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INSOLVENCY AND BANKRUPTCY (LIQUIDATION OF INSOLVENT CORPORATE PERSONS) REGULATIONS 2016

In exercise of the powers conferred by sub-sections (1) and (2)(x)-(zk) of Section 240 of the Insolvency and Bankruptcy Code, 2016 (31 of 2016), the Board hereby makes the following Regulations to provide a framework for liquidation of insolvent corporate persons in terms hereof, namely:

CHAPTER I PRELIMINARY

1. Short Title and Commencement

- (1) These Regulations may be called the Insolvency and Bankruptcy (Liquidation of Insolvent Corporate Persons) Regulations, 2016.
- (2) These Regulations shall come into force on the date of their publication in the Official Gazette.

2. Definitions

- (1) In these Regulations, unless the context otherwise requires:
 - (a) “Board” means the Insolvency and Bankruptcy Board of India established under Section 188 of the Act;
 - (b) “books of the corporate debtor” shall mean
 - (i) the books of account and the financial statements of the corporate debtor as defined in section 2(13) and 2(40) of the Companies Act, 2013, if the corporate person is a company,
 - (ii) the books of account as referred to in section 34 of the Limited Liability Partnership Act, 2008, if the corporate person is a limited liability partnership,
 - (iii) the books of accounts as notified, if the corporate person is other than a company or a limited liability partnership;
 - (c) “Code” means the Insolvency and Bankruptcy Code, 2016;
 - (d) “corporate debtor” means the corporate debtor, in respect of which an order for liquidation under section 33 of the Code has been passed;

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- (e) “contributory” means a member of a company, partner of a limited liability partnership, and any person liable to contribute towards the assets of the corporate debtor in the event of it being liquidated;
 - (f) “electronic form” shall have the same meaning as assigned to it in section ___ of the Information Technology Act, 2000
 - (g) “financial contract” means a contract between a debtor and a financial creditor setting out the terms of the financial debt;
 - (h) “insolvency professional” shall have the same meaning assigned to it in the Insolvency and Bankruptcy (Registration of Insolvency Professionals) Regulations, 2016;
 - (i) “member” when used in the context of companies, shall have the same meaning as assigned to it in section 2(55) of the Companies Act, 2013;
 - (j) “partner” shall have the same meaning as assigned to in section 2(q) of the Limited Liability Partnership Act, 2008;
 - (k) “Preliminary Report” means the report prepared in accordance with Regulation 8;
 - (l) “Progress Report” means the report prepared in accordance with Regulation 9;
 - (m) “Regulations” means the Insolvency and Bankruptcy (Liquidation of Insolvent Corporate Persons) Regulations, 2016;
 - (n) “related party” shall have the same meaning as assigned to it in section 5(24) of the Code and the references to director in that section shall be interpreted as references to the designated partner in the event that the corporate debtor is a limited liability partnership;
 - (o) “stakeholders” means the stakeholders entitled to a distribution of proceeds under section 53 of the Code.
- (2) Unless the context requires otherwise, 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 and 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.

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CHAPTER II

APPOINTMENT AND REMUNERATION OF LIQUIDATOR

3. Public announcement of liquidation and of appointment of liquidator

- (1) The public announcement stating that the corporate debtor is in liquidation, in accordance with section 33(1)(b)(ii) of the Code, shall be issued within five days of the date of appointment of the liquidator.
- (2) The public announcement referred to in sub-regulation (1) shall be in Form A of Schedule II, and shall contain the following:
 - (a) the name, date of incorporation, identification number and the address of the registered office and principal office (if any) of the corporate debtor;
 - (b) the name, address, email address and telephone number of the liquidator appointed;
 - (c) date of passing of the order requiring the corporate debtor to be liquidated under section 33 of the Code;
 - (d) a notice inviting any person to submit proof of their claim against the corporate debtor within thirty days from the date the order requiring the corporate debtor to be liquidated under section 33 of the Code.
- (3) The liquidator shall make the public announcement:
 - (a) by placing the contents of the public announcement in one English and one regional language newspaper which is the most widely circulated at the location of the registered office, principal office, if any, of the corporate debtor and any other location where in the opinion of the interim resolution professional, the corporate debtor conducts material business operations;
 - (b) by placing the contents of the public announcement on the website of the corporate debtor (if any);
 - (c) by intimating the contents of the public announcement to be published on the website of the Board; and
 - (d) by intimating the contents of the public announcement to be published on the website of the Adjudicating Authority.

4. Remuneration/Fee for conduct of Liquidation Proceedings

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- (1) An insolvency professional appointed as a liquidator shall charge remuneration for the conduct of the liquidation proceedings which shall be charged in proportion to the value of assets distributed and realized by the liquidator in the manner laid out in this Regulation.
- (2) If an order for liquidation has been passed under sections 33(1)(a) or 33(2) of the Code, the liquidator's remuneration shall be as determined by the committee of creditors formed under section 21 of the Code anytime during the insolvency resolution process but no later than five days before the expiry of maximum period permitted for completion of the corporate insolvency resolution process under section 12 of the Code or the fast track corporate insolvency resolution process under section 56 of the Code , as the case may be.
- (3) If an order for liquidation has been passed under sections 33(1)(b) or 33(3) of the Code, or the committee of creditors under sub-regulation (2) is unable to, or does not determine the remuneration of the liquidator, the Adjudicating Authority shall determine the remuneration of the Liquidator, which shall at the maximum, be as specified in the Third Schedule:

provided that the Adjudicating Authority, while determining the remuneration of the liquidator, may consult such stakeholders as it deems fit:

provided further that the Adjudicating Authority may grant the payment of a fixed fee to the liquidator which shall be deducted from the remuneration receivable at the time of realization and distribution of assets, subject to such other conditions as it may deem fit.

Explanation: The scale of remuneration as specified in Schedule III shall not be applicable when the creditors determine the remuneration of the liquidator under sub-regulation (2).

5. Power to fill vacancy in office of liquidator

- (1) If a vacancy occurs by death, resignation or otherwise in the office of liquidator appointed by the Adjudicating Authority, the liquidator shall be appointed or replaced, as the case may be, in the manner provided in section 34(5) to (7) of the Code.
- (2) On appointment or replacement of the liquidator as specified under sub-regulation (1), the Adjudicating Authority may order that the name of the liquidator appointed and such other details as it deems fit, may be notified through another public announcement in the manner specified in Regulation 3(3).

6. Declaration of Conflict of Interest by Liquidator

- (1) A liquidator proposed to be appointed under section 34(7) of the Code, shall submit to the Adjudicating Authority a declaration disclosing previous relationship, if any, with the corporate debtor in Form B of Schedule II.

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- (2) A liquidator proposed to appointed under section 34(7) of the Code for a company, shall be eligible to be appointed as an independent director on the board of the company under section 149 of the Companies Act, and shall not be a related party of the company;
- (3) A liquidator proposed to be appointed under section 34(7) of the Code for a corporate debtor other than a company, shall not be or have been
 - (a) a related party of the corporate debtor; or
 - (b) an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of:
 - (i) a firm of auditors or company secretaries in practice or cost auditors of the the corporate debtor; or
 - (ii) any legal or a consulting firm that has or had any transaction with the corporate debtor amounting to ten per cent. or more of the gross turnover of such firm:

Explanation: Where the liquidator is a partnership firm, all the partners should satisfy the conditions specified in sub-regulations (2) and (3).

7. Declaration of Conflict of Interest by other persons or professionals

- (1) Any person or professional appointed by the liquidator in exercise of his functions under section 35(1)(i) shall submit a declaration disclosing conflict of interest or lack of independence, if any, to the liquidator in Form C of Schedule II.
- (2) Such declaration shall form part of the Progress Reports to be submitted by the liquidator under Regulation 9.
- (3) Without prejudice to sub-regulation (1), any auditor or valuer appointed by the liquidator shall be subject to the same restrictions as specified in sub-regulation (2) and (3) of Regulation 6.

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CHAPTER III POWERS AND FUNCTIONS OF LIQUIDATORS

8. Preliminary Report

The liquidator shall, within thirty days from the date when the order requiring the corporate debtor to be liquidated under section 33 is passed, present a Preliminary Report to the Adjudicating Authority detailing:

(a) the amount of issued capital, subscribed capital and paid-up capital and the estimated amount of assets and liabilities as on the date when the order requiring the corporate debtor to be liquidated under section 33 is passed:

provided that the liquidator shall assess the assets and liabilities of the corporate debtor based on all books of the corporate debtor that are relevant to its affairs:

provided further that if the liquidator suspects that the books of the corporate debtor are not reliable, he may record with reasons in writing that he has not relied on the books, and provide any alternative basis for his assessment of assets and liabilities;

(b) whether, in his opinion, any further inquiry is desirable as to any matter relating to the promotion, formation or failure of the company or the conduct of the business thereof; and

(c) the proposed plan of action for carrying out the liquidation, including the timeline within which he proposes to carry it out.

9. Progress Reports

(1) A liquidator shall, within fifteen days after the end of the period of three months from the date of his appointment and of every subsequent period of three months during which he acts as liquidator and within fifteen days after he ceases to act as liquidator, lodge a Progress Report with the Adjudicating Authority and the Board.

(2) The Progress Report shall provide all information relevant to liquidation, including-

(a) the period for which such report is presented

(b) an account of all material information, (in the opinion of the liquidator) relevant to the above period concerning the corporate debtor, or the liquidation process

(c) appointment and exit of professionals engaged by the liquidator

(d) an account verified by a statement in writing showing-

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- (i) his receipts and payments during each such period or, where he ceases to act as liquidator, during the period from the end of the period to which the last preceding account related or from the date of his appointment, as the case requires, up to the date of his or her so ceasing to act; and
 - (ii) in the case of the second report lodged under this Regulation and all subsequent reports, the aggregate amount of receipts and payments during all preceding periods since his appointment;
- (e) a statement relating to the stage to which the liquidation has progressed, including:
 - (i) details of proposal of sale, set off etc. accepted with an assessment of its ability to maximize the value under realization as well as of its impact on the non-secured creditors,
 - (ii) position with regard to settlement of list of creditors and contributories,
 - (iii) details regarding public examinations of promoters and officers of corporate debtor,
 - (iv) details of all properties sold and realized, including the reasons for realization of properties by way of private sale,
 - (v) details of any material change in expected realization value of any asset proposed to be sold, along with the basis for such change,
 - (vi) details of any property that remain to be sold and realized,
 - (vii) a statement of the expenses incurred by the liquidator during the period of the report, irrespective of whether payment was made in respect of them during that period,
 - (viii) the sale report prepared in accordance with Regulation 46^[11]_[SEP];
- (f) details of remuneration including-
 - (i) the remuneration charged by the liquidator during the period of the report in accordance with Regulation 4 together with a description of the activities carried out by the liquidator during that period;
 - (ii) the remuneration paid to professionals appointed by the liquidator during the period of the report together with a description of activities carried out by the professionals during that period.
- (g) information pertaining to any material litigation, by or against the corporate debtor;

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(h) financial statements of the corporate debtor.

