

Key Highlights of

Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) (Fourth Amendment) Regulations, 2022¹ dated 16th September 2022

REGULATIONS AMENDED/INSERTED	AMENDMENT
Regulation 4C	IRP shall open an email account and use it for all correspondences with ALL stakeholder and in the event of his replacement by a resolution professional, shall handover the credentials of the email to him.
Regulation 6A	IRP shall send a communication along with a copy of public announcement to all the creditors as per the last available books of accounts of the corporate debtor through post or electronic means.
Explanation to Regulation 18 (2)	COC meetings may be convened till the resolution plan is approved or order for liquidation is passed and decide on matters which do not affect the resolution plan submitted before the AA.
Substitution in regulation 35A (3) And insertion of Regulation 35A (3A)	Timeline reduced by 5 days. Where RP makes a determination under any transactions covered under sections 43, 45, 50 or 66, he shall apply to the AA for appropriate relief on or before the one hundred and thirtieth day of the insolvency commencement date. The RP shall forward a copy of the application under Sec 43, 45, 50 or 66 to the prospective resolution applicant to enable him to consider the same while submitting the resolution plan.
Substitution in Regulation 36	Timeline increased from 54 th to 95 th day for submission of IM. It also mandates that information memorandum should also include information such as operations of CD, financial statements, contingent liabilities, geographical coordinates of fixed assets, company overview. It also includes details of business evolution for CDs with asset size of more than Rs.100 crore.
Regulation 36A	Timeline for submission of EOI reduced from 75 th day to 60 th day.
Regulation 36B (6A)	RP may issue request for resolution plan for sale of one or more of assets of the corporate debtor if resolution plan is not received.
Regulation 36C	RP with consultation with COC, shall prepare a strategy for marketing of the assets of the CD, where the total assets as per the last available financial statements exceed one hundred crore rupees and may prepare such strategy in other case.
Regulation 39BA	While deciding to liquidate the corporate debtor under section 33, the committee shall examine whether to explore compromise or arrangement.
Regulation 40D	The committee while considering the liquidation of the corporate debtor may consider factors including but not limited to non-operational status for preceding three years, goods produced or service offered or technology employed being obsolete, absence of any assets, lack of any intangible assets or factors which bring value as a going concern over and above the physical assets like brand value, intellectual property, accumulated losses, depreciation, investments that are yet to mature.

¹ <https://ibbi.gov.in/uploads/legalframework/98dce83da57b0395e163467c9dae521b.pdf>