

# ***DRAFT REGULATIONS FOR PUBLIC COMMENTS***

## **Insolvency and Bankruptcy (Model Bye-Laws of Insolvency Professional Agencies) Regulations, 2016**

In exercise of the powers conferred by sub-section (2) of section 196 read with sub-section (1) of section 240 of the Insolvency and Bankruptcy Code, 2016 (31 of 2016), the Board hereby makes the following Regulations, namely -

### **Short Title and Commencement**

1. (1) These Regulations may be called the Insolvency and Bankruptcy (Model Bye-Laws of Insolvency Professional Agencies) Regulations, 2016.
- (2) These Regulations shall come into force on the date of their publication in the Official Gazette.

### **Definitions**

2. (1) In these Regulations, unless the context otherwise requires -
  - (a) “Board” means the Insolvency and Bankruptcy Board of India constituted under section 188 of the Act;
  - (b) “bye-laws” means the bye-laws of an insolvency professional agency that are made under section 205 of the Code and under these Regulations;
  - (c) “Code” means the Insolvency and Bankruptcy Code, 2016;
  - (d) “Governing Board” means the authority responsible for the internal governance and management of an insolvency professional agency, formed in accordance with these Regulations and the insolvency professional agency’s bye-laws;
  - (e) “insolvency professional” shall have the same meaning as assigned to it in the Insolvency and Bankruptcy (Registration of Insolvency Professionals) Regulations, 2016;
  - (f) “insolvency professional agency” shall have the same meaning as assigned to it in the Insolvency and Bankruptcy (Registration of Insolvency Professional Agencies) Regulations, 2016;
  - (g) “model bye-laws” means the bye-laws specified in the First Schedule of these Regulations;
  - (h) “Regulations” means the Insolvency and Bankruptcy (Model Bye-Laws of Insolvency Professional Agencies) Regulations, 2016.

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(2) Unless the context otherwise requires, words and expressions used and not defined in these Regulations, but defined in the Code, the Indian Contract Act, 1872, the Indian Partnership Act, 1932, the Securities Contract (Regulation) Act, 1956, the Securities Exchange Board of India Act, 1992, the Recovery of Debts Due to Banks and Financial Institutions Act, 1993, the Limited Liability Partnership Act, 2008 and the Companies Act, 2013, shall have the meanings respectively assigned to them in those Acts, as applicable.

### **Bye- Laws**

3. (1) Every insolvency professional agency shall have adopted comprehensive bye-laws, which are in consonance with the model bye-laws, to govern its internal matters prior to its registration as an insolvency professional agency:

*Provided further* that the bye-laws shall be adopted as a part of the insolvency professional agency's constitutional documents.

(2) The bye-laws adopted shall be submitted to the Board for its consideration, at the time of application for registration as an insolvency professional agency.

(3) The bye-laws of an insolvency professional agency shall, at the very least, comply with the model bye-laws, as amended by the Board from time to time.

### **Code to override Bye-Laws**

4. Save as otherwise expressly provided in the Code -
  - (a) the provisions of the Code shall have effect notwithstanding anything to the contrary contained in the bye-laws of the insolvency professional agency, or any regulations or directions issued by its Governing Board;
  - (b) any provision contained in the bye-laws, or regulations or directions issued by the Governing Board, to the extent to which it is repugnant to the provisions of the Code, shall become or be void, as the case may be.

### **Amendment of Bye-Laws**

5. (1) Any resolution for amendment of the bye-laws of the insolvency professional agency shall be passed by votes in favor being not less than three times the number of the votes, if any, cast against the resolution, by the members of the Governing Board.
  - (2) Any such resolution for the amendment of bye-laws must be placed before the Board for its approval within seven days from the date of passing of the resolution.

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(3) If the resolution for amendment of bye-laws is approved by the Board, it shall be made effective within seven days of the receipt of the approval by the Board.

(4) Every amendment of the bye-laws which is approved by the Board shall be filed with the Board, together with a printed copy of the altered bye-laws, within a period of fifteen days from the date when such alteration of bye-laws is made effective.

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## **FIRST SCHEDULE**

### **MODEL BYE-LAWS FOR INSOLVENCY PROFESSIONAL AGENCIES**

#### **I. GENERAL**

1. The name of the Insolvency Professional Agency is “ \_\_\_\_ ” (hereinafter referred to as the ‘Agency’)
2. The Agency is registered as a company, under section 8 of the Companies Act, 2013 with its registered office situated at “ \_\_\_\_ ”.
3. These bye-laws contain the regulations for the management of the Agency, and the matters connected therewith.
4. All mandatory provisions of the Code and allied laws, as well as any amendments thereto, shall be applicable to these bye-laws.
5. These bye-laws may not be altered, except in accordance with the Insolvency & Bankruptcy (Model Bye-Laws) Regulations, 2016.

#### **II. INTERPRETATION**

6. In these bye-laws, unless the context otherwise requires -
  - (a) “allied laws” means any rule, regulation, notification, notice or circular issued by the Board or Central Government under the Code;
  - (b) “Bar Council” means a Bar Council constituted under the Advocates Act, 1961;
  - (c) “Board” means the Insolvency and Bankruptcy Board established under section 188 the Code;
  - (d) “bye-laws” means the bye-laws of the Agency that are made under section 205 of the Code and in accordance with the Insolvency and Bankruptcy (Model Bye-Laws of Insolvency Professional Agencies) Regulations, 2016;
  - (e) “certificate of membership” means the certificate of membership of the Agency granted under bye-law 21, and includes a certificate of membership renewed under bye-law 22;
  - (f) “Code” means the Insolvency and Bankruptcy Code, 2016;

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- (g) “economic offence” means an offence to which the Economic Offences (Inapplicability of Limitation) Act, 1974 (12 of 1974) applies;
- (h) “Governing Board” means the Board of Directors of the Agency as defined under section 2(10) of Companies Act 2013, which shall be the authority responsible for the internal governance and management of the Agency;
- (i) “insolvency professional” shall have the same meaning as assigned to it in the Insolvency and Bankruptcy (Registration of Insolvency Professionals) Regulations, 2016;
- (j) “insolvency professional agency” shall have the same meaning as assigned to it in the Insolvency and Bankruptcy (Registration of Insolvency Professional Agencies) Regulations, 2016;
- (k) “Insolvency Professionals Examination” means the examination conducted for enrollment of insolvency professionals, in accordance with the Insolvency and Bankruptcy (Registration of Insolvency Professionals) Regulations, 2016 and any other Regulations issued by the Board;
- (l) “Institute of Actuaries of India” means the Institute constituted under The Actuaries Act, 2006;
- (m) “Institute of Chartered Accountants of India” means the Institute constituted under The Chartered Accountants Act, 1949;
- (n) “Institute of Company Secretaries of India” means the Institute constituted under The Company Secretaries Act, 1980;
- (o) “Institute of Cost Accountants of India” means the Institute constituted under the Cost and Works Accountants Act, 1959;
- (p) “member” means an insolvency professional who has been admitted as a member of the Agency, in accordance with Part VII of these bye-laws:  
  
*Explanation:* For avoidance of doubt, it is clarified that ‘member’ does not refer to the term ‘member’ as defined in the Companies Act, 2013;
- (q) “member meetings” means meetings of members of the Agency, in accordance with Part VIII of these bye-laws;
- (r) “month” means calendar month;

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- (s) “partnership firm” means a firm registered under the Indian Partnership Act, 1932;
- (t) “relative” shall have the same meaning as assigned to it in section 2(77) of the Companies Act, 2013.

(2) Unless the context otherwise requires, words and expressions used and not defined in these Regulations, but defined in the Code, the Indian Contract Act, 1872, the Indian Partnership Act, 1932, the Securities Contract (Regulation) Act, 1956, the Securities Exchange Board of India Act, 1992, the Recovery of Debts Due to Banks and Financial Institutions Act, 1993, and the Companies Act, 2013, shall have the meanings respectively assigned to them in those Acts, as applicable.