10. Final report prior to dissolution

- (1) As soon as the corporate debtor is fully liquidated, the liquidator shall make an account of the liquidation, showing how it has been conducted and how the corporate debtor's property has been disposed of.
- (2) The final report shall form part of the application for the dissolution to the Adjudicating Authority to be made under section 54 of the Code.

11. Accounts provided in Reports to be audited

- (1) The financial statements and accounts prepared by the liquidator, as part of the reports required to be prepared under these Regulations shall be audited at least once every financial year by a chartered accountant, not related to the liquidator, and appointed by the liquidator:

provided that the auditor so appointed shall not have acted as an auditor of the corporate debtor at any time in the past.

- (2) The auditor so appointed shall provide an audit report to be included as part of the financial statement and account which has been audited.

12. Public Examination

- (1) The liquidator may require any person to provide information that he has reason to believe may be necessary for liquidation, distribution of assets or for the effective discharge of his duties and obligations and functions as a liquidator.
- (2) The liquidator may at any time before the dissolution of the corporate debtor apply to the Adjudicating Authority for the public examination of any person who:
 - (a) is or has been an officer, auditor, employee, promoter or partner of the corporate debtor; or
 - (b) any other insolvency professional who had been appointed as the resolution professional or the previous liquidator of the corporate debtor;
 - (c) has possession of any of the assets of the corporate debtor;
 - (d) not being a person falling within paragraph (a),(b) or (c), is or has been concerned, or has taken part, in the promotion, formation or management of the corporate debtor:

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provided that the liquidator shall make an attempt to contact such person through an e-mail message sent to the official e-mail address of such person, and through a notice sent by registered post to the official address of the person, and only on not receiving any response within one week from the date of sending the electronic mail or letter, or receiving a refusal from such person, shall he make an application to the Adjudicating Authority under this Regulation.

- (3) On an application under sub-regulation (2), the Adjudicating Authority shall direct that a public examination of the person to whom the application relates shall be held on a day and venue appointed by the Adjudicating Authority; and that person shall attend on that day and be publicly examined as to the promotion, formation or management of the corporate debtor or as to the conduct of its business and affairs, or his conduct or dealings in relation to the corporate debtor:

provided that the Adjudicating Authority may order that the public examination shall take place through such audio visual means as it deems fit.

- (4) The notice of the order passed under sub-regulation (3) shall be served on such person at least fourteen days before the date of hearing.

13. Enforcement of order for public examination

If a person fails at any time to attend his public examination or refuses to answer to the satisfaction of the liquidator any question which may be put to him, the person in default shall be in the same position and be dealt with in the same manner as if he had made default in answering before the Adjudicating Authority.

14. Report of public examination

The liquidator shall maintain minutes of all public examinations, which shall be lodged with the Adjudicating Authority as part of the Progress Reports in the form specified in Form D of Schedule II.

15. Providing information to stakeholders

- (1) Every liquidator shall keep a physical as well as electronic copy of the Preliminary Report, all Progress Reports, Public Examination Reports and the Final Report prepared in relation to the liquidation of the corporate debtor, and the copies shall be made available to any stakeholder, on an application made in writing, in either electronic or physical form:

provided that any stakeholder who makes an application to receive a copy of the report in physical form, shall bear the costs of making the report available to him.

- (2) Any stakeholder who receives the reports shall not be entitled to impart any information contained in these reports to any person other than another stakeholder, unless such information is made available to the public by the Liquidator, the Board or the Adjudicating Authority.

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16. Consultation with Stakeholder

- (1) The liquidator, may consult any stakeholder for the discharge of his functions in accordance with section 35(2) of the Code:

provided that such consultation shall not be binding on the liquidator.

- (2) The stakeholders shall extend all assistance and cooperation to the liquidator, as may be required by him, in managing the affairs of the corporate debtor^[11]_[SEP] and successfully completing the liquidation of the corporate debtor.
- (3) The liquidator shall maintain the particulars of any consultation with the stakeholders made under this Regulation, as specified in Form E of Schedule II.
- (4) An electronic copy of the record to be maintained under sub-regulation (4) shall be made available to any stakeholder entitled to a distribution of proceeds under section 53 on an application made in writing.

17. Books of account

- (1) The liquidator shall maintain the following books of accounts, so far as may be applicable, in respect of a corporate debtor -
- (a) Cash Book;
 - (b) General Ledger;
 - (c) Bank Ledger;
 - (d) Register of Fixed Assets and Inventories;
 - (e) Securities and Investment Register;
 - (f) Register of Book Debts and Outstanding Debts;
 - (g) Register of loans and advances granted;
 - (h) Tenants Ledger;
 - (i) Suits Register;
 - (j) Decree Register;
 - (k) Sales Register;

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- (l) Register of Claims and Dividends;
 - (m) Contributories Ledger;
 - (n) Dividends Paid Register;
 - (o) Commission Register;
 - (p) Suspense Register;
 - (q) Documents Register;
 - (r) Books Register; and
 - (s) Register of unclaimed dividends and undistributed assets, deposited into the liquidation account.
- (2) The liquidator shall, in addition to the Registers and Books specified above, maintain such other books as may be necessary for the proper and efficient working of his office and accounting of transactions entered into by him in relation to the corporate debtor.
- (3) Where the accounts of the corporate debtor are incomplete, the liquidator shall, with all convenient speed, as soon as the order for liquidation is made, have them completed and brought up-to-date.
- (4) The liquidator shall keep proper vouchers for all payments made or expenses incurred by him.

18. Disclaimer of Onerous Property

- (1) Where any part of the property of a corporate debtor consists of:
- (a) land of any tenure, burdened with onerous covenants;
 - (b) shares or stocks in companies;
 - (c) any other property which is not saleable or is not readily saleable by reason of the possessor thereof being bound either to the performance of any onerous act or to the payment of any sum of money; or
 - (d) unprofitable contracts;

the liquidator may, notwithstanding that he has endeavored to sell or has taken possession of the property or exercised any act of ownership in relation thereto or done anything in

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pursuance of the contract, by making an application to the Adjudicating Authority and subject to the provisions of this section, disclaim the property.

- (2) The disclaimer shall operate to determine, as from the date of disclaimer, the rights, interest and liabilities of the corporate debtor in or in respect of the property disclaimed, but shall not, except so far as is necessary for the purpose of releasing the corporate debtor and the property of the corporate from liability, affect the rights, interest or liabilities of any other person.
- (3) The Adjudicating Authority, before or on granting leave to disclaim, may require such notices to be given to persons interested, and impose such terms as a condition of granting leave, and make such other order in the matter as the Adjudicating Authority considers just and proper.
- (4) Where an application in writing has been made to such liquidator by any person interested in the property requiring a decision by the liquidator as to whether or any property will be disclaimed, and the liquidator has not, within a period of fifteen days after the receipt of the application given notice to the applicant that he intends to apply to the Adjudicating Authority for leave to disclaim, he shall be deemed to have adopted it and shall not be entitled to disclaim such property.
- (5) The Adjudicating Authority may, on the application of any person who is, as against the liquidator, entitled to the benefit or subject to the burden of a contract made with the corporate debtor, make an order rescinding the contract on such terms as to payment by or to either party of damages for the non-performance of the contract, or otherwise as the Adjudicating Authority considers just and proper, and any damages payable under the order to any such person may be proved as a debt in the liquidation.
- (6) The Adjudicating Authority may, on an application by any person who either claims any interest in any disclaimed property or is under any liability not discharged under this Code in respect of any disclaimed property, and after hearing any such persons as it thinks fit, make an order for the vesting of the property in, or the delivery of the property to, any person entitled thereto or to whom it may seem just that the property should be delivered by way of compensation for such liability as aforesaid, or a trustee for him, and on such terms as the Adjudicating Authority considers just and proper, and on any such vesting order being made, the property comprised therein shall vest accordingly in the person named therein in that behalf without any conveyance or assignment for the purpose.
- (7) Any person affected by the operation of a disclaimer under this Regulation shall be deemed to be a creditor of the corporate debtor to the amount of the compensation or damages payable in respect of such effect, and may accordingly prove the amount as a debt in liquidation.

19. Avoidance applications

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- (1) The corporate debtor or any of its employees, members, partners, creditors or guarantors, may petition the liquidator to file an application before the Adjudicating Authority under sections 43, 45, 49 or 50 of the Code.
- (2) If the liquidator has sufficient basis, he shall file an application before the Adjudicating Authority under sections 43, 45, 49 or 50 of the Code.
- (3) In examining if he has sufficient basis to make an application under sections 43, 45, 49 or 50 of the Code, the liquidator, may conduct his own investigation, may rely on the materials provided by the person making the petition under sub-regulation (1) or may engage the services of auditors, lawyers or any other experts.

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CHAPTER IV DETERMINATION OF CLAIMS

20. Proof of Claim by Operational Creditors except workmen or employees

- (1) Where a corporate debtor is being liquidated, a person claiming to be an operational creditor, other than a workman or employee, of such corporate debtor and wishing to recover his debt shall, by the date mentioned in the public announcement made under Regulation 3, submit his proof of claim in Form F of Schedule II.
- (2) A proof of claim submitted under this Regulation shall contain the following:
 - (a) the creditor's name and address,
 - (b) if the creditor is an incorporated body, its identification number and proof of incorporation;
 - (c) if the creditor is a partnership or individual then identification records in the form of PAN number, passport or AADHAAR Card, or the identity card issued by the Election Commission of India, of all the partners or the individual, as the case may be.
 - (d) the total amount of his claim, including interest as at the date on which the order requiring the corporate debtor to be liquidated under section 33 is passed;
 - (e) particulars of how and when the debt was incurred by the corporate debtor;
 - (f) particulars of any dispute as well as the record of pendency of suit or arbitration proceedings;
 - (g) details of any retention of title in respect of goods or properties to which the debt refers; and
 - (h) details of any mutual credit, mutual debts, or other mutual dealings between the corporate debtor and the creditor which may be set-off against the claim;
 - (i) details of any assignment or transfer of debt in his favour;
 - (j) details of the bank account to which his share of the proceeds of liquidation can be transferred;
 - (k) succession certificate or probate of a will, or will, or letter of administration, or court decree, as may be applicable under the Indian Succession Act, 1925 (if required).

