

**Insolvency and Bankruptcy Board of India**  
**7<sup>th</sup> Floor, Mayur Bhawan, Connaught Place, New Delhi-110001**

**CIRCULAR**

No. IBBI/LIQ/70/2024

22<sup>nd</sup> February, 2024

To

All Registered Insolvency Professionals

All Recognised Insolvency Professional Entities

All Registered Insolvency Professional Agencies

(By mail to registered email addresses and on the website of the IBBI)

Dear Madam/Sir,

**Sub: Enhancing Transparency and Stakeholder Engagement in Liquidation Process**

**Circulation of progress reports to stakeholders**

1. Regulation 15 of Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 (**Liquidation Regulations**) provides that the liquidator shall submit Progress Reports, to the Adjudicating Authority (AA) and the Insolvency and Bankruptcy Board of India (**IBBI / Board**) within fifteen days after the end of every quarter. Though the regulation provides the submission of progress reports to the AA and the Board, it does not get shared with the key stakeholders of the ecosystem, i.e., creditors, thus leaving them unaware of the progress in the process thereby creating information asymmetry.

2. Accordingly