### **III. OBJECTIVES**

- 7. The principal objects of the Agency are-
  - a) to enroll and regulate insolvency professionals as per the Code;
  - b) to enroll, educate and train members who can carry out activities in the field of insolvency, liquidation and bankruptcy resolution;
  - c) to establish and promote high standards of practice and professional conduct of all its members, and to prevent fraudulent behavior and malfeasance in their conduct;
  - d) to promote and safeguard the rights, interests and independence of its members in all matters affecting the profession;
  - e) to redress grievances against its members or against itself;
  - f) to co-ordinate with and assist the Board in the implementation of the provisions of the Code, and the allied laws;
  - g) to promote the protection of interests of all stakeholders involved in the insolvency resolution, liquidation or bankruptcy process; and
  - h) to do all such things as may advance the profession of insolvency resolution, liquidation and bankruptcy, in relation to all or any professional services which may be provided by its members or by persons or bodies comprised wholly or partly of members, whether in public practice, industry, commerce or public service.
- 8. Matters which are necessary for the furtherance of the principal objects specified in bye-law 7 are -

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- a) to borrow with or without security;
- b) to purchase, take on lease or hire or in any other way acquire any asset and to sell, lease, mortgage or otherwise deal in any way with any such asset;
- c) to construct, alter and maintain any infrastructure considered necessary for the use of its members and others or for any other purpose of the Agency;
- d) to maintain a library or libraries for the use of its members;
- e) to publish information about its functions, list of its members, performance of its members and such other information as may be desirable;
- f) to nurture and develop talent in the area of insolvency resolution, liquidation and bankruptcy;
- g) to impart training to, and conduct seminars and other professional development programs for its members;
- h) to hold meetings and organize conferences, exhibitions, study circles or conventions for study, research and development of insolvency professionals;
- i) to engage such officials, employees or other persons as may be found necessary or useful for the conduct and management of the affairs of the Agency;
- j) to make grants or other contributions to local or other societies in furtherance of the objects of the Agency;
- k) to pay remuneration to and the reasonable expenses of the officers or employees of the Agency, members or any other persons; and to pay pensions and gratuities to, or to make other provision for, former officers and employees of the Agency; and
- l) to do, alone or in conjunction with others, the foregoing and all such other lawful things, in any manner whatsoever, consistent with the provisions of these bye-laws, as may be incidental or conducive to promoting, furthering or protecting the interests, usefulness and efficiency of the Agency and its members.

### **IV. DUTIES OF THE AGENCY**

9. (1) The Agency shall maintain high ethical and professional standards in the regulation of insolvency professionals who are its members.
- (2) The Agency shall -

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- (a) ensure compliance with the Code and allied laws governing the conduct of insolvency professional agencies and insolvency professionals;
  - (b) employ fair, reasonable, just, and non-discriminatory practices for the admission and regulation of its members;
  - (c) be accountable to the Board in relation to all bye-laws and directions issued to its members;
  - (d) promote the profession of insolvency resolution, liquidation and bankruptcy, and encourage persons to join the profession;
  - (e) constantly improve upon its internal regulations and guidelines to ensure that high standards of professional and ethical conduct are maintained by its members; and
  - (f) provide regular information about its business to the general public and to the Board.
- (3) The Agency shall not -
- (a) exceed the authority that it has been given under the Code and allied laws;
  - (b) create mechanisms and processes which deviate from the general scheme of the Code and allied laws;
  - (c) associate with any political or religious organization in a manner that would adversely prejudice its role as a regulator of insolvency professionals; or
  - (d) engage in any unethical practices while admitting or regulating its members.
10. If any member or individual finds that the Agency has not complied with the duties enumerated in bye-law 9, he may file a complaint before the Board, which may then initiate an inquiry or investigation into the same in accordance with the applicable provisions of the Code and regulations made thereunder.

### **V. GOVERNING BOARD**

#### **General Provisions**

11. The Governing Board shall be entitled to exercise all such powers, and to do all such acts and things, as the Agency is authorized to exercise and do:



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*Provided* that in exercising such power or doing such act or thing, the Governing Board shall be subject to the provisions contained in that behalf in the Code, allied laws and in these bye-laws.

12. (1) The Governing Board shall have a minimum of six members.

(2) At least one-half of the members of the Governing Board shall have stayed in India for a total period of not less than one hundred and eighty-two days in the previous calendar year.

(3) At least one-half of the total number of members of the Governing Board shall be independent members, to be appointed by a resolution passed by a majority of the other members of the Governing Board.

(4) The other half of the total number of members of the Governing Board shall be appointed by [the shareholders of the Agency/ the members of the Agency/ the shareholders and the members of the Agency].

(5) An independent member of the Governing Board, shall be an individual -

(a) who, in the opinion of the Governing Board, is a person of integrity and possesses relevant expertise and experience to discharge his functions as a member of the Governing Board;

(b) who is not a member of the Agency;

(c) who is not a relative of the members of the Governing Board;

(d) who had or has no pecuniary relationship with the Agency, or its shareholders, or members of the Governing Board, during the two immediately preceding financial years or during the current financial year;

(e) who is not a shareholder of the Agency;

(f) who is not a member of a governing council of any of the shareholders of the Agency; and

(g) who has expertise in the field of finance, law, management or insolvency work.

(6) The members of the Governing Board may appoint the Chairperson and Secretary of the Governing Board from among themselves.

### **Proceedings of the Governing Board**

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13. (1) The Governing Board may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it deems fit.
- (2) The Governing Board shall meet at least four times during a financial year, in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Governing Board.
- (3) No meeting of the Governing Board shall be held without the presence of at least one independent member of the Governing Board at the meeting.
- (4) Save as otherwise expressly provided in the Code and allied laws, questions arising at any meeting of the Governing Board shall be decided by a majority of votes.
- (5) In case of an equality of votes, the Chairperson of the Governing Board shall have a second or casting vote.
14. The quorum for a meeting of the Governing Board shall be one- third of its total strength or two members of the Governing Board, whichever is higher, and the participation of the members of the Governing Board by video conferencing or by other audio visual means shall also be counted for this purpose.
15. (1) The Governing Board may, subject to the provisions of the Code, allied laws and these bye-laws delegate any of its powers to committees consisting of such member or members of the Governing Board as it deems fit.
- (2) Any committee so formed shall, in exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Governing Board.
16. (1) A committee constituted under bye-law 15 may meet and adjourn as it deems fit.
- (2) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson of the committee shall have a second or casting vote.

## **VI. STUDENT TRAINEES**

### **Student Trainees**

17. (1) An individual shall be eligible to be enrolled as a student trainee of the Agency if -

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- (a) he is enrolled as a student in a full-time course offered in an institution recognized by the University Grants Commission in subjects pertaining to law, finance, accountancy, or management; or

he is enrolled as a student with the Institute of Chartered Accountants of India, Institute of Cost Accountants of India or Institute of Company Secretaries of India;

- (b) he has not been convicted by any civil or criminal court for an offence punishable with imprisonment for a term exceeding six months or for an offence involving moral turpitude or for an economic offence, and a period of five years has elapsed from the date of expiry of the sentence:

*Provided* that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to apply to be enrolled as a student trainee;

- (c) he is not an undischarged insolvent, nor has he applied to be adjudicated as an insolvent;
- (d) he has not been declared to be of unsound mind;
- (e) he is a fit and proper person;
- (f) an order passed by the Board or a court of law disqualifying him from enrolling or acting as a student trainee is not in force:

*Explanation:* For the purpose of these bye-laws, a person shall be construed to be fit and proper by taking into account any criteria the Governing Board deems fit, including, but not limited to the following criteria -

- a. financial integrity,
- b. competence,
- c. good reputation and character, and
- d. efficiency and honesty.

(2) Any individual who applies to be enrolled as a student trainee, shall satisfy any other conditions that may be notified vide regulations or directions issued by the Governing Board.