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- (3) The existence of the outstanding debt owed to the operational creditor may be proved by him:
- (a) on the basis of the records available in any information utility; or
 - (b) on the following basis:-
 - (i) by adducing:
 - (A) a contract for the supply of goods or services between the operational creditor and the corporate debtor, or
 - (B) an invoice demanding payment for the provision of the goods or services supplied by the operational creditor to the corporate debtor, or
 - (C) details of payment of any advance or sum of money to the corporate debtor as well as specific communication with the debtor in this respect; and
 - (ii) by submitting an affidavit affirming that such contract, invoice, details of advance payment or specific communication with the debtor is true, valid and genuine; and
 - (iii) by submitting:
 - (A) a certified copy of an order of a court or tribunal that has adjudicated upon the non-payment of a debt; or
 - (B) any financial accounts along with an affidavit affirming that such financial accounts are true and genuine.
- (b) The operational creditor may be required to provide proof of assignment or transfer of debt.
- (c) The operational creditor may be required to provide indemnity promising to pay back any monies received by him in distribution, which he was not entitled to at the time of distribution, or subsequently became not entitled to.
- (d) If the operational creditor wishes to change any details provided in the proof of claim, he may provide notice of it in writing, along with reasons for the change:

provided that any change accepted by the liquidator shall not affect any previous distributions made under the Code, but shall affect the distributions made after the acceptance of the change:

21. Proof of Claim by Financial Creditors

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- (1) Where a corporate debtor is being liquidated, a person claiming to be a financial creditor of such corporate debtor and wishing to recover his debt shall, by the date mentioned in the public announcement made under Regulation 3, submit his proof of claim in Form G of Schedule II.
- (2) A proof of claim submitted under this Regulation shall contain the following:
 - (a) the creditor's name and address,
 - (b) if the creditor is an incorporated body, its identification number and proof of incorporation;
 - (c) if the creditor is a partnership or individual then identification records in the form of PAN number, passport or AADHAAR Card, or the identity card issued by the Election Commission of India, of all the partners or the individual, as the case may be.
 - (d) the total amount of his claim, including interest as at the date on which the order requiring the corporate debtor to be liquidated under section 33 is passed;
 - (e) particulars of how and when the debt was incurred by the corporate debtor;
 - (f) particulars of any dispute as well as the record of pendency of suit or arbitration proceedings;
 - (g) particulars of any security held, the date of its creation, its estimated value as per the creditor and if the corporate debtor is a company, a certified copy of a certificate of registration of charge issued by the Registrar of Companies;
 - (h) details of any mutual credit, mutual debts, or other mutual dealings between the corporate debtor and the creditor which may be set-off against the claim;
 - (i) details of any assignment or transfer of debt in his favour;
 - (j) details of the bank account to which his share of the proceeds of liquidation can be transferred;
 - (k) succession certificate or probate of a will, or will, or letter of administration, or court degree, as may be applicable under the Indian Succession Act, 1925 (if required).
- (3) The existence of the outstanding debt owed to the financial creditor may be proved by him:
 - (a) on the basis of the records available in any information utility; or

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- (b) on the following basis:
 - (i) by adducing:
 - (A) a certified copy of a financial contract supported by financial statements as evidence of the debt; and
 - (B) any other documentary proof to show that the amounts committed by the financial creditor to the corporate debtor under any facility has been drawn by the corporate debtor; and
 - (ii) an affidavit affirming that the documentary evidence provided is true, valid and genuine:

provided that a proof in respect of any dues owed on a bill of exchange, promissory note, cheque or other negotiable instrument or security cannot be admitted unless there is produced the instrument or any other evidence of an interest in such security, or a copy of it, certified by the financial creditor or his authorized representative to be a true copy of the original; and
 - (iii) by submitting:
 - (A) financial statements showing that the debt has not been paid, and an affidavit affirming that the financial statements are true and genuine; or
 - (B) a certified copy of an order of a court or tribunal that has adjudicated upon the non-payment of a debt.

- (4) The financial creditor may be required to provide proof of assignment or transfer of debt.
- (5) The financial creditor may be required to provide an indemnity promising to pay back any monies received by him in distribution, which he was not entitled to at the time of distribution, or subsequently became not entitled to.
- (6) If the financial creditor wishes to change any details provided in the proof of claim, he may provide notice of it in writing, along with reasons for change:

provided that any change accepted by the liquidator shall not affect any previous distributions made under the Code, but shall affect the distributions made after the acceptance of the change.

22. Proof of claim by workmen or employees

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- (1) Where a corporate debtor is being liquidated, a person claiming to a workman or employee of such corporate debtor and wishing to recover his debt shall, by the date mentioned in the public announcement made under Regulation 3, submit his proof of claim in Form H of Schedule II.
- (2) A proof of claim submitted under this Regulation shall contain the following:
 - (a) every workman or employee's name and address;
 - (b) the identification records in the form of PAN number, passport or AADHAAR Card, or the identity card issued by the Election Commission of India, of each workman or employee;
 - (c) role, designation, location, employee / worker number and employee identity card issued by the employer, if available;
 - (d) the total amount of every individual employee or workman's claim, including contribution required on behalf of the worker/employee such as provident fund, bonus, etc. and interest as at the date on which the order requiring the corporate debtor to be liquidated under section 33 is passed;
 - (e) particulars of how and when the debt was incurred by the corporate debtor;
 - (f) particulars of any dispute as well as the record of pendency of suit or arbitration proceedings;
 - (g) details of any mutual credit, mutual debts, or other mutual dealings between the corporate debtor and the creditor which may be set-off against the claim;
 - (h) succession certificate or probate of a will, or will, or letter of administration, or court degree, as may be applicable under the Indian Succession Act, 1925 (if required).
- (3) In any case where there are numerous claims by workmen and others employed by the company, it shall be sufficient if one proof for all such claims is made by a duly authorized person on behalf of all such creditors.
- (4) The existence of an outstanding debt owed to workmen or employees shall be proved by them, individually or collectively:
 - (a) on the basis of records available in any information utility; or
 - (b) on the following basis:
 - (i) by providing:

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- (A) a proof of employment such as contract of employment for the period for which such workman or employee is claiming dues, and
 - (B) an affidavit affirming that proof of employment is true, valid and genuine and the work has been rendered as set out in the proof of employment; and
- (ii) by adducing:
- (A) documentary evidence of notice demanding payment of unpaid amount, if any, and any documentary or other proof that payment has not been made and an affidavit affirming that documentary evidence is true, valid and genuine; or
 - (B) by submitting an order of a court or tribunal that has adjudicated upon the non-payment of a debt.
- (5) The workman may be required to provide an indemnity promising to pay back any monies received by him in distribution, which he was not entitled to at the time of distribution or subsequently became not entitled to.
- (6) If the person representing the workmen or employees under this Regulation or the workmen or employees themselves wish to change any details provided in the proof of claim, he may provide notice of it in writing, along with reasons for change as well as the authorization of the concerned workman or employee (if applicable):

provided that any change accepted by the liquidator shall not affect any previous distributions made under the Code, but shall affect the distributions made after the acceptance of the change.

23. Proof of claim for any other debts

- (1) Where a corporate debtor is being liquidated, a person claiming to be a creditor other than one required to file a proof of claim under Regulations 20 to 22, of such corporate debtor and wishing to recover his debt shall, by the date mentioned in the public announcement made under Regulation 3, submit his proof of claim in Form I of Schedule II.
- (2) A proof of claim submitted under this Regulation shall contain the following:
- (a) the creditor's name and address;
 - (b) if the creditor is an incorporated body, its identification number and proof of incorporation;
 - (c) if the creditor is a partnership or individual then identification records in the form of PAN number, passport or AADHAAR Card, or the identity card issued by the

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Election Commission of India, of all the partners or the individual, as the case may be;

- (d) the total amount of his claim, including interest as at the date on which the order requiring the corporate debtor to be liquidated under section 33 is passed;
 - (e) particulars of how and when the debt was incurred by the corporate debtor;
 - (f) particulars of any dispute as well as the record of pendency of suit or arbitration proceedings;
 - (g) details of any retention of title in respect of goods or properties to which the debt refers; and
 - (h) details of any mutual credit, mutual debts, or other mutual dealings between the corporate debtor and the creditor which may be set-off against the claim;
 - (i) details of any assignment or transfer of debt in his favour;
 - (j) details of the bank account to which his share of the proceeds of liquidation can be transferred;
 - (k) succession certificate or probate of a will, or will, or letter of administration, or court decree, as may be applicable under the Indian Succession Act, 1925 (if required).
- (3) The existence of the outstanding debt owed to the other creditor may be proved by him:
- (a) on the basis of the records available in any information utility, or
 - (b) on the following basis:
 - (i) by providing:
 - (A) documentary evidence of the debt, and
 - (B) an affidavit affirming that the documentary evidence is true, valid and genuine; and
 - (ii) by adducing:
 - (A) documentary evidence of notice demanding payment of unpaid amount or bank statements of the other creditor showing that the debt has not been paid and an affidavit that the documentary evidence and bank statements are true, valid and genuine; or

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- (B) by submitting an order of a court, tribunal or other authority that has adjudicated upon the non-payment of a debt, if any.
- (4) The other creditor may be required to provide proof of assignment or transfer of debt.
- (5) The other creditor may be required to provide an indemnity promising to pay back any monies received by him in distribution, which he was not entitled to at the time of distribution or subsequently became not entitled to.
- (6) If the other creditor wishes to change any details provided in the proof of claim, he may provide notice of it in writing, along with reasons for change:

provided that any change accepted by the liquidator shall not affect any previous distributions made under the Code, but shall affect the distributions made after the acceptance of the change.

