

Clarifications for Authorisation for Assignment (AFA)

Particulars	Remarks
(I) Grounds considered while rejecting the applications	(a) Incomplete filing of CIRP forms as per IBBI Circular dated 14 th August, 2019-To be filed at IBBI Online Portal Only.
	(b) Non filing/Incomplete filing of Form E with respect to the Annual Statement of Professional fee to be paid to IBBI as per Regulation 7(2)(ca) of IBBI (Insolvency Professionals) Regulations, 2016-To be submitted at IBBI Online Portal Only.
	(c) Non compliances of the Disclosures>Returns as per IBBI/ICSI IIP Circulars- To be submitted to ICSI-IIP Online Portal Only. In case of any difficulty in submitting it online, please send it at the Email ID reporting@icsiip.com ✚ Fees & other Expenses incurred for CIRP Disclosure (Cost Disclosure) as per IBBI Circular dated 12 th June, 2018. ✚ Relationship Disclosure as per IBBI Circular dated 12 th June, 2018. ✚ Half Yearly Return as per ICSI IIP Circular 5 th October, 2018.
	(d) Non payment of fees to be paid to IBBI/ICSI-IIP ✚ Registration Fee under Regulation under 7 (2) (c) of IBBI (Insolvency Professionals) Regulations, 2016- To be paid at IBBI Online Portal Only. ✚ Annual Fee under Regulation 7(2) (ca) of IBBI (Insolvency Professionals) Regulations, 2016- To be paid at IBBI Online Portal Only. ✚ Interest, if any to IBBI under Regulation 15 of IBBI (Insolvency Professionals) Regulations, 2016- To be paid at IBBI Online Portal Only.

	<ul style="list-style-type: none"> ✚ Annual Membership Fee under Clause 11 of Schedule under IBBI (Model Bye-laws and Governing Board of Insolvency Professional Agencies) Regulations, 2016- To be paid to ICSI IIP. For payment details, you may send an email to shikha.sukhija@icsi.edu <p>(e) IP was in employment.</p> <p>(f) IP attained the age of 70 years.</p> <p>(g) IP appointed as Whole Time Director in a Company other than Insolvency Professional Entity</p> <p>(h) Disciplinary proceeding pending against the IP</p> <p>(i) Option for Registration Fee/Annual Membership fee was not ticked.</p> <p>(j) Incorrect/Incomplete attachments:</p> <ul style="list-style-type: none"> ✚ CIBIL report found incomplete and incorrect due to the fact that the report didn't disclosed full details of financial transactions of IP. CIBIL score report downloaded from any RBI registered Credit Information Company is acceptable and the same should not be older than three months ✚ No proof attached where the IP was acting as whole-time director/managing director in any company/IPE.
<p>(II)Parameters considered while examining the applications</p>	<p>(a) Eligibility criteria laid down under the Regulations for obtaining AFA</p> <p>(b) Complete filing of CIRP forms as per IBBI Circular dated 14th August, 2019.</p> <p>(c) Complete filing of Form E with respect to the Annual Statement of Professional fee to be paid to IBBI as per Regulation 7(2) (ca) of IBBI (Insolvency Professionals) Regulations, 2016.</p> <p>(d) Complete filing of the Disclosures>Returns as per IBBI/ICSI IIP Circulars:</p> <ul style="list-style-type: none"> ✚ Fees & other Expenses incurred for CIRP Disclosure (Cost Disclosure) as per IBBI Circular dated 12th June, 2018. ✚ Relationship Disclosure as per IBBI Circular dated 12th June, 2018.

✚ Half Yearly Return as per ICSI IIP Circular 5th October, 2018.