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(3) An individual who is eligible to be enrolled as a student trainee may apply to become a student trainee by submitting the application in Form A of Part I of Annexure II, and tendering the requisite application fee as specified in Part II of Annexure II.

(4) The application of student traineeship shall be scrutinized by a Membership Committee (to be formed by the Governing Board), in accordance with all applicable provisions of the Code, the allied laws, the bye-laws and the regulations or directions issued by the Governing Board.

(5) Any application for student traineeship, which is not complete in all respects shall be rejected by the Membership Committee:

*Provided* that, before rejecting any such application, the Membership Committee shall give an opportunity to the applicant to remove such objections as may be indicated by the Membership Committee, within thirty days of the date of receipt of relevant communication from the Membership Committee.

(6) The applicant may be required to present additional documents that the Membership Committee deems fit.

(7) The decision to approve or reject the application must be communicated to the applicant within thirty days of the receipt of the application, excluding the time provided for removing the objections by the Membership Committee.

(8) Once an application for enrollment of a student trainee is accepted, the Agency shall issue a certificate of student traineeship in Form B of Part I of Annexure II, which shall be valid for a period to be decided by the Membership Committee.

*Explanation:* For the avoidance of any doubt, it is clarified that a student trainee is not, and shall not be construed to be a member of the Agency.

## **VII. MEMBERSHIP**

### **Membership of Agency**

18. (1) No individual may apply to be enrolled as a member of the Agency if he has incurred any of the following disqualifications -

(a) he has been convicted by any competent court for an offence punishable with imprisonment for a term exceeding six months or for an offence involving moral turpitude or any economic offence, and a period of five years has not elapsed from the date of expiry of the sentence:

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*Provided* that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to apply for enrollment as a member;

- (b) he is an undischarged insolvent, or has applied to be adjudicated as an insolvent;
  - (c) he has been declared to be of unsound mind;
  - (d) he is a minor;
  - (e) he is not a fit and proper person, in reference to his integrity, reputation or character;
  - (f) he is a person not resident in India; or
  - (g) an order disqualifying him from enrolling, registering or acting as an insolvency professional has been passed by the Board or a court of law and the order is in force.
- (2) No partnership firm may apply to be a member of the Agency if -
- (a) it or any of its partners have incurred the disqualifications listed in para (1) above;
  - (b) if a majority of its partners practicing in India, have not received a certificate of registration by the Board to practice as insolvency professionals;
  - (c) if all the partners who have received a certificate of registration by the Board to practice as insolvency professionals are all not members of the Agency.

### **Members**

19. (1) An individual shall be eligible to be enrolled as a member of the Agency if -
- (a) he has received a Bachelor's Degree from any University established by law, whether in India or abroad;
  - (b) has,
    - (i) for a period not less than five years, been
      - a. a chartered accountant enrolled as a member of the Institute of Chartered Accountants of India,

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- b. a company secretary enrolled as a member of the Institute of Company Secretaries of India,
  - c. a cost accountant enrolled as a member of the Institute of Cost Accountants of India,
  - d. a lawyer enrolled with any Bar Council,
  - e. an actuary enrolled with the Institute of Actuaries of India,
  - f. working in the field of management of businesses,
  - g. an officer in the Indian Corporate Law Service, or
  - h. working in the field of insolvency; or
- (ii) for a period not less than three years, undergone full-time practical training under an insolvency professional to develop skills for conducting insolvency resolution, liquidation and bankruptcy;
- (c) he has successfully qualified the Insolvency Professionals Examination to be conducted in such manner as may be specified by the Board;
- (d) he has not incurred any of the disqualifications provided in bye-law 18; and
- (e) he has satisfied any other conditions that may be notified by the Governing Board:

*Provided* that sub-paragraph (c) shall not apply to an applicant who is granted transitional registration under Regulation 9 of the Insolvency and Bankruptcy (Registration of Insolvency Professionals) Regulations, 2016 only till the transitional registration remains valid.

- (2) A partnership firm shall be eligible to be enrolled as a member of the Agency if -
- (a) a majority of its partners practicing in India, have received a certificate of registration from the Board to act as insolvency professionals;
  - (b) the partners granted the certificate of registration by the Board to practice as insolvency professionals are all members of the Agency;
  - (c) it or any of its partners has/ have not incurred any of the disqualifications provided in bye-law 18.

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(3) Membership may be granted for a maximum period of five years, and may be renewed in accordance with bye-law 22.

### **Process of Enrollment as Member**

20. (1) Any individual or partnership firm eligible to be enrolled as a member, may apply to become a member by submitting the application in Form C of Part I of Annexure II, and tendering the requisite application fee as specified in Part II of Annexure II.

(2) The application of membership shall be scrutinized by the Membership Committee, in accordance with any applicable provisions of the Code, the allied laws, the bye-laws and the regulations or directions given by the Governing Board.

(3) Any application for membership which is not complete in all respects, shall be rejected by the Membership Committee:

*Provided* that, before rejecting any such application, the Membership Committee shall give an opportunity to the applicant to remove such objections as may be indicated by the Membership Committee, within thirty days of the date of receipt of relevant communication from the Membership Committee.

(4) The applicant may be required to present additional documents that the Membership Committee deems fit.

(5) An application that does not satisfy the criteria for enrollment of membership specified in these bye-laws or any regulations or directions issued by the Governing Board, shall be rejected by the Membership Committee for reasons recorded in writing.

(6) The decision to approve or reject the application shall be communicated to the applicant within thirty days of the receipt of the application, excluding the time provided for removing the objections by the Membership Committee:

*Provided* that the decision to approve or reject the application shall be communicated to an applicant who is granted a certificate of transitional registration under Regulation 9 of the Insolvency and Bankruptcy (Registration of Insolvency Professionals) Regulations, 2016 within seven days of the receipt of the application.

### **Certificate of Membership and Membership Fee**

21. (1) Once an application for enrollment of a member is accepted, the Agency shall issue a certificate of membership in Form D of Part I of Annexure II.

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(2) All members shall be required to pay a standard membership fee, as prescribed in Part II of Annexure II.

### **Renewal of Membership**

22. (1) A member may apply for renewal of membership of the Agency, not later than sixty days prior to the expiry of his membership, in Form E of Part I of Annexure II, and by tendering the requisite application fee as specified in Part II of Annexure II.

(2) An application for renewal of membership shall be scrutinized by the Membership Committee, in consultation with the Monitoring Committee (to be formed by the Governing Board) in accordance with the provisions of the Code, the allied laws, the bye-laws and the regulations or directions issued by the Governing Board.

(3) An application for renewal of membership may be rejected if:

(a) the applicant has incurred any disqualification as specified in bye-law 18;

(b) the applicant has failed to meet the standards of professional competence, conduct or ethics as required by the Agency;

(c) upon the order of the Board; or

(d) for any other reasons as may be notified by the Governing Board.

(4) The decision to approve or reject the application shall be communicated to the applicant within thirty days of the receipt of the application.

(5) Once an application for renewal of membership is accepted, renewal of membership shall be certified in Form F of Part I of Annexure II.

## **VIII. MEETINGS OF MEMBERS**

### **General**

23. (1) The Agency shall maintain a register of records of its members, containing their names, personal information, date of joining, membership number and designation as members.

(2) These records shall be made available for inspection by the Board.

### **Member Meetings**



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24. (1) The Agency shall convene a general meeting of its members at least once every financial year and it shall be called the annual member meeting:

*Provided* that not more than fifteen months shall elapse between the date of one annual member meeting and that of the next.

*Explanation:* For avoidance of doubt, it is clarified that bye-laws 24 to 28 do not apply to meetings of 'members' as defined in the Companies Act, 2013.

25. (1) At every annual member meeting, the Governing Board shall present an Annual Review Report, which shall be filed with the Board and which shall include:

- (a) the extract of the annual return as provided under sub-section (3) of section 92 of the Companies Act, 2013;
- (b) a summary of the activities of the Agency; and
- (c) details of appointment, resignation and removal of the members of the Governing Board.