24. Claims of contributories

- (1) Where a corporate debtor is being liquidated, a person claiming to be a contributory shall, by the date mentioned in the public announcement made under Regulation 3, submit his proof of claim in Form J of Schedule II.
- (2) A proof of claim submitted under this Regulation shall contain the following:
- (a) the contributory's name and address,
 - (b) if the contributory is an incorporated body, its identification number and proof of incorporation;
 - (c) if the contributory is a partnership or individual then identification records in the form of PAN number, passport or AADHAAR Card, or the identity card issued by the Election Commission of India, of all the partners or the individual, as the case may be.
 - (d) the total amount of his claim, including interest as at the date on which the order requiring the corporate debtor to be liquidated under section 33 is passed;
 - (e) details of the bank account to which his share of the proceeds of liquidation can be transferred;
 - (f) details of any mutual credit, mutual debts, or other mutual dealings between the corporate debtor and the creditor which may be set-off against the claim;

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- (g) succession certificate or probate of a will, or will, or letter of administration, or court degree, as may be applicable under the Indian Succession Act, 1925 (if required).
- (3) To prove the existence of his claim, the contributory shall present a share certificate, details of his dematerialized account, a valid partnership agreement specifying his capital contribution, or such other documentary proof proving his claim, along with an affidavit confirming that the proof so presented is genuine and valid.
- (4) The contributory may also be required to provide an indemnity promising to pay back any monies received by him in distribution, which he was not entitled to at the time of distribution or subsequently became not entitled to.
- (5) If the contributory wishes to change any details provided in the proof of claim, he may provide notice of it in writing, along with reasons for change:

provided that any change accepted by the liquidator shall not affect any previous distributions made under the Code, but shall affect the distributions made after the acceptance of the change.

25. Realization of security interest

- (1) Where the secured creditor chooses to realize his security interest in accordance with section 52(1)(b) of the Code, such realization shall be preceded by the process provided for in this Regulation.
- (2) If the number of secured creditors in respect of a secured property who wish to realize their security interest in accordance with section 52(1)(b) of the Code, are sufficient to enforce their security interest in accordance with such law as applicable to the security interest being realized, such secured creditors shall make a declaration denying relinquishment of the security interest in writing in Form K of Schedule II and such denial shall be binding on all secured creditors in respect of such secured property.
- (3) The declaration denying relinquishment shall accompany the proof of claim to be adduced by each of them under Regulation 20, 21, 22 or 23.
- (4) On realizing his security interest in accordance with section 52, the secured creditor shall provide details of the proceeds of enforcement, verified by the original agreement, and such other documentary evidence as the liquidator may require.
- (5) If the secured creditor does not tender the amounts due from him under section 52(7) and (8), the liquidator may serve upon him a notice to make the payments within seven days from the receipt of the notice.

26. Liquidators power to call for substantiation of claims of debt

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The liquidator may, if he thinks it necessary for the purpose of clarifying or substantiating the whole or any part of a creditor's claim made in his proof, call for details of any matter specified in Regulations 20, 21, 22, 23 or 24 or for the production to him of such documentary or other evidence as he may require.

27. Cost of proving claim of debt

- (1) Subject as follows, every creditor shall bear the cost of proving his own debt, including such costs as may be incurred in providing documents or evidence under Regulations 20, 21, 22, 23 or 24.
- (2) Costs incurred by the liquidator in estimating the quantum of a debt shall be borne as an expense of the liquidation.

28. Verification of claims

- (1) The liquidator shall complete the verification of every claim of a financial creditor within seven days from receipt of each proof of claim, and communicate if such claim has been accepted or rejected, in whole or in part within seven days of the acceptance or rejection of such proof of claim.
- (2) The liquidator shall complete the verification of every claim of creditors other than financial creditors within twenty days from receipt of each proof of claim, and communicate the of such claim has been accepted or rejected, in whole or in part within seven days of the acceptance or rejection of such proof of claim.

29. List of claims

- (1) The liquidator shall prepare a final list of claims on the basis of proofs of claims submitted and accepted under these Regulations, with the amounts of debt admitted, the details of the creditors and contributories, and the proofs admitted or rejected in part, and the proofs wholly rejected, within thirty days from the last date for receipt of claims as specified in the public announcement, and shall file the same with the Adjudicating Authority.
- (2) The filing of the list of claims with the Adjudicating Authority shall be announced to the public in the manner specified in Regulation 3(3).
- (3) The list of claims filed with the Adjudicating Authority shall not be added to or varied except under the order of the Adjudicating Authority.
- (4) The liquidator shall allow every stakeholder to inspect the list of claims filed with the Adjudicating Authority, in physical or electronic form.

30. Expunging of proof

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- (1) If after the admission of a proof of claim, the liquidator has reason to think that the proof has been improperly admitted or admitted by a mistake, he may apply to the Adjudicating Authority, to expunge the proof or reduce its amount, as the case may be:

provided that the relevant creditor or contributory shall be allowed a right of hearing as to why his claim should not be disregarded.

- (2) Any creditor or contributory may also apply to the Adjudicating Authority within ten days of settlement of list, to expunge a proof of claim, or reduce the amount thereof, if the liquidator declines to move in the matter, and on such application, the Adjudicating Authority may direct the liquidator to reduce or expunge the proof if it considers it fit.

31. Computation of amount as of relevant date

The amount of a debt or claim of a corporate debtor, including a debt or claim that is for or includes interest, shall be computed as on the date when the order requiring the corporate debtor to be liquidated under section 33 is passed.

32. Determination of quantum of claim

- (1) Subject to the provisions of these Regulations, the value of a claim which bears certain fixed value, shall be as stated in the accepted proof of claim.
- (2) In the event of a proof of claim submitted by a creditor does not bear a certain fixed value by reason of its being subject to any contingency or for any other reason, the liquidator shall determine the value of the claim with reference to the financial information available to him, and may revise any estimate previously made, if he deems fit by reference to any change of circumstances or to information becoming available to him.
- (3) The liquidator shall inform the concerned claimant about such determination and any revision thereof as soon as may be practicable.

33. Discounts

There shall, in every case, be deducted from the claim all trade and other discounts which would have been available to the corporate debtor but for its liquidation, except any discount for cash settlement.

34. Debt payable at future time

A creditor may prove for a debt of which payment was not yet due on the date when the order requiring the corporate debtor to be liquidated under section 33 is passed, but the payment to be made to him shall be reduced to the amount that would have been payable if the debt were due on the date when the order requiring the corporate debtor to be liquidated under section 33 was passed, with a discount for early settlement.

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35. Debt in foreign currency

- (1) For the purpose of proving a debt incurred or payable in a currency other than Indian Rupees, the amount of the debt shall be converted into Indian Rupees at the official exchange rate prevailing on the date when the order requiring the corporate debtor to be liquidated under section 33 is passed.
- (2) “The official exchange rate” shall be the reference rate published by the Reserve Bank of India, State Bank of India or any other systematically important bank, when the order requiring the corporate debtor to be liquidated under section 33 is passed.

36. Payments of a periodical nature

In the case of rent and other payments of a periodical nature, the creditor may claim only for any amounts due and unpaid up to the date when the order for the liquidation of the corporate debtor under section 33 is passed, and shall not be entitled to claim any amounts which may become due after such order is passed.

37. Interest

- (1) Where a debt proved in the liquidation bears interest, that interest is provable as part of the debt except in so far as it is payable in respect of any period after the date on which the corporate debtor went into liquidation.
- (2) The creditor’s claim may not include interest on the debt for periods before the date on which the corporate debtor went into liquidation, if not previously reserved or agreed.

38. Mutual credits and set-off

- (1) Where there have been mutual credits, mutual debts or other mutual dealings between the corporate debtor and any creditor of the corporate debtor proving or claiming to prove for a debt in the liquidation, before the date on which the corporate debtor went into liquidation, the following procedure for valuation shall be followed:
 - (a) an account shall be taken of what is due from each party to the other in respect of the mutual dealings, and the sums due from one party shall be set off against the sums due from the other;
 - (b) a sum shall be regarded as being due to or from the corporate debtor for the purposes of this paragraph whether—
 - (i) it is payable at present or in the future, but shall not include a contingent liability,
 - (ii) the obligation arising by virtue of an agreement, rule of law, or otherwise by virtue of which it is payable is certain or contingent, or ^[11]_[SEP]

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- (iii) its amount is fixed or liquidated, or is capable of being ascertained by fixed rules or as a matter of opinion.
 - (c) the provisions of Regulations 31 to 37 shall apply in respect of valuation of the sums due under this Regulation.
- (2) The balance amount, if any, owed to a creditor under sub-regulation (1), shall be provable as per the process laid out in these Regulations.
- (3) The balance, if any, owed to the company shall be paid to the liquidator and shall constitute part of the liquidation estate assets except where all or part of the balance results from a contingent or prospective debt owed by the creditor and in such a case the balance, or that part of it, as the case may be, shall be paid if and when that debt becomes due and payable.

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CHAPTER V MANNER OF CONDUCT OF LIQUIDATION OF PROPERTY

39. Property Memorandum

- (1) On forming the liquidation estate in accordance with section 36 of the Code and these Regulations, the liquidator shall prepare a property memorandum in respect of each property that forms the liquidation estate within seventy-five days from the date when the order requiring the corporate debtor to be liquidated under section 33 is passed
- (2) The property memorandum shall include:
 - (a) the valuation of the property;
 - (b) the price the liquidator estimates will be recovered for that property;
 - (c) choice of manner of sale (with reasons);
 - (d) choice of mode of sale (with reasons);
 - (e) terms and conditions for sale;
 - (f) any other information that may be relevant for the sale of the properties:

provided that if the properties are to be sold as part of the sale of a going concern, in a slump sale, or in different parcels, then the liquidator may choose to create one property memorandum in respect of all the properties to be sold as a part of the parcel, however, the valuation of the property and price the liquidator estimates will be recovered for that property will be provided separately for each property.
- (3) The liquidator shall make best endeavors to provide a realistic picture of the status of each property, and in making such property memorandum may consult the stakeholders in accordance with section 35(2) of the Code read with Regulation 16.
- (4) The property memorandum shall be submitted to the Adjudicating Authority, but shall not be available for inspection by stakeholders.

40. Valuation of Property

- (1) The liquidator shall obtain the valuation of the property of the corporate debtor as:
 - (a) a going concern value of the corporate debtor or its parts; and
 - (b) individual value of assets;

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from at least two registered valuers appointed in accordance with the Companies Act, 2013 or Rules made thereunder.

