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016, namely: -

1. (1) These regulations may be called the Insolvency and Bankruptcy Board of India (Insolvency Professionals) (Amendment) Regulations, 2019.

(2) They shall come into force on the date of publication in the Official Gazette.

2. In the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016 (hereinafter referred to as the principal regulations), in regulation 2, in sub-regulation (1), for clause (a), the following clauses shall be substituted, namely:-

‘(a) “assignment” means any assignment of an insolvency professional as interim resolution professional, resolution professional, liquidator, bankruptcy trustee, authorised representative or in any other role under the Code;

(aa) “authorisation for assignment” means an authorisation to undertake an assignment, issued by an insolvency professional agency to an insolvency professional, who is its professional member, in accordance with its bye-laws;

(ab) “Bar Council” means a Bar Council constituted under the Advocates Act, 1961 (25 of 1961);’.

3. In the principal regulations, after regulation 7, the following regulation shall be inserted, namely: -

“Authorisation for assignment.

7A. An insolvency professional shall not accept or undertake an assignment after 31st December, 2019 unless he holds a valid authorisation for assignment on the date of such acceptance or commencement of such assignment, as the case may be:

Provided that provisions of this regulation shall not apply to an assignment which an insolvency professional is undertaking as on-

(a) 31st December, 2019; or

(b) the date of expiry of his authorisation for assignment.”.

4. In the principal regulations, for Chapter heading IV, the following Chapter heading shall be substituted, namely:-

“CHAPTER IV

**ISSUE AND SURRENDER OF AUTHORISATION FOR ASSIGNMENT AND
DISCIPLINARY PROCEEDINGS”.**

5. In the principal regulations, in regulation 10, for sub-regulation (1), the following sub-regulation shall be substituted, namely: -

“(1) An insolvency professional agency shall inform the Board when it-

- (a) issues or renews an authorisation for assignment;
- (b) suspends or cancels an authorisation for assignment;
- (c) revokes the suspension of an authorisation for assignment; or
- (d) accepts the surrender of an authorisation for assignment,

within one working day of taking such action.”.

6. In the principal regulations, in regulation 11, in sub-regulation (8), after clause (b), the following clause shall be inserted, namely: -

“(ba) suspension or cancellation of authorisation for assignment;”.

7. In the principal regulations, in the First Schedule, -

(a) after clause 3, the following clause shall be inserted, namely: -

“3A. An insolvency professional must disclose the details of any conflict of interests to the stakeholders, whenever he comes across such conflict of interest during an assignment.”;

(b) for clause 23, the following clauses shall be substituted, namely: -

“23. An insolvency professional must not engage in any employment when he holds a valid authorisation for assignment or when he is undertaking an assignment.

23A. Where an insolvency professional has conducted a corporate insolvency resolution process, he and his relatives shall not accept any employment, other than an employment secured through open competitive recruitment, with, or render professional services, other than services under the Code, to a creditor having more than ten percent voting power, the successful resolution applicant, the corporate debtor or any of their related parties, until a period of one year has elapsed from the date of his cessation from such process.

23B. An insolvency professional shall not engage or appoint any of his relatives or related parties, for or in connection with any work relating to any of his assignment.

23C. An insolvency professional shall not provide any service for or in connection with the assignment which is being undertaken by any of his relatives or related parties.

Explanation.- For the purpose of clauses 23A to 23C, “related party” shall have the same meaning as assigned to it in clause (24A) of section 5, but does not include an insolvency professional entity of which the insolvency professional is a partner or director.”.

Dr. M. S. Sahoo
Chairperson
[ADVT . - _____]

Note: The Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016 were published *vide* notification No. IBBI/2016-17/GN/REG003 dated 23rd November, 2016 in the Gazette of India, Extraordinary, Part III, Section 4, No. 424 on 23rd November, 2016 and were subsequently amended by-

(1) The Insolvency and Bankruptcy Board of India (Insolvency Professionals) (Amendment) Regulations, 2018 published *vide* notification No. IBBI/2017-18/GN/REG027 dated 27th March, 2018 in Gazette of India, Extraordinary, Part III, Section 4, No. 125 on 28th March, 2018; and

(2) The Insolvency and Bankruptcy Board of India (Insolvency Professionals) (Second Amendment) Regulations, 2018 published *vide* notification No. IBBI/2018-19/GN/REG036 dated 11th October, 2018 in Gazette of India, Extraordinary, Part III, Section 4, No. 384 on 11th October, 2018.