- (2) At every annual member meeting, the members may adopt such resolutions as may be brought forward for the welfare of the members:

*Provided* that these resolutions shall not affect the independence of the Governing Board in carrying out its functions.

26. (1) Any meeting of members other than its annual member meeting shall be called extra-ordinary member meeting.

- (2) These may be convened in a manner specified by the Governing Board.

27. (1) A meeting of members may be called by giving not less than clear twenty-one days' notice either in writing or through electronic mode:

*Provided* that a member meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode by not less than ninety-five per cent. of the members entitled to vote at such meeting.

- (2) Every notice of a meeting shall specify the place, date, day and the hour of the meeting.

- (3) The notice of every meeting of the company shall be given to -

- (a) every member of the Agency; and

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(b) every member of the Governing Board.

(4) Any accidental omission to give notice to, or the non-receipt of such notice by, any member or other person who is entitled to such notice for any meeting shall not invalidate the proceedings of the meeting.

28. (1) The Chairperson of the Governing Board, and in his absence the Secretary of the Governing Board shall preside as Chairperson at every member meeting.

(2) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(3) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(4) Subject to any restrictions, all members present shall have one vote.

### **IX. DUTIES OF MEMBERS**

#### **General**

29. Every member of the Agency shall be required to perform professional duties as prescribed in the Code, allied laws, the bye-laws and the resolutions passed and directions given by the Governing Board.

30. (1) While discharging his obligations as an insolvency professional, every member must perform his functions for the maximization of the value of assets of the debtor, and balance the interests of all the stakeholders.

(2) In the exercise of his functions, every member is expected to maintain high levels of professional competence.

(3) In the performance of his functions, every member must comply with the following fundamental principles -

(a) he must act in the utmost good faith in all his dealings as an insolvency professional;

(b) he must exhibit integrity and objectivity in his professional and business relationships;

(c) he must be independent and impartial;

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- (d) he must be professionally competent and act in accordance with appropriate technical and professional standards when providing his services;
  - (e) he must perform duties as quickly and efficiently as is reasonable;
  - (f) he should comply with the applicable laws, rules, regulations, bye-laws, guidelines or circulars in the performance of his functions;
  - (g) he must maintain confidentiality of information obtained as a result of his professional or business relationships unless required to disclose such information by law.
31. Every member of the Agency shall be subject to the provisions of the Code of Conduct prescribed in Annexure I to these bye-laws.

### **X. MONITORING OF MEMBERS**

32. All members shall be subject to regular monitoring for their adherence to the provisions of the Code, allied laws, these bye-laws, the resolutions passed and directions given by the Governing Board.
33. All members shall be required to submit all relevant information, including detailed records of ongoing and concluded work projects as insolvency professionals, on a quarterly basis, to enable effective monitoring of their progress.
34. Monitoring shall be carried out by the Monitoring Committee (to be formed by the Governing Board) in a manner specified by the Governing Board through a Monitoring Policy.
35. The Monitoring Policy shall be a comprehensive document containing -
- (a) the frequency of monitoring, which shall be conducted not less than four times in a year;
  - (b) the means to be employed for monitoring, including reporting requirements, interviews, reports from third parties, etc.;
  - (c) the obligations of members to comply with monitoring requirements;
  - (d) the manner in which the information generated through monitoring will be stored and used;

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- (e) processes of ongoing accreditation of members while the term of membership subsists;
  - (f) grading or feedback of members;
  - (g) the number of cases an insolvency professional should take up; and
  - (h) any other matters that may be specified by the Governing Board.
36. The Monitoring Policy shall be formulated with due regard to the privacy of members, in accordance with the principle of non-discrimination and with a view to foster self-reporting and self-regulation of members.
37. The Agency will submit such details as provided in Form G of Part I of Annexure II to the Board, within thirty days from the end of every six months from the date of receiving certificate of final registration of transitional registration, and within thirty days from the end of every subsequent six months.

### **XI. GRIEVANCE REDRESSAL MECHANISM**

38. The Governing Board shall formulate a Grievance Redressal Policy for the creation of an efficient procedure for accepting, registering, and processing complaints/grievances against any member of the Agency or against the Agency itself, by
- (a) any member of the Agency;
  - (b) any member of the general public who has engaged the services of any of the members of the Agency; or
  - (c) any other person or class of persons as may be specified.
39. The Grievance Redressal Policy shall include the following components-
- (a) the establishment of a Grievances Cell, headed by one member of the Governing Board and consisting of at least one member of the Agency;
  - (b) means of communicating a complaint to the Grievances Cell, which shall include a telephone number, an email address, and manner of making physical complaints;
  - (c) format of complaints;
  - (d) categorization of complaints in a clear manner;

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- (e) maximum time to be taken for acknowledging receipt of a complaint, not exceeding two days from the date of receipt;
- (f) format of such acknowledgment;
- (g) maximum time to be taken for the disposal of the complaint by way of dismissal of the complaint, reference to the Disciplinary Panel or the resolution of the complaint, not exceeding one month from the date of acknowledgment;
- (h) provision of a full report of the complaint and resolution proceedings to both the complainant and the accused upon resolution of the complaint;
- (i) protections to be accorded to whistleblowers, and other complainants;
- (j) action to be taken in case of malicious or false complaints;
- (k) record-keeping of complaints made and resolutions reached; and
- (l) a mechanism to periodically review the actions of the Grievances Cell.

### **XII. DISCIPLINARY PROCEEDINGS**

40. Disciplinary proceedings may be initiated against members:

- (a) based on a reference made by the Grievances Cell;
- (b) based on findings of the internal monitoring process;
- (c) following the directions by the Board or any other court of law; or
- (d) *suo moto* by the Governing Board, based on any information received by it.

41. (1) The Governing Board shall constitute a Disciplinary Panel consisting of at least one member of the Governing Board who is an independent member, and one member nominated by the Board:

*Provided* that the Governing Board may constitute more Disciplinary Panels as and when it deems fit:

*Provided* that the Board may nominate such higher number of members to the Disciplinary Panel as it deems fit.

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(2) The members of the Disciplinary Panel(s) shall be responsible for carrying on disciplinary proceedings on the grounds mentioned in bye-law 40, and each member of the Disciplinary Panel(s) shall have equal powers and responsibilities.

(3) The Disciplinary Panel(s) shall comply with the Disciplinary Regulations to be formulated by the Governing Board.

42. (1) In accordance with the laws in force, the Governing Board may constitute an Appellate Panel consisting of one governing member of the Agency, one member from amongst the persons of eminence having experience in the field of law and one member appointed by the Board:

*Provided* that the Board may nominate such higher number of members to the Governing Board as it deems fit

(2) Any person aggrieved of a final order passed by the Disciplinary Panel may prefer an appeal before the Appellate Panel within thirty days from the receipt of a copy of the final order.

(3) The Appellate Panel(s) shall comply with the Disciplinary Regulations to be formulated by the Governing Board.

43. Governing Board shall formulate Disciplinary Regulations, addressing-

(a) the situations in which disciplinary proceedings may be conducted against its members;

(b) the rights to be granted to the person who is the subject of the proceeding including the right to a fair hearing against the complaint or monitoring report and the right to be represented at such hearings;

(c) the procedure to be followed in holding disciplinary proceedings, which shall include -

(i) timelines for presentation of evidence and cross-examination of witnesses,

(ii) the manner in which cases may be presented, and

(iii) timelines for the conclusion of the proceedings;

(d) the orders that may be made by the Disciplinary Panel formed in accordance with the Disciplinary Regulations, which, if the complaint is found to be wholly or partially true, which shall include:

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- (i) 'disciplinary orders' which are final orders such as expulsion of the member, suspension of the member for a certain period of time, admonishment of the member along with a warning, payment of a penalty, payment of compensation to the complainant;
- (ii) 'consent orders' which are forms of disciplinary orders arrived at with the mutual consent of both parties;
- (iii) 'interim orders' which may be passed prior to the conclusion of the proceeding in case of any urgent action;
- (iv) orders relating to costs:

*Provided* that all orders passed by the Disciplinary Panel shall contain reasons and shall be publicly accessible, with one copy each being provided to the complainant and the accused:

*Provided further* that when the member against whom such orders are passed is a partnership firm, the allocation of liability shall be determined as per the applicable laws.