(e) Complete payment of fees to be paid to IBBI/ICSI-IIP

- ✚ Registration Fee under Regulation under 7 (2) (c) of IBBI (Insolvency Professionals) Regulations, 2016- To be paid at IBBI Online Portal Only.
- ✚ Annual Fee under Regulation 7(2) (ca) of IBBI (Insolvency Professionals) Regulations, 2016- To be paid at IBBI Online Portal Only.
- ✚ Interest, if any to IBBI under Regulation 15 of IBBI (Insolvency Professionals) Regulations, 2016- To be paid at IBBI Online Portal Only.
- ✚ Annual Membership Fee under Clause 11 of Schedule under IBBI (Model Bye-laws and Governing Board of Insolvency Professional Agencies) Regulations, 2016- To be paid to ICSI IIP. For payment details, you may write to shikha.sukhija@icsi.edu

(f) Complete and correct attachments uploaded, wherever applicable.

(III) Additional clarifications:

(a) **Regarding Attachments:-**

- ✚ All attachments: Correct and Complete document to be uploaded, wherever applicable. As of now, uploading of documents is directory in nature.
- ✚ Relieving letter from last employer: It is to be attached in case IP was in employment before handling any assignment under the Code.
- ✚ Proof of Credit Score: It is to be attached in case it affects the Fit & Proper Person criteria laid under the Code.
- ✚ Last filed Income Tax Return: It is to be attached in case it affects the Fit & Proper Person criteria laid under the Code.
- ✚ Orders of pending or concluded criminal/disciplinary proceedings: It is to be attached in case it affects the Fit & Proper Person criteria laid under the Code.
- ✚ DIR 12 regarding cessation of directorship: It is to be attached in case the IP was acting as WTD/MD in any company before handling any assignment under the Code.

✚ CIN/LLPIN/Certificate of Registration of the Corporate Debtor-It is mandatory to be attached in case the IP is acting as WTD/MD in any company while handling any assignment under the Code.

(b) Validity of AFA:-

✚ AFA is valid for a period of One Year from the date of its issuance or renewal as the case may be. It is to be obtained by IP every year with respect to all the assignments i.e. CIRP/Liquidation/Voluntary Liquidation/Individual Insolvency. **AFA IS NOT ASSIGNMENT BASED.**

(c) Timeline under AFA, as of now:-

IP to file for issuance of AFA	Any time but before taking up any new Assignment on or after 1 st January, 2020
IPA to approve/reject the application	Within 15 days from the date of application
In case of rejection:	
<u>1st Option</u>	
IP to file appeal	-Within 7 days from the date of rejection
IPA to -Take it before the Membership Committee and -Approve/Reject the appeal as per the decision of the Committee	-Within 15 days from the date of appeal
<u>Or 2nd Option</u>	

	<p>IP to file afresh application</p>	<p>-After expiry of 7 days from the date of rejection of application</p> <p>-After completing all the compliances making good of the deficiencies pointed out in the rejection letter</p> <p>-Within 15 days from the date of application</p>
	<p>IPA to approve/reject the application</p> <p>(d) Regarding Assignments:-</p> <ul style="list-style-type: none"> ✚ IP is required to obtain AFA so as to take up any assignment as IRP/RP/Liquidator/Voluntary Liquidator/Bankruptcy Trustee/AR after 31st December, 2019. <p>(e) Regarding non applicability of some provisions, as on date:-</p> <ul style="list-style-type: none"> ✚ Fee under clause 12A(3) of Schedule under IBBI (Model Bye-laws and Governing Board of Insolvency Professional Agencies) Regulations, 2016- IP may leave the item un ticked ✚ Continuous Professional Education hours- IP may leave the space empty. ✚ Under attachment Column: Copy of letter of suspension, revocation of suspension, cancellation or acceptance of surrender of AFA- IP is not required upload any document, as of now. 	

Disclaimer: This document is prepared only for the purpose of information and to provide clarifications with respect to the difficulties faced by the professionals. To avoid any doubt, it is suggested that the reader should refer with the original Government notifications. The applications will be examined in light of provisions under the Code, regulations, rules, circulars, guidelines, model bye laws made there under.