- (2) The registered valuers shall employ an internationally accepted methodology to arrive at a valuation that is fair, realistic, and calculated on an arm's length basis.
- (3) The average value of the relevant valuations submitted by the two registered valuers, shall form the lowest price at which the corporate debtor as a going concern, part of the corporate debtor as a going concern, or assets may be sold:

provided that the liquidator shall have the discretion to reduce the lowest price at which the assets may be sold by thirty percent of the average value if he has reason to believe that the assets will not be sold at the average value arrived at under sub-regulation (3):

provided further that the liquidator may apply to the Adjudicating Authority to permit the reduction of the lowest price at which the assets may be sold further if he has reason to believe that the assets will not be sold at the reduced lowest price specified in the first proviso.

- (4) If the sale of an asset has not occurred within six months of the date on which the valuation report is received, the asset shall be valued again, in accordance with this Regulation.

41. Manner of selling the properties of the corporate debtor

The liquidator may sell the properties of the corporate debtor:

- (a) as a going concern;
- (b) as a slump sale of all assets;
- (c) in parcels;
- (d) individually; or
- (e) any combination thereof.

42. Mode of selling the properties

- (1) Subject to the provisions of these Regulations, the liquidator may sell the assets of the corporate debtor by means of private sale or auction, in a transparent manner as provided in Schedule I, on arm's length basis, and at prices determined by market factors.
- (2) The liquidator may not sell the assets of the corporate debtor by means of private sale except with the prior permission of the Adjudicating Authority:

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provided that no permission of the Adjudicating Authority shall be required if the property proposed to be sold by means of private sale is:

- (a) perishable; or
- (b) likely to deteriorate in value significantly, such that there will be a loss if the property is not sold immediately:

provided further the liquidator shall not sell the properties by way of private sale to a related party of the corporate debtor, the liquidator or to any professional appointed by him in accordance with section 35(i) of the Code read with Regulation 7, without prior permission of the Adjudicating Authority.

- (3) The liquidator, in conducting sale under these Regulations shall act in an impartial and fair manner, to maximize the returns from the sale of the properties, and with due regard to the interests of the creditors as a whole.
- (4) If the liquidator, in conducting such sale has reason to believe that there is any collusion between the buyers, or the corporate debtor's related parties and buyers, or the creditors and buyer, he shall not proceed with the sale, and shall provide a report to the Adjudicating Authority in this regard, seeking an appropriate order against the colluding parties:

provided that 'collusion' refers to any agreement between potential buyers, which has the effect of eliminating or reducing competition for buying the property or adversely affecting or manipulating the process or price of sale.

43. All money to be paid in to the special bank account in a scheduled Bank

- (1) The liquidator shall open a special bank account in the official name of the corporate debtor followed by the term 'in liquidation', in any scheduled Bank or any other bank as may be notified by the Board (hereinafter referred to as the Bank), for the receipt of all moneys due to the corporate debtor.
- (2) The liquidator shall pay to the credit of such account all moneys including cheques and demand drafts received by him as the liquidator of the corporate debtors, and the realizations of each day shall be paid into the Bank without any deduction not later than the next working day of the Bank.
- (3) The liquidator may maintain a cash of INR one lakh or such higher amount as may be permitted by the Adjudicating Authority to pay liquidation costs or any other amount.
- (4) All payments out of the account by the liquidator above INR twenty thousand shall be made by cheques drawn or online banking transactions against the said account:

44. Distribution

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- (1) Subject to the provisions of section 53 of the Code, the liquidator shall distribute the proceeds from the sale within six months from the receipt of the agreed sale amount, to the stakeholders:

provided that the insolvency resolution process costs, if any, and the liquidation costs shall be deducted before such distribution is made.

- (2) The liquidator shall make the distribution as per the details provided by the stakeholder in the accepted proof of claim.

45. Distribution in special cases

- (1) The contractual arrangements between recipients with equal ranking under section 53(1) if disrupting the order of priority, may be dealt with in the manner provided in this Regulation.

- (2) The liquidator may make the distribution of all the recipients under the contractual arrangement to one of the recipients, who is nominated by the recipients who are party to the contractual arrangement.

- (3) The person nominated by the recipients in accordance with sub-regulation (2) shall distribute the proceeds among the recipients under the contractual arrangements in the manner agreed between them:

provided that no claim shall lie against the liquidator or the liquidation estate for any deficiency in the distribution of proceeds amongst the recipients by the nominated recipient.

46. Sale Report

Once a sale of any property has been effected in accordance with these Regulations, the liquidator shall prepare a sale report in respect to that property to be annexed to the Progress Reports prepared in accordance with Regulation 9, containing:

- (a) the value realized;
- (b) cost of realization, if any;
- (c) the manner and mode of sale;
- (d) if the value realized is below the value estimated then reasons for the same;
- (e) the stakeholders to whom the distribution has been made in accordance with section 53 of the Code, and
- (f) any other details of the sale.

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47. Where the company has no available properties

Where the corporate debtor has no available properties, the liquidator shall seek and act in accordance with the directions of the Adjudicating Authority with respect to the conduct of liquidation.

48. Early dissolution

If after the preparation of the preliminary report, or anytime thereafter, it appears to the liquidator that-

- (1) the realizable properties of the company are insufficient to cover the expenses of the liquidation, and
- (2) the affairs of the company do not require any further investigation;

he may apply to the Adjudicating Authority for the early dissolution of the corporate debtor and for necessary directions in respect of such dissolution.

49. Division of unsold property

- (1) Without prejudice to the provisions of the Code, the liquidator may, with the permission of the Adjudicating Authority divide amongst the corporate debtor's creditors, any property, in its existing form and according to its estimated value, which from its peculiar nature or other special circumstances cannot be readily or advantageously sold.

provided that the application for permission of the Adjudicating Authority shall clearly identify the property in question and provide detailed reasons for choice of such division.

- (2) The records of any division carried out in accordance with this Regulation, shall also form part of the Progress Reports to be prepared in accordance with Regulation 9.

50. Completion of Liquidation

- (1) The liquidator shall liquidate the corporate debtor within a period of two years.
- (2) If the liquidator is unable to liquidate the corporate debtor within two years, he shall submit a report explaining why the liquidation has not been completed fully to the Adjudicating Authority and take the Adjudicating Authority's permission to continue such liquidation.

51. Fast-track disposal of assets

- (1) Notwithstanding anything to the contrary contained in these Regulations, the liquidator may, within ninety days from the date when the order requiring the corporate debtor to be

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liquidated under section 33 is passed, submit an application to the Adjudicating Authority for fast-track disposal of assets, which shall include:

- (a) A property memorandum in respect of all the properties of the corporate debtor;
- (b) A detailed plan for the sale of the properties of the debtor including:
 - (i) The mode of sale of properties;
 - (ii) The manner of sale of properties;
 - (iii) The terms and conditions on which the properties shall be sold; and
 - (iv) The price at which the properties shall be sold (if available);

requesting the Adjudicating Authority to permit the sale of properties of properties in the manner specified in the application. .

- (2) The Adjudicating Authority may pass any other directions as it deems fit in respect of the fast disposal of properties, and the exercise of the powers and functions of the liquidator in this respect.

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CHAPTER VI TREATMENT OF PREFERENCE AND EQUITY SHAREHOLDERS

52. Liquidator to realize uncalled capital or unpaid capital contribution

- (1) The liquidator shall be entitled to realize any amounts due from any contributory to the corporate debtor in his capacity as a contributory, including unpaid capital contribution.
- (2) Notwithstanding any charge or encumbrance on the uncalled capital of the company, the liquidator shall be entitled to call and realize the uncalled capital of the concerned company and to collect the arrears if any due on calls made prior to the liquidation, by providing a notice to the contributory to make the payments within fifteen days from the receipt of the notice, but shall hold all moneys so realized subject to the rights, if any, of the holder of any such charge or encumbrance.
- (3) No distribution shall be made to a contributory, unless he makes his contribution to the capital as required in the constitutional documents of the corporate debtor.

53. Unclaimed dividends

If any unclaimed dividends payable to creditors or undistributed assets refundable to contributories are available with the liquidator at the time of making an application for dissolution, the liquidator shall seek appropriate directions from the Adjudicating Authority in relation to such unclaimed dividends or undistributed assets.

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SCHEDULE I MANNER OF CONDUCTING PRIVATE SALE OR AUCTION

1. PRIVATE SALE

- (1) On determining that properties shall be sold by private sale, the liquidator shall prepare a strategy to approach interested buyers for the properties to be sold.
- (2) Private sale may be conducted through directly liaising with potential buyers or their agents, through retail shops, or through any other means that is likely to maximize the return from the sale of the properties.
- (3) The sale shall stand completed in accordance with the terms of sale.
- (4) Thereafter, the properties shall be delivered to the purchaser, on receipt of full payment for the properties, in the manner specified in the terms of sale.

2. AUCTION

- (1) On choosing that assets shall be sold by auction, the liquidator shall prepare a marketing strategy for the assets to be sold, including
 - (a) Releasing advertisements
 - (b) Preparing information sheets for the property
 - (c) Placing a notice of sale on the website of the Board and the corporate debtor
 - (d) Liaising with agents, etc.

In this regard, the liquidator may engage marketing professionals, specializing in the sale of such properties.

- (2) The liquidator shall prepare terms and conditions of sale, including reserve price, earnest money deposit as well as pre-bid qualifications (if any).
- (3) The liquidator shall make a public announcement of the conduct of public auction in the manner specified in Regulation 3(3), and accept earnest money deposits thereafter.
- (4) The liquidator shall provide all assistance necessary for the conduct of due diligence by interested buyers.

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- (5) The liquidator shall auction the properties through an electronic auction to be conducted on an online portal designated by the Board, where the interested buyers can register, bid and receive confirmation of the acceptance of their bid online.
- (6) If the liquidator is of the opinion that a physical auction is likely to maximize the return from the sale of the properties and is in the best interests of the creditors as a whole, he may sell the properties through conducting a live physical auction after obtaining the permission of the Adjudicating Authority. In this regard, the liquidator may engage the services of qualified professional auctioneers specializing in auctioning such properties.
- (7) All auctions shall be transparent, and the highest bid at any given point shall be accessible to the other bidders.
- (8) If the liquidator is of the opinion that an auction where other bidders' tender amount is not visible is likely to maximize the return from the sale of the properties and is in the best interests of the creditors as a whole, he may apply, in writing, to the Adjudicating Authority for its permission to conduct a sealed tender auction.
- (9) If required, the liquidator may conduct multiple rounds of auction to maximize the return from the sale of the properties, and promote the best interests of the creditors as a whole.
- (10) On the close of the auction, the highest bidder shall be invited to provide balance sale consideration within fourteen days of the date when he is invited to provide the balance sale consideration. Thereafter properties will be allotted to him. On payment of the full amount, the sale shall stand completed, and the properties shall be delivered to him in the manner specified in the terms of sale.