*Provided further* that money received by the Agency on the payment of penalty by a member may be utilized -

- a. for donation to the Insolvency and Bankruptcy Fund,
- b. for the creation of an internal fund to be applied for the payment of a fee to the members who undertake *pro bono* work as required under these bye-laws:

*Provided* that a standard fee payable shall be decided by the Governing Board for every financial year with reference to the availability of money in the internal fund,

- c. for the creation of an internal fund to be applied to further the capabilities of the members of the Agency, or
  - d. in any other manner deemed fit by the Governing Board to improve the general welfare of the members, subject to prior approval of the Board;
- (e) particulars of an internal appeal process against the decision, finding, or order of the Disciplinary Panel formed in accordance with these bye-laws.

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### **XIII. SURRENDER OF MEMBERSHIP AND REMOVAL FROM MEMBERSHIP**

#### **Surrender of Membership**

44. (1) Any member who wishes to surrender the membership of the Agency may do so by submitting a letter of surrender addressed to the Membership Committee, at least thirty days prior to the intended date of departure.
- (2) Upon acceptance of such resignation and completion of the notice period, the name of the member shall be struck from the registers of the Agency, and the same shall be intimated to the Board.
45. Any fee that is due to the Agency from a member surrendering his membership shall be cleared prior to the completion of the notice period and, such member shall receive any dues remaining to him by way of remuneration or compensation upon completion of the said notice period.
46. The Governing Board may refuse to accept the surrender of membership by any member -
- (a) if there is an ongoing grievance redressal or disciplinary proceeding against the member;
  - (b) if the member is serving as a resolution professional or liquidator for ongoing proceedings under the Code, and it is of the opinion that appointment of another insolvency professional for such proceedings shall be detrimental to the proceedings; or
  - (c) for any other reason it deems fit.

#### **Removal**

47. Any member may be removed, and his membership cancelled -
- (a) upon the incurrance of any disqualification as provided in bye-law 18;
  - (b) upon the order of a Disciplinary Panel or an Appellate Panel formed in accordance with the Disciplinary Regulations:

*Provided* that the Disciplinary Panel or Appellate Panel shall pass an order for removal of the member if it has come to the conclusion-



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- (i) that the member is guilty of a violation that is also an offence under any civil or criminal law in force, punishable with a term of imprisonment exceeding six months, or for an offence involving moral turpitude or for an economic offence;
- (ii) that the member is guilty of a severe violation of the Code or allied laws or bye-laws, or resolutions passed by or directions given by the Governing Board which makes him an unfit person, in reference to his integrity, reputation or character to continue acting as an insolvency professional including:
  - a. providing unequal or differential treatment to the disadvantage of a party which cannot be justified by reference to the interests of the insolvency resolution, liquidation or bankruptcy process,
  - b. making a false representation or indulging in fraud for the purpose of obtaining creditors' approval under sections 28, 31, 111 or 153 of the Code,
  - c. contravening provisions of the Code which in a manner which is actionable in accordance with sections 70(2) or 185 of the Code,
  - d. knowingly or willfully committing or authorizing or permitting contravention of sections 14, 96, 101 or 124 of the Code,
  - e. contravening provisions of the Code inviting action in accordance with sections 71 or 187 of the Code,
  - f. aiding or abetting any activity which is actionable in accordance with Chapter VII of Part II or Chapter VII of Part III of the Code;
- (c) upon non-payment of application or membership fee despite at least three notices served in writing;
- (d) upon the cancellation of his certificate of registration or cancellation of his certificate of transitional registration by the Board;
- (e) upon the order of the Board or any other court of law;
- (f) in the event that a member has been enrolled, following the grant of a certificate of transitional registration to him in accordance with the Insolvency and Bankruptcy (Registration of Insolvency Professionals) Regulations, 2016, upon his inability to pass the Insolvency Professional Examination before the expiry of his certificate of transitional registration.

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## **ANNEXURE- I**

### **DUTIES OF MEMBERS**

#### **Integrity and Objectivity**

1. (1) Every member must maintain integrity by being honest, straightforward, and forthright in all professional and business relationships. He must not misrepresent any facts or situations and should refrain from being involved in any action that would bring disrepute to the profession.
  
- (2) Every member must act with objectivity in his professional or business dealings by ensuring that his decisions are made without the presence of any bias, conflict of interest, coercion, or undue influence of any party, whether directly connected to the insolvency proceedings or not.

#### **Independence and Impartiality**

2. (1) Every member must maintain complete independence in his professional and business relationships and should conduct the insolvency resolution, liquidation or bankruptcy process, as the case may be, independent of external influences.
  
- (2) Before being appointed as an interim resolution professional, resolution professional, liquidator, or bankruptcy trustee, the member shall file a declaration in Form H of Part I of Annexure II with the applicant, committee of creditors, Board, or the person proposing appointment, respectively, disclosing any of the following situations, which may result in conflict of interest in respect of his appointment -
  - (a) the existence of any pecuniary or personal relationship between the member and the stakeholders entitled to distribution under the Code or the debtor whose case has been referred to him (collectively stakeholders);
  
  - (b) if the member is a relative of any of the stakeholders, or is a shareholder of such stakeholder, or is any principal or employee, or is a business partner or has a controlling interest in the business of any of the stakeholders;
  
  - (c) the member has, at any time during the previous three years, had a professional, financial or business relation with the stakeholders.
  
- (3) If any such conflict arises after appointment of the member as an interim resolution professional, resolution professional, liquidator or bankruptcy trustee, the member shall inform the applicant, committee of creditors, Board, or the person proposing appointment, as applicable.

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(4) Every member shall be impartial in the conduct of the insolvency resolution process, liquidation or bankruptcy process by ensuring that -

- (a) he acts in the interests of the creditors as a whole;
- (b) all the facts are comprehensively assessed by him and there is no negligence while handling the documents or evidence;
- (c) in cases where the member is dealing with assets of a debtor during liquidation or bankruptcy process, he must ensure that that he or his relatives do not knowingly acquire any such assets, whether directly or indirectly:

*Provided* that such assets may be acquired by the member if it is shown that there was no impairment of objectivity, independence, or impartiality in the liquidation or bankruptcy process and the approval of the Board has been obtained in the matter.

### **Professional Competence**

- 3. Every member must maintain professional competence in the following ways by maintaining professional knowledge and skills of the required level to ensure that every person receives competent professional service.
- 4. Prior to accepting an appointment under the Code, a member must endeavor to -
  - (a) obtain knowledge and understanding of the debtor, its owners, managers and those responsible for its governance and business activities;
  - (b) acquire an appropriate understanding of the nature and complexity of the business or finance of debtor, and the specific requirements of the engagement and the purpose, nature and scope of the work to be performed;
  - (c) acquire knowledge of the relevant industries or subject matters;
  - (d) possess or obtain experience with relevant regulatory or reporting requirements;
  - (e) comply with quality control policies and procedures designed to provide reasonable assurance that specific engagements are accepted only when they can be performed competently; and
  - (f) if he is a specialist in a specific area of insolvency resolution, liquidation or bankruptcy, he should not seek or accept appointments for a different area without ensuring that he is technically and professionally competent outside of such specialization.

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### **Representation of correct facts and correcting misapprehensions**

5. A member shall inform such persons under the Code as may be required, of a misapprehension or wrongful consideration of a fact of which he becomes aware, as soon as may be practicable.
6. No member shall conceal any material information or knowingly make a misleading statement to the Adjudicating Authority or such persons under the Code as applicable on any matter.

### **Conducting Proceedings in a Timely and Efficient Fashion**

7. Every member shall adhere to the time limits set in the Code relating to insolvency resolution, liquidation or bankruptcy process, as the case may be, and shall carefully plan his actions, train his team members, and constantly communicate with all stakeholders involved for the timely discharge of his duties.
8. No member shall take part in connivance or *mala fide* acts or gross negligence or malpractices while performing his functions and duties under the Code.

### **Effective Communication and Transparency**

9. (1) Every member shall make efforts to ensure that all communication to the creditors, debtors, and any other parties to the insolvency resolution, liquidation or bankruptcy process, whether in the form of notices, reports, updates, directions, or clarifications, is done in a manner which is simple, clear, and easily understood by the recipients.
  - (2) For the purposes of communication of such information, members may -
    - (a) create a webpage or use a section of an existing webpage or provide the stakeholders with an account to access a webpage provided such webpage is not used for advertising, solicitation or marketing purposes;
    - (b) correspond electronically from official email accounts to the official email accounts of parties involved;
    - (c) use methods such as teleconferencing, video-conferencing, or web-conferencing;
    - (d) use postal services, telephone, or facsimile (fax):

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*Provided that* communication mentioned in this paragraph must comply with the provisions of the Information Technology Act 2000, and the associated rules and regulations.

- (3) Any request for information from the parties to the insolvency resolution process, liquidation or bankruptcy process, regarding meetings or deadlines should be communicated to them well in advance, through any of the means mentioned above.
10. (1) Every member should be transparent in his functioning, by providing regular reports and updates of his findings and conclusions, to the stakeholders in the insolvency resolution process, liquidation or bankruptcy process, and to any such persons or bodies as may be required.
- (2) Every member should take care to ensure that he provides detailed reasons through written contemporaneous records for any proposed course of action, along with information and evidence to support the same. This shall be maintained so as to sufficiently enable a reasonable and informed third party to reach a view on the appropriateness of his actions.
11. A member shall not influence the proceedings or the decision or the work of the Adjudicating Authority or committee of creditors or debtor, or other stakeholders under the Code, so as to make any undue or unlawful gains for himself or cause any undue preference for any other persons for undue or unlawful gains and shall not adopt any illegal or improper means to achieve any *mala fide* objectives.
12. A member shall not make any private communication with any of the stakeholders and the same shall be strictly forbidden, unless required by the Code, allied laws or orders of the Adjudicating Authority.
13. A member shall appear, co-operate or be available for inspections and investigations carried out under the Code or allied law, or these bye-laws.
14. A member shall provide information and records to the Agency, Adjudicating Authority, Board or such other persons or bodies, as may be required.
15. A member shall co-operate and be available for the periodic study, research and audit, as may be specified by the Board or the Agency with respect to his functioning and performance.

### **Confidentiality**

16. (1) Every member shall take care to ensure that the confidentiality of the information relating to the insolvency resolution process, liquidation or bankruptcy process, as the

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case may be, is maintained throughout the course of the insolvency resolution process, liquidation or bankruptcy process.

(2) Nothing in these bye-laws will prevent an insolvency professional from disclosing any confidential information with the consent of the relevant party or as required or permitted by law.

### **Occupation, employability and Restrictions**

17. A member shall make a declaration about the number of appointments he has under the Code and further declare that he will give full attention and time with reference to the subject matter of the appointment under the Code, be it as an interim resolution professional, resolution professional, liquidator or otherwise. To abide by the strict timelines under the Code, it is imperative that the insolvency professional should refrain from accepting too many appointments if he is likely to be unavailable for them owing to his preoccupation with other appointments.

18. A member shall not personally engage in any business; but he may be a partner in a partnership firm eligible to be enrolled as a member of the Agency, or be a sleeping partner in a firm conducting business which in the opinion of the Board or the Agency, is not inconsistent with the dignity of the profession.

19. A member may be the Director or Chairman of the Board of Directors of a company with or without any ordinarily sitting fee, provided that none of his duties are of an executive character.

20. A member shall not be a full-time salaried employee of any person, government, firm, corporation or concern, and he shall, on taking up any such employment, intimate the fact to the Agency on whose roll his name appears and his certificate of membership shall remain suspended as long as he continues in such employment:

*Provided that*, this provision shall not apply to an employee of a person engaged in advisory, transactional or other work related to the turnaround of businesses, asset reconstruction, corporate reconstruction (including amalgamations, asset/share acquisitions or sales), debt restructuring, debt enforcement, and liquidation of businesses as long as such person undertakes to and remains independent in discharging his functions as an insolvency professional under the Code.

21. A member who has inherited, or succeeded by survivorship to a family business may continue it, but may not personally participate in the management thereof. He may continue to hold a share with others in any business which has succeeded to by survivorship or inheritance or by will, provided he does not personally participate in the management thereof.

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22. A member may review Parliamentary Bills for a remuneration, edit legal text books at a salary, do press-vetting for newspapers, coach pupils for legal examinations, set and examine question papers; and subject to the rules against advertising and full-time employment, engage in broadcasting, journalism, lecturing and teaching both legal and non-legal subjects.

### **Incapacity of an insolvency professional or unavoidable contingencies**

23. Subsequent to his appointment under the Code, if a member suffers from some incapacity or illness or intervention of unforeseen and unavoidable contingencies, he shall inform the insolvency professional agency, the Adjudicating Authority, the committee of creditors and other persons involved with the matter, for taking appropriate steps for appointment of another insolvency professional.

### **Remuneration**

24. (1) All members of the Agency shall provide services for fair remuneration which is a reasonable reflection of the work necessarily and properly undertaken.
- (2) All members shall endeavor to provide services on free or nominal cost basis in such cases as may be determined by the Agency.
25. When a member is proposed to be appointed as an interim resolution professional, resolution professional, liquidator or bankruptcy trustee under the Code, he shall charge remuneration in the manner specified by the Board under the appropriate regulations.
26. No member shall accept any referral fees or commissions while accepting any appointment or while appointing other professionals as may be required to carry out his functions and duties.

### **Gifts and hospitality**

27. A member, or a close or immediate family member of his should refuse to accept gifts or hospitality that threatens his ability to function in accordance with the Code of Conduct.
28. No member shall offer gifts or hospitality or a financial or any other advantage to a public servant or any other person intending to obtain or retain the business for himself; and to obtain or retain an advantage in the conduct of business for himself.

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**ANNEXURE- II**

**PART I**

**FORM A**

*(Under Bye-Law 17 of []'s Bye-Laws)*

**APPLICATION FOR STUDENT TRAINEESHIP OF AN INSOLVENCY PROFESSIONAL UNDER BYE-LAW 17**

To ,  
*The Membership Committee*  
*[Address]*

From,  
*[Insert name and address]*

Subject : Application for student traineeship of \_\_\_\_ (the “Agency”) under bye-law 17 of the Agency’s bye-laws.

Madam/Sir,

1. I, *[insert name]*, hereby apply to be enrolled as a student trainee of the Agency.

<b>APPLICANT’S PERSONAL DETAILS</b>				
Title (Mr, Mrs, Dr)				
Date of Birth	DDMMYY			
Address of Correspondence				
Email address				
Mobile number				
<b>APPLICANT’S EDUCATIONAL AND PROFESSIONAL DETAILS</b>				
Details of educational qualifications	Examination/ Degree	University	Year of passing	Other comments



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Enrollment in course recognized by UGC/ or enrollment as student with any institute	<b>Degree Name</b>	<b>Institute</b>	<b>Year of passing</b>	<b>Membership No (if applicable)</b>	<b>Other comments</b>

2. I am not disqualified to be a student trainee under bye-law 17.
3. I have enrolled as a full-time student in *[insert name of course]* at *[insert name of university or institution recognized by the University Grants Commission]* or I am enrolled as a student with the Institute of Chartered Accountants of India, Institute of Cost Accountants of India or the Institute of Company Secretaries of India.
4. I have complied with all the conditions of enrolment as specified by the Governing Board of the Agency.
5. I intend to appear for the Insolvency Professionals Examination and practice as an insolvency professional in the future.
6. All the necessary information required in the Annexure to Form A is enclosed. I undertake to furnish any additional information as and when called for by the Membership Committee of the Agency.
7. This application and the information furnished by me along with this application are true and complete.
8. I hereby undertake to comply with the requirements of the Code, allied laws, bye-laws of the Agency, the resolutions passed and directions given by the Governing Board, and such other conditions and terms as may be specified at the time of grant of student traineeship.
9. Demand Draft No .... dated .....for Rs. .... towards application fee is attached.