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SCHEDULE II FORM A

PUBLIC ANNOUNCEMENT

(Regulation 3 of the Insolvency and Bankruptcy (Liquidation of Insolvent Corporate Persons) Regulations, 2016)

FOR THE ATTENTION OF THE CREDITORS OF [*Name of Corporate Debtor*]

RELEVANT PARTICULARS	
1.	NAME OF CORPORATE DEBTOR
2.	DATE OF INCORPORATION OF CORPORATE DEBTOR
3.	CORPORATE IDENTITY NUMBER / LIMITED LIABILITY IDENTITY NUMBER OF CORPORATE DEBTOR
4.	ADDRESS OF THE REGISTERED OFFICE AND PRINCIPAL OFFICE (IF ANY) OF CORPORATE DEBTOR
5.	LIQUIDATION DATE OF CORPORATE DEBTOR
6.	DATE OF CLOSURE OF INSOLVENCY RESOLUTION PROCESS
7.	NAME, ADDRESS, EMAIL ADDRESS, TELEPHONE NUMBER AND THE REGISTRATION NUMBER OF THE LIQUIDATOR
8.	LAST DATE FOR SUBMISSION OF CLAIMS

Notice is hereby given that the National Company Law Tribunal has ordered the commencement of liquidation of the [*name of the corporate debtor*] on [*date of passing of order of liquidation under section 33 of the Code*].

The creditors of [*name of the corporate debtor*], are hereby required to submit a proof of their claims, on or before [*insert the date falling thirty days after the date of this notice*], to the liquidator, in the form and manner prescribed in the Insolvency and Bankruptcy (Liquidation of Insolvent Corporate Persons) Regulations, 2016.

The creditors shall submit their proof of claims by post to the address provided for the liquidator above. The creditor may submit their proof of claims by electronic means to the email address provided for the liquidator above, in addition to submitting their proof of claims by post.

Submission of false or misleading proofs of claim shall attract penalties as determined by the National Company Law Tribunal.

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SCHEDULE II

FORM B

DECLARATION ON THE INDEPENDENCE OF APPOINTED LIQUIDATOR

(Under Regulation 6 of the Insolvency and Bankruptcy Board of India (Liquidation of Insolvent Corporate Persons) Regulations, 2016)

To,
The Registrar,
National Company Law Tribunal
[Address of the National Company Law Tribunal]

From,
[Name and address of liquidator]

Subject: Declaration on the Independence of [name of individual/ partnership firm], , appointed as liquidator in the case of [name of corporate debtor].

Madam/Sir,

I, [name and membership number], member of [Insolvency Professional Agency] have assessed the risks to my independence in accepting the appointment as liquidator in relation to [name of corporate debtor] 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 twenty-four months, I have not had a relationship with [name of corporate debtor], an associate of [name of corporate debtor], or any person or entity who is in a position to influence the manner in which [name of corporate debtor]'s property may be disposed;

OR

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

S. NO.	NAME OF THE PARTY AND RELATIONSHIP WITH THE CORPORATE DEBTOR (IF APPLICABLE)	NATURE AND DURATION OF RELATIONSHIP	THIS RELATIONSHIP DOES NOT POSE A CONFLICT OF INTEREST BECAUSE:
1.			

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2.			
3.			
4.			

[Please insert more rows as required]

2. In the past twenty-four months, I have not provided/requested any professional services from *[name of corporate debtor]* or any person or entity who is in a position to influence the manner in which *[name of corporate debtor]*'s property may be disposed;

OR

I declare that the following professional services have been provided / requested with the parties so mentioned:

S. NO.	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:
1.			
2.			
3.			
4.			

[Please insert more rows as required]

I am not barred from being appointed as the liquidator of the corporate debtor in terms of Regulation 6 of the Insolvency and Bankruptcy (Liquidation of Insolvent Corporate Persons) Regulations, 2016.

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

Signature :

DRAFT FOR PUBLIC COMMENTS

Date :

DRAFT FOR PUBLIC COMMENTS

SCHEDULE II FORM C

DECLARATION ON THE INDEPENDENCE OF PROFESSIONALS APPOINTED BY THE LIQUIDATOR

(Under Regulation 7 of the Insolvency and Bankruptcy Board of India (Liquidation of Insolvent Corporate Persons) Regulations, 2016)

To,
The Liquidator
[Name and address of the liquidator]

From,
[Name and address of professional]

Subject: Declaration on the Independence of [name of professional], professional appointed in the case of [name of corporate debtor].

Madam/Sir,

I, [name and membership number], have assessed the risks to my independence in accepting the appointment as a professional in relation to the liquidation of the [name of corporate debtor] 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 twenty-four months, I have not had a relationship with the [name of corporate debtor], an associate of [name of corporate debtor], or any person or entity who is in a position to influence the manner in which [name of corporate debtor]'s property may be disposed.

OR

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

S. NO.	NAME OF THE PARTY AND RELATIONSHIP WITH THE CORPORATE DEBTOR (IF APPLICABLE)	NATURE AND DURATION OF RELATIONSHIP	THIS RELATIONSHIP DOES NOT POSE A CONFLICT OF INTEREST BECAUSE:
1.			
2.			

DRAFT FOR PUBLIC COMMENTS

3.			
4.			

[Please insert more rows as required]

2. In the past twenty-four months, I have not provided/requested any professional services from *[name of corporate debtor]* or any person or entity who is in a position to influence the manner in which *[name of corporate debtor]*'s property may be disposed;

OR

I declare that the following professional services have been provided / requested with the parties so mentioned:

S. NO.	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:
1.			
2.			
3.			
4.			

[Please insert more rows as required]

I am not barred from being appointed in terms of Regulation 7 of the Insolvency and Bankruptcy (Liquidation of Insolvent Corporate Persons) Regulations, 2016.

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

Signature :
Date :

DRAFT FOR PUBLIC COMMENTS

SCHEDULE II FORM D

PROFORMA OF DETAILS OF PUBLIC EXAMINATIONS

(Under Regulation 14 of the Insolvency and Bankruptcy Board of India (Liquidation of Insolvent Corporate Persons) Regulations, 2016)

NAME AND REGISTRATION NO. OF :
LIQUIDATOR
NAME OF COMPANY BEING :
LIQUIDATED
LIQUIDATION CASE NO :

S. No.	NAME AND PARTICULARS OF PERSON CALLED FOR PUBLIC EXAMINATION	DATE, TIME AND VENUE OF PUBLIC EXAMINATION	QUESTIONS ASKED	PARTICULARS OF REPLY FROM STAKEHOLDERS	MINUTES OF CONSULTATION (IF CONSULTATION SOUGHT IN PERSON)
1.					
2.					
3.					
4.					

[Please insert more rows as required]

DRAFT FOR PUBLIC COMMENTS

SCHEDULE II FORM E

PROFORMA OF DETAILS OF CONSULTATIONS WITH STAKEHOLDERS

(Under Regulation 16 of the Insolvency and Bankruptcy Board of India (Liquidation of Insolvent Corporate Persons) Regulations, 2016)

NAME AND REGISTRATION NO. OF :
LIQUIDATOR
NAME OF COMPANY BEING :
LIQUIDATED
LIQUIDATION CASE NO :

S. NO.	NAME OF STAKEHOLDER FROM WHOM THE CONSULTATION SOUGHT	QUESTION ON WHICH CONSULTATION WAS SOUGHT	MODE AND DATE OF SEEKING CONSULTATION	PARTICULARS OF REPLY FROM STAKEHOLDERS	MODE AND DATE OF REPLY FROM STAKEHOLDER	MINUTES OF CONSULTATION (IF IN PERSON)
1.						
2.						
3.						
4.						

[Please insert more rows as required]

DRAFT FOR PUBLIC COMMENTS

SCHEDULE II FORM F

PROOF OF CLAIM BY OPERATIONAL CREDITORS EXCEPT WORKMEN AND EMPLOYEES

(Under Regulation 20 of the Insolvency and Bankruptcy Board of India (Liquidation of Insolvent Corporate Persons) Regulations, 2016)

[Date]

To,
The Liquidator,
[Name of the Liquidator]
[Address as set out in the public announcement]

From,
[Name and address of the operational creditor]

Subject: Submission of proof of claim in respect of the liquidation of [name of corporate debtor] under the Insolvency and Bankruptcy Code, 2016.

Madam/Sir,

The [name of the operational creditor] hereby submits his proof of claim in respect of the liquidation in the case of [name of corporate debtor]. The details for the same are set out below:

PARTICULARS		
1.	NAME OF CREDITOR (IF AN INCORPORATED BODY PROVIDE IDENTIFICATION NUMBER AND PROOF OF INCORPORATION, IF A PARTNERSHIP OR INDIVIDUAL PROVIDE IDENTIFICATION RECORDS)	
2.	ADDRESS OF CREDITOR FOR CORRESPONDENCE	
3.	TOTAL AMOUNT OF CLAIM, INCLUDING ANY INTEREST AS AT THE DATE ON WHICH THE CORPORATE DEBTOR WENT INTO LIQUIDATION, AND DETAILS ON NATURE OF CLAIM	PRINCIPAL : CLAIM : INTEREST : TOTAL CLAIM :

DRAFT FOR PUBLIC COMMENTS

4.	DETAILS OF DOCUMENTS BY REFERENCE TO WHICH THE DEBT CAN BE SUBSTANTIATED	
PARTICULARS		
5.	DETAILS OF ANY DISPUTE AS WELL AS THE RECORD OF PENDENCY OF SUIT OR ARBITRATION PROCEEDINGS	
6.	DETAILS OF HOW AND WHEN DEBT INCURRED	
7.	DETAILS OF ANY MUTUAL CREDIT, MUTUAL DEBTS, OR OTHER MUTUAL DEALINGS BETWEEN THE CORPORATE DEBTOR AND THE CREDITOR WHICH MAY BE SET-OFF AGAINST THE CLAIM	
8.	DETAILS OF ANY RETENTION OF TITLE IN RESPECT OF GOODS OR PROPERTIES TO WHICH THE DEBT REFERS OR ANY OTHER SECURITY	
9.	DETAILS OF ANY ASSIGNMENT OR TRANSFER OF DEBT IN HIS FAVOUR	
10.	DETAILS OF THE BANK ACCOUNT TO WHICH THE CREDITOR'S SHARE OF THE PROCEEDS OF LIQUIDATION CAN BE TRANSFERRED	

Signature of creditor or person authorised to act on his behalf
Name in BLOCK LETTERS
Position with or in relation to creditor
Address of person signing

DRAFT FOR PUBLIC COMMENTS

ATTACHMENTS:

- (a) Documents relied in particulars above; and
- (b) Affidavits as set out in this Form F.

AFFIDAVIT

I, [*name of deponent*], currently residing at [*address of deponent*], do solemnly affirm and state as follows:

1. The above named corporate debtor was, at the date of the order of liquidation, the same viz., the _____ day of _____ 20_____ and still is, justly and truly indebted to me [or to me and [*insert name of co-partners*], my co-partners in trade, or, as the case may be] in the sum of Rs. _____ for _____ [*please state consideration*].

2. In respect of my claim of the said sum or any part thereof, I have relied on the documents specified below:

[Please list the documents relied on as evidence of debt.]

3. The said documents are true, valid and genuine to the best of my knowledge, information and belief.

4. In respect of the said sum or any part thereof, I have not, nor have my partners or any of them, nor has any person, by my/our order, to my/our knowledge or belief, for my/ our use, had or received any manner of satisfaction or security whatsoever, save and except the following:

[Please state details of any mutual credit, mutual debts, or other mutual dealings between the corporate debtor and the creditor which may be set-off against the claim.]

Solemnly, affirmed at _____ on _____ day, the _____ day of _____ 20_____

Before me,

Commissioner.

Deponent's signature

DRAFT FOR PUBLIC COMMENTS

VERIFICATION

I, the Deponent hereinabove, do hereby verify and affirm that the contents of para ___ to ___ of this affidavit are true and correct to my knowledge and belief. Nothing is false and nothing material has been concealed therefrom.

Verified at _____ on this _____ day of _____ 201_____

Deponent's signature

DRAFT FOR PUBLIC COMMENTS

SCHEDULE II FORM G

PROOF OF CLAIM BY FINANCIAL CREDITORS

(Under Regulation 21 of the Insolvency and Bankruptcy Board of India (Liquidation of Insolvent Corporate Persons) Regulations, 2016)

[Date]

To,
The Liquidator,
[Name of the Liquidator]
[Address as set out in the public announcement]

From,
[Name and address of the financial creditor]

Subject: Submission of proof of claim in respect of the liquidation of [name of corporate debtor] under the Insolvency and Bankruptcy Code, 2016.

Madam/Sir,

The [name of the financial creditor] hereby submits his proof of claim in respect of the liquidation in the case of [name of corporate debtor]. The details for the same are set out below:

PARTICULARS		
1.	NAME OF CREDITOR (IF AN INCORPORATED BODY PROVIDE IDENTIFICATION NUMBER AND PROOF OF INCORPORATION, IF A PARTNERSHIP OR INDIVIDUAL PROVIDE IDENTIFICATION RECORDS)	
2.	ADDRESS OF CREDITOR FOR CORRESPONDENCE.	
3.	TOTAL AMOUNT OF CLAIM, INCLUDING ANY INTEREST AS AT THE DATE ON WHICH THE CORPORATE DEBTOR WENT INTO LIQUIDATION, DETAILS ON NATURE OF CLAIM (WHETHER TERM LOAN, SECURED, UNSECURED)	PRINCIPAL : CLAIM : INTEREST : TOTAL CLAIM :

DRAFT FOR PUBLIC COMMENTS

4.	DETAILS OF DOCUMENTS BY REFERENCE TO WHICH THE DEBT CAN BE SUBSTANTIATED	
PARTICULARS		
5.	DETAILS OF ANY ORDER OF A COURT OF TRIBUNAL THAT HAS ADJUDICATED ON THE NON-PAYMENT OF DEBT	
6.	DETAILS OF HOW AND WHEN DEBT INCURRED	
7.	DETAILS OF ANY MUTUAL CREDIT, MUTUAL DEBTS, OR OTHER MUTUAL DEALINGS BETWEEN THE CORPORATE DEBTOR AND THE CREDITOR WHICH MAY BE SET-OFF AGAINST THE CLAIM	
8.	DETAILS OF ANY SECURITY HELD, THE VALUE OF THE SECURITY, AND THE DATE IT WAS GIVEN	
9.	DETAILS OF ANY ASSIGNMENT OR TRANSFER OF DEBT IN HIS FAVOUR	
10.	DETAILS OF THE BANK ACCOUNT TO WHICH THE CREDITOR'S SHARE OF THE PROCEEDS OF LIQUIDATION CAN BE TRANSFERRED	

Signature of creditor or person authorised to act on his behalf
Name in BLOCK LETTERS
Position with or in relation to creditor
Address of person signing

ATTACHMENTS:

DRAFT FOR PUBLIC COMMENTS

- (a) Documents relied in the particulars above; and
- (b) Affidavits as set out in this Form G.

AFFIDAVIT

I, [*name of deponent*], currently residing at [*address of deponent*], do solemnly affirm and state as follows:

1. The above named corporate debtor was, at the date of the order of liquidation, the same viz., the _____ day of _____ 20____ and still is, justly and truly indebted to me [or to me and [*insert name of co-partners*], my co-partners in trade, or, as the case may be] in the sum of Rs. _____ for [*please state consideration*].
2. In respect of my claim of the said sum or any part thereof, I have relied on the documents specified below:
[*Please list the documents relied on as evidence of debt and of non-payment.*]
3. The said documents are true, valid and genuine to the best of my knowledge, information and belief.
4. In respect of the said sum or any part thereof, I say I have not, nor have my partners or any of them, nor has any person, by my/our order, to my/our knowledge or belief, for my/ our use, had or received any manner of satisfaction or security whatsoever, save and except the following:

[Please state details of any mutual credit, mutual debts, or other mutual dealings between the corporate debtor and the creditor which may be set-off against the claim.]

Solemnly, affirmed at _____ on _____ day, the _____ day of _____ 20____

Before me,

Commissioner.

Deponent's signature.

VERIFICATION

I, the Deponent hereinabove, do hereby verify and affirm that the contents of para ___ to ___ of this affidavit are true and correct to my knowledge and belief. Nothing is false and nothing material has been concealed therefrom.

DRAFT FOR PUBLIC COMMENTS

Verified at _____ on this _____ day of _____ 201____.

Deponent's signature

DRAFT FOR PUBLIC COMMENTS

SCHEDULE II FORM H

PROOF OF CLAIM BY WORKMEN OR EMPLOYEES

(Under Regulation 22 of the Insolvency and Bankruptcy Board of India (Liquidation of Insolvent Corporate Persons) Regulations, 2016)

[Date]

To,
The Liquidator,
[Name of the Liquidator]
[Address as set out in the public announcement]

From,
[Name and address of the workmen/ employees]

Subject: Submission of proof of claim in respect of the liquidation of [name of corporate debtor] under the Insolvency and Bankruptcy Code, 2016.

Madam/Sir,

I, [name of duly authorised representative of the workmen/ employees] currently residing at [address of duly authorised representative of the workmen/ employees], on behalf of the workmen and employees employed by the above named corporate debtor, solemnly affirm and say:

1. That the abovenamed corporate debtor was, on the date of the order of liquidation, the same viz. the _____ day of _____ 20 ____ and still is, justly truly indebted to the several persons whose names, addresses, and descriptions appear in the Annexure A below in amounts severally set against their names in such Annexure A for wages, remuneration and other amounts due to them respectively as workmen or/ and employees in the employ of the corporate debtor in respect of services rendered by them respectively to the corporate debtor during such periods as are set out against their respective names in the said Annexure A.
2. That for which said sums or any part thereof, they have not, nor has any of them, had or received any manner of satisfaction or security whatsoever, save and except the following:

[Please state details of any mutual credit, mutual debts, or other mutual dealings between the corporate debtor and the creditor which may be set-off against the claim.]

Signature :

ANNEXURE A

DRAFT FOR PUBLIC COMMENTS

1. Details of Employees/ Workmen

S No.	NAME OF EMPLOYEE/ WORKMEN	IDENTIFICATION NUMBER (PAN/, PASSPORT NUMBER/, AADHAAR NO. / ID CARD ISSUED BY THE ELECTION COMMISSION AND EMPLOYEE ID NO. (IF ANY))	TOTAL AMOUNT DUE AND DETAILS ON NATURE OF CLAIM	PERIOD OVER WHICH AMOUNT DUE	DETAILS OF EVIDENCE OF DEBT INCLUDING EMPLOYMENT CONTRACTS AND OTHER PROOFS
1.					
2.					
3.					
4.					

2. Particulars of how debt was incurred by the corporate debtor including particulars of any dispute as well as the record of pendency of suit or arbitration proceedings.
3. Particulars of any mutual credit, mutual debts, or other mutual dealings between the corporate debtor and the creditor which may be set-off against the claim.

ATTACHMENTS:

- (a) Documents relied as evidence as proof of debt and as proofs of non-payment of debt.
- (b) Affidavit as set out in this Form H.

AFFIDAVIT (OF EACH WORKMAN SEPARATELY)

I, *[insert full name, address and occupation of deponent]* do solemnly affirm and state as follows:

1. The above named corporate debtor was, at the date of the order of liquidation, the same viz., the _____ day of _____ 20__ and still is, justly and truly indebted to me in the sum of Rs. _____ for _____ *[please state the nature and duration of employment]*.

DRAFT FOR PUBLIC COMMENTS

2. In respect of my claim of the said sum or any part thereof, I have relied on the documents specified below:

[Please list the documents relied on as evidence of proof]

3. The said documents are true, valid and genuine to the best of my knowledge, information and belief.

4. In respect of the said sum or any part thereof, I say I have not, nor has any person, by my order, to my knowledge or belief, for my use, had or has received any manner of satisfaction or security whatsoever, save and except the following:

[Please state details of any mutual credit, mutual debts, or other mutual dealings between the corporate debtor and the creditor which may be set-off against the claim.]

Solemnly, affirmed at _____ on _____ day, the _____ day of _____ 20_____

Before me,

Commissioner.

Deponent's signature

VERIFICATION

I, the Deponent hereinabove, do hereby verify and affirm that the contents of para ___ to ___ of this affidavit are true and correct to my knowledge and belief. Nothing is false and nothing material has been concealed therefrom.

Verified at _____ on this _____ day of _____ 201_____

Deponent's signature

DRAFT FOR PUBLIC COMMENTS

SCHEDULE II FORM I

PROOF OF CLAIM FOR ANY OTHER DEBTS

(Under Regulation 23 of the Insolvency and Bankruptcy Board of India (Liquidation of Insolvent Corporate Persons) Regulations, 2016)

[Date]

To,
The Liquidator,
[Name of the Liquidator]
[Address as set out in the public announcement]

From,
[Name and address of the other creditor]

Subject: Submission of proof of claim in respect of the liquidation of [name of corporate debtor] under the Insolvency and Bankruptcy Code, 2016.

Madam/Sir,

The [name of the other creditor] hereby submits his proof of claim in respect of the liquidation in the case of [name of corporate debtor]. The details for the same are set out below:

PARTICULARS		
1.	NAME OF CREDITOR (IF AN INCORPORATED BODY PROVIDE IDENTIFICATION NUMBER AND PROOF OF INCORPORATION. IF A PARTNERSHIP OR INDIVIDUAL PROVIDE IDENTIFICATION RECORDS OF ALL THE PARTNERS OR THE INDIVIDUAL)	
2.	ADDRESS OF CREDITOR FOR CORRESPONDENCE.	
3.	TOTAL AMOUNT OF CLAIM, INCLUDING ANY INTEREST AS AT THE DATE ON WHICH THE CORPORATE DEBTOR WENT INTO LIQUIDATION AND DETAILS ON NATURE OF CLAIM	PRINCIPAL : CLAIM : INTEREST : TOTAL CLAIM :

DRAFT FOR PUBLIC COMMENTS

4.	DETAILS OF DOCUMENTS BY REFERENCE TO WHICH THE DEBT CAN BE SUBSTANTIATED	
PARTICULARS		
5.	DETAILS OF HOW AND WHEN DEBT INCURRED	
6.	DETAILS OF ANY MUTUAL CREDIT, MUTUAL DEBTS, OR OTHER MUTUAL DEALINGS BETWEEN THE CORPORATE DEBTOR AND THE CREDITOR WHICH MAY BE SET-OFF AGAINST THE CLAIM	
7.	DETAILS OF ANY RETENTION OF TITLE IN RESPECT OF GOODS OR PROPERTIES TO WHICH THE DEBT REFERS	
8.	DETAILS OF ANY ASSIGNMENT OR TRANSFER OF DEBT IN HIS FAVOUR	
9.	DETAILS OF THE BANK ACCOUNT TO WHICH THE CREDITOR'S SHARE OF THE PROCEEDS OF LIQUIDATION CAN BE TRANSFERRED	

Signature of creditor or person authorised to act on his behalf
Name in BLOCK LETTERS
Position with or in relation to creditor
Address of person signing

ATTACHMENTS:

- (a) Documents relied in point 4 of the particulars above; and

DRAFT FOR PUBLIC COMMENTS

(b) Affidavits as set out in this Form I.

AFFIDAVIT

I, *[insert full name, address and occupation of deponent to be given]* do solemnly affirm and state as follows:

1. The above named corporate debtor was, at the date of the order of liquidation, the same viz., the _____ day of _____ 20__ and still is, justly and truly indebted to me [or to me and *[insert name of co-partner]*], my co-partners in trade, or, as the case may be,) in the sum of Rs. _____ for _____ *[please state consideration]*.

2. In respect of my claim of the said sum or any part thereof, I have relied on the documents specified below:

[Please list the documents relied on as evidence of proof.]

3. The said documents are true, valid and genuine to the best of my knowledge, information and belief.

4. In respect of the said sum or any part thereof, I say I have not, nor have my partners or any of them, nor has any person, by my/our order, to my/our knowledge or belief, for my/ our use, had or received any manner of satisfaction or security whatsoever, save and except the following:

[Please state details of any mutual credit, mutual debts, or other mutual dealings between the corporate debtor and the creditor which may be set-off against the claim.]

Solemnly, affirmed at _____ on _____ day, the _____ day of _____ 20_____

Before me,

Commissioner.

Deponent's signature.

VERIFICATION

DRAFT FOR PUBLIC COMMENTS

I, the Deponent hereinabove, do hereby verify and affirm that the contents of para ___ to ___ of this affidavit are true and correct to my knowledge and belief. Nothing is false and nothing material has been concealed therefrom.

Verified at _____ on this _____ day of _____ 201__

Deponent's signature

SCHEDULE II FORM J

PROOF OF CLAIM OF CONTRIBUTORIES

(Under Regulation 24 of the Insolvency and Bankruptcy Board of India (Liquidation of Insolvent Corporate Persons) Regulations, 2016)

[Date]

To,
The Liquidator,
[Name of the Liquidator]
[Address as set out in the public announcement]

From,
[Name and address of the contributory]

Subject: Submission of proof of claim in respect of the liquidation of [name of corporate debtor] under the Insolvency and Bankruptcy Code, 2016.

Madam/Sir,

The [name of the contributory] hereby submits his proof of claim in respect of the liquidation in the case of [name of corporate debtor]. The details for the same are set out below:

PARTICULARS	
1.	THE CONTRIBUTORY'S AND ADDRESS (IF AN INCORPORATED BODY PROVIDE IDENTIFICATION NUMBER AND PROOF OF INCORPORATION. IF A PARTNERSHIP OR INDIVIDUAL PROVIDE IDENTIFICATION RECORDS)
2.	ADDRESS OF CONTRIBUTORY FOR CORRESPONDENCE.

DRAFT FOR PUBLIC COMMENTS

3.	TOTAL AMOUNT OF CLAIM, INCLUDING ANY INTEREST AS AT THE DATE ON WHICH THE CORPORATE DEBTOR WENT INTO LIQUIDATION	
4.	DETAILS OF DOCUMENTS BY REFERENCE TO WHICH THE CLAIM CAN BE SUBSTANTIATED	
5.	DETAILS OF ANY MUTUAL CREDIT, MUTUAL DEBTS, OR OTHER MUTUAL DEALINGS BETWEEN THE CORPORATE DEBTOR AND THE CREDITOR WHICH MAY BE SET-OFF AGAINST THE CLAIM	
PARTICULARS		
6.	DETAILS OF THE BANK ACCOUNT TO WHICH THE CONTRIBUTORY'S SHARE OF THE PROCEEDS OF LIQUIDATION CAN BE TRANSFERRED	

Signature of creditor or person authorised to act on his behalf
Name in BLOCK LETTERS
Position with or in relation to contributory
Address of person signing

ATTACHMENTS:

- (c) Documents relied in the particulars above; and
- (d) Affidavits as set out in this Form J.

AFFIDAVIT

DRAFT FOR PUBLIC COMMENTS

I, *[insert full name, address and occupation of deponent to be given]* do solemnly affirm and state as follows:

1. I am a contributory in the above named corporate debtor was, at the date of the order of liquidation, the same viz., the _____ day of _____ 20__ [or to me and *[insert name of co-partners]*], my co-partners in trade, or, as the case may be,] in the sum of Rs. _____ for _____ *[please state consideration]*.

2. In respect of my claim of the said sum or any part thereof, I have relied on the documents specified below:

[Please list the documents relied on as evidence of proof.]

3. The said documents are true, valid and genuine to the best of my knowledge, information and belief.

4. In respect of the said sum or any part thereof, I say I have not, nor have my partners or any of them, nor has any person, by my/our order, to my/our knowledge or belief, for my/ our use, had or received any manner of satisfaction or security whatsoever, save and except the following:

[Please state details of any mutual credit, mutual debts, or other mutual dealings between the corporate debtor and the creditor which may be set-off against the claim.]

Solemnly, affirmed at _____ on _____ day, the _____ day of _____ 20_____

Before me,

Commissioner.

Deponent's signature.

VERIFICATION

I, the Deponent hereinabove, do hereby verify and affirm that the contents of para ___ to ___ of this affidavit are true and correct to my knowledge and belief. Nothing is false and nothing material has been concealed therefrom.

Verified at _____ on this _____ day of _____ 201_____

DRAFT FOR PUBLIC COMMENTS

Deponent's signature

DRAFT FOR PUBLIC COMMENTS

SCHEDULE II FORM K

DECLARATION OF REALIZATION/ NON-RELINQUISHMENT OF SECURITY INTEREST

(Under Regulation 25 of the Insolvency and Bankruptcy Board of India (Liquidation of Insolvent Corporate Persons) Regulations, 2016)

[ATTACHMENT TO PROOF OF CLAIM]

[Date]

To,
The Liquidator,
[Name of the Liquidator]
[Address as set out in the public announcement]

From,
[Name and address of the operational creditor]

Madam/Sir,

Subject: Realization/ Non- Relinquishment of Security Interest

In pursuance of Regulation 25 of the Insolvency and Bankruptcy (Liquidation of Insolvent Corporate Persons) Regulations 2016, I, [name of secured creditor], hereby declare that I do not relinquish my/our security interest in [insert description of the subject and nature of security interest], which was created by [name of corporate debtor], on [insert date of creation of security interest] on account of [insert description of circumstances leading to creation of security interest].

Attached to this declaration are documents that evidence the creation of such security interest.

[Name and signature of secured creditor]

Date :

Place :

DRAFT FOR PUBLIC COMMENTS

SCHEDULE III

SCALE OF REMUNERATION OF LIQUIDATOR

Slab (in INR)	Percentage for first six months	Percentage for 6-12 months	Percentage for 12-24 months
<i>Realisation of</i>			
Less than 1 crore	5%	3.75%	2.50%
1 crore, and up to any amount less than 10 crores	3.75%	2.80%	1.875%
10 crores and up to any amount less than 50 crores	2.5%	1.875%	1.25%
50 crores and up to any amount less than 100 crores	1.25%	0.94%	0.675%
100 crores and above	0.25%	0.19%	0.125%
<i>And</i>			
<i>Distribution of</i>			
Less than 1 crore	5%	3.75%	2.50%
1 crore, and up to any amount less than 10 crores	3.75%	2.80%	1.875%
10 crores and up to any amount less than 50 crores	2.5%	1.875%	1.25%
50 crores and up to any amount less than 100 crores	1.25%	0.94%	0.675%
100 crores and above	0.25%	0.19%	0.125%

Realization and Distribution amount shall be calculated net of all expenses and costs incurred by the liquidator.