Yours faithfully

Signature of applicant  
(Name and designation)

**ANNEXURE TO FORM A**

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1. Proof of enrolment in the specified course and institution or with the Institute of Chartered Accountants of India/ Institute of Cost Accountants of India/ Institute of Company Secretaries of India.
2. Four passport-size photographs of the applicant.

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**ANNEXURE-II**

**PART-I**

**FORM B**

**CERTIFICATE OF STUDENT TRAINEESHIP**

*(Under Bye-Law 17 of [] Bye-Laws)*

1. In exercise of and in accordance with the powers conferred upon it, *[name of insolvency professional agency]* hereby grants a certificate of student traineeship no. *[insert number]* to *[insert name]* in accordance with its bye-laws and the conditions mentioned in the annexure.
2. This certificate shall be valid from *[insert start date]* to *[insert end date]*

Place:

Date:

By order

Sd/-

(Name and Designation)

For and on behalf of *[name of insolvency professional agency]*

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**ANNEXURE-II**

**PART-I**

**FORM C**

*(Under Bye-Law 20 of []'s Bye-Laws)*

**APPLICATION FOR MEMBERSHIP OF AN INSOLVENCY PROFESSIONAL UNDER BYE-LAW 20.**

To  
*The Membership Committee,*  
*[Insert Address]*

From  
*[Insert name and address]*

Subject: Application for membership of \_\_\_\_ (the “Agency”) under bye-law 20 of Agency’s bye-laws.

Madam/Sir,

1. I, *[insert name]*, hereby apply to be enrolled as a member of the Agency.

<b>APPLICANT’S PERSONAL DETAILS</b>					
Title (Mr, Mrs, Dr)					
Date of Birth	DDMMYY				
Address of Correspondence					
Email address					
Mobile number					
<b>APPLICANT’S EDUCATIONAL AND PROFESSIONAL DETAILS (OF ALL PARTNERS IN CASE OF PARTNERSHIP FIRMS)</b>					
Details of educational qualifications	<b>Degree (at least a Bachelor’s Degree)</b>	<b>University</b>	<b>Year of passing</b>	<b>Other comments</b>	
Details of professional qualifications	<b>Qualification</b>	<b>Institute/ Relevant Professional</b>	<b>Year of passing</b>	<b>Membership No (if applicable)</b>	<b>Other comments</b>

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		<b>Body</b>			
Number of years of professional experience	<b>In numeric digits</b>				
Details of employment, including self-employment in the five years/ Details of practical training with an insolvency professional	<b>Name of employer</b>	<b>Designation</b>	<b>Start year</b>	<b>End year</b>	<b>Nature of work</b>
<b>INSOLVENCY PROFESSIONALS EXAMINATION OR TRANSITIONAL REGISTRATION</b>					
Examination	<b>Date and Year of Passing</b>				
Certificate of Transitional Registration	<b>Date of issue</b>	<b>Validity extends till</b>	<b>Registration No.</b>	<b>Other Comments</b>	
<b>APPLICANT'S MEMBERSHIP DETAILS</b>					
Details of partner's membership/ Details of previous membership in any insolvency professional agency of the applicant	<b>Name of Insolvency Professional Agency</b>	<b>Date of grant of certificate of membership</b>	<b>Validity extends till</b>	<b>Membership No.</b>	<b>Other comments (including details of disciplinary proceedings (if any))</b>
<b>DETAILS OF ENGAGEMENTS OF PARTNERS OF THE APPLICANT AS INSOLVENCY PROFESSIONALS (ONLY APPLICABLE TO PARTNERSHIP FIRMS)</b>					
Details of partners' appointments as insolvency professionals from the date of issue of certificate of registration (or certificate of	<b>Name of Partner</b>	<b>Number of appointments</b>	<b>Nature of appointments</b>	<b>Outcome of appointments</b>	<b>Other comments (including details of disciplinary proceedings (if any))</b>

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transitional registration previously)					

2. I am not disqualified from applying for a certificate of transitional registration under bye-law 18.
3. All the necessary information required in the Annexure to Form C is enclosed. I undertake to furnish any additional information as and when called for.
4. I have complied with all the conditions of enrollment as specified by the Governing Board of the Agency.
5. This application and the information furnished by me along with this application is true and complete.
6. I hereby undertake to comply with the requirements of the Code, the allied laws, the bye-laws of the Agency, the resolutions passed and directions given by the Governing Board of the Agency, and such other conditions and terms as may be specified at the time of grant of certificate of membership.
7. Demand Draft No .... dated .....for Rs. .... toward application fee is attached.

Yours faithfully

Signature of applicant  
(Name and designation)

**ANNEXURE TO FORM C**

1. Certified copy of the applicant's degree as required under bye-law 19(a).
2. Certified copy of the applicant's certificate of practice or proof of enrollment or certificate of registration with the concerned professional body as required under bye-law 19(b)(i). (if applicable)
3. Certificate of employment by the relevant employer(s), specifying the period of such employment, as required under bye-law 19 (b)(i). (if applicable)

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3. Letter/ certificate of appointment or engagement by the insolvency professional, specifying the period of full-time practical training, in accordance with bye-law 19(b)(ii). (if applicable)
4. Four copies of the transitional certificate of registration. (if applicable)
5. Four copies of the certificate(s) of completion of the Insolvency Professionals Examination here (of the majority of partners in case of partnership firms).(if applicable)
6. Four copies of the certificate of membership of all the partners of the partnership firm who have received a certificate of registration to practice as an insolvency professional. (if applicable)
7. Four passport-size photographs of the applicant (or a majority of the applicant's partners).

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**ANNEXURE-II  
PART-I**

**FORM D**

**CERTIFICATE OF MEMBERSHIP**

*(Under bye-law 20 of []'s bye-laws)*

1. In exercise of and in accordance with the powers conferred upon it, *[insert name of insolvency professional agency]* hereby grants a certificate of membership No. *[insert number]* to *[insert name]* in accordance with its bye-laws and the conditions mentioned in the annexure.
2. This certificate shall be valid from *[insert start date]* to *[insert end date]* and may be renewed in accordance with the bye-laws of *[insert name of insolvency professional agency]*.

Place:

Date:

By order

Sd/-

For and on behalf of *[name of insolvency professional agency]*



***DRAFT REGULATIONS FOR PUBLIC COMMENTS***

**ANNEXURE-II  
PART-I**

**FORM E**

*(Under bye-law 22 of the [] 's bye-laws)*

**APPLICATION FOR RENEWAL OF THE CERTIFICATE OF MEMBERSHIP OF AN INSOLVENCY  
PROFESSIONAL**

To,  
*The Membership Committee*  
*[Insert address]*

From,  
*[Insert name and address]*

Subject: Application for renewal of certificate of membership of an insolvency professional under bye-law 22 of the Agency's bye-laws

Madam/Sir,

1. I, *[insert name]* hereby apply for renewal of membership of the Agency.

<b>APPLICANT'S PERSONAL DETAILS (IN CASE OF PARTNERSHIP FIRMS, OF THE APPLICANT AS WELL AS OF ALL PARTNERS)</b>						
Title (Mr, Mrs, Dr)						
Date of Birth	DDMMYY					
Address of Correspondence						
Email address						
Mobile number						
<b>APPLICANT'S MEMBERSHIP DETAILS (IN CASE OF PARTNERSHIP FIRMS, OF THE APPLICANT AS WELL AS OF ALL PARTNERS)</b>						
Details of membership	Name of Insolvency Professional Agency	Date of grant of certificate of	Validity of certificate of membership	Membership No.	Other comments	

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		<b>membership</b>			
<b>APPLICANT'S REGISTRATION DETAILS (IN CASE OF PARTNERSHIP FIRMS, OF THE APPLICANT AS WELL AS OF ALL PARTNERS)</b>					
Details of registration	of	<b>Date of grant of certificate of registration</b>	<b>Validity of certificate of registration</b>	<b>of</b>	<b>Registration No. Other comments</b>
<b>DETAILS OF ENGAGEMENTS OF THE APPLICANT AS AN INSOLVENCY PROFESSIONAL (IN CASE OF PARTNERSHIP FIRMS, OF THE APPLICANT AS WELL AS OF ALL PARTNERS)</b>					
Details of appointments as insolvency professionals from the date of issue of certificate of membership	of	<b>Number of appointments</b>	<b>Nature of appointments</b>	<b>of</b>	<b>Outcome of appointments Other comments</b>
Details of disciplinary proceedings against the insolvency professional during the period of membership	of	<b>Number of proceedings (with the proceeding number)</b>	<b>Nature of proceedings</b>	<b>of</b>	<b>Outcome of proceeding Other comments</b>
Details of grading or review feedback received during the period of membership					

2. I received a certificate of membership number ..... valid from ..... to .....
3. I have not become disqualified from applying for the renewal of the certificate of membership under bye-law 18.
4. All the necessary information required in the Annexure to Form E is enclosed. I undertake to furnish any additional information as and when called for.

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5. This application and the information furnished by me along with this application is true and complete.
6. I hereby undertake to comply with the requirements of the Code, the allied laws, the bye-laws of the Agency, the resolutions passed and directions given by the Governing Board of the Agency, and such other conditions and terms as may be specified at the time of renewal of registration.
7. Demand Draft No .... dated .....for Rs. .... toward renewal fee is attached.

Yours faithfully

Signature of applicant  
(name and designation)

Signature of an authorized representative of the relevant insolvency professional agency  
(name and designation)

### **ANNEXURE TO FORM E**

1. Four copies of the certificate of membership of an Insolvency Professional Agency (also of the certificates of membership of the majority of partners in case of partnership firms).
2. Four copies of the certificates of completion of the Insolvency Professionals Examination here (of the majority of partners in case of partnership firms).
3. Four copies of the certificate of registration by the Board (also of the certificates of registration of the majority of partners in case of partnership firms).
4. Four passport-size photos of the applicant (and all the partners, in case of partnership firms).

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**ANNEXURE-II**

**PART-I**

**FORM F**

**CERTIFICATE OF RENEWAL OF MEMBERSHIP**

*(Under bye-law 22 of the []'s bye-laws)*

1. In exercise of and in accordance with the powers conferred upon it, *[name of insolvency professional agency]* hereby renews the certificate of membership No. *[insert number]* issued to *[insert name]* for a further period from *[insert start date]* to *[insert end date]*.
2. For the purposes of all matters subsisting or to arise in the future under the Code or Rules and Regulations thereunder, this certificate shall be treated as a renewed certificate of membership for *[insert name]*.

Place:

Date:

By order

Sd/-

(Name and Designation)

For and on behalf of.....(name of the Agency)

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**ANNEXURE-II  
PART-I**

**FORM G**

**FORMAT FOR REPORTING BY THE AGENCY TO THE BOARD**

<b>Details of the Agency</b>	
Name of the Agency:	
Registration number with Board:	
Registered office address:	
<b>Details of Governing Board</b>	
Number of members in the Governing Board:	
Number of meetings held during the last six months:	
<b>Details of New members</b>	
Number of members at the beginning of period:	
Number of members added during the period:	
Membership cancelled during the period:	
Members transferred to other Insolvency Professional Agencies:	
Members transferred from other Insolvency Professional Agencies:	
Number of members at the end of period:	
<b>Details of student trainees</b>	
Number of student trainees at the beginning of period:	
Number of student trainees enrolled during the period:	

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Number of student trainees who appeared for the Insolvency Professionals Exam during the period:							
Number of student trainees who passed the Insolvency Professionals Exam during the period:							
<b>Details of cases</b>							
S. No	Detail s of cases	Name of member handling the case	Appointme nt Date	Status	Comments	Status	
	Ongoing Cases						
	New Cases						
<i>(Arranged alphabetically based on Name of Target company)</i>							
<i>(Serial Numbers should not change)</i>							
<b>Grievance / complaints received against the members or Agency</b>							
Details on number of complaints received during the period:							
Update on complaints received during the previous period:							
Notes :							

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**ANNEXURE-II**

**PART-I  
FORM H**

**DECLARATION OF THE INDEPENDENCE OF THE INSOLVENCY PROFESSIONAL**

To,

*[Insert Name and Address]*

From,

*[Insert Name and Address]*

Subject: Declaration of the independence of *[insert name of the insolvency professional]*, appointed in the case no. *[insert the case number]*

Madam/Sir,

I, *[insert name of the insolvency professional]*, member of *[insert name of the relevant Insolvency Professional Agency]* have assessed the risks to my independence in accepting the appointment as insolvency professional in relation to *[insert name of the person in respect of whom proceedings under the Insolvency and Bankruptcy Code have been initiated]* in accordance with the law and applicable professional standards. I have concluded that there is no risk to my independence in the matter and I am not aware of any reasons that would prevent me from accepting this appointment.

In pursuance of the above declaration, relevant relationships are declared as follows -

1. In the past 24 months, I have not had a relationship with the *[insert name of the person in respect of whom proceedings under the Insolvency and Bankruptcy Code have been initiated]*, an associate of *[insert name of the person in respect of whom proceedings under the Insolvency and Bankruptcy Code have been initiated]*, or any person or entity who is in a position to influence the manner in which *[insert name of the person in respect of whom proceedings under the Insolvency and Bankruptcy Code have been initiated]*'s property may be disposed.

OR

I declare that I have had the following relationships with the parties so mentioned.

Name of the party and relationship	Nature and Duration of Relationship	This relationship does not pose a conflict of interest because:

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with the corporate debtor (if applicable)		

2. In the past 24 months, I have not provided any professional services from *[insert name of the person in respect of whom proceedings under the Insolvency and Bankruptcy Code have been initiated]* or any person or entity who is in a position to influence the manner in which *[insert name of the person in respect of whom proceedings under the Insolvency and Bankruptcy Code have been initiated]*'s property may be disposed

OR

I declare that the following professional services have been provided to the parties so mentioned:

Name of the party and relationship with the corporate debtor (if applicable)	Nature and Duration of Service	This relationship does not pose a conflict of interest because:

I hereby declare all information abovementioned to be true and complete.

Date:

Place:

Sd/-

(Name and Designation)



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**ANNEXURE II  
PART II  
FEES**

**AMOUNT TO BE PAID AS FEES**

**AMOUNT IN INR**

APPLICATION FEE FOR STUDENT TRAINEESHIP

APPLICATION FEE FOR CERTIFICATE OF  
MEMBERSHIP FOR INDIVIDUALS

APPLICATION FEE FOR CERTIFICATE OF  
MEMBERSHIP FOR PARTNERSHIP FIRMS

RENEWAL FEE FOR CERTIFICATE OF  
MEMBERSHIP FOR INDIVIDUALS

RENEWAL FEE FOR CERTIFICATE OF  
MEMBERSHIP FOR PARTNERSHIP FIRMS

MEMBERSHIP FEE FOR INDIVIDUALS (PER  
ANNUM OF MEMBERSHIP)

MEMBERSHIP FEE FOR PARTNERSHIP FIRMS  
(PER ANNUM OF MEMBERSHIP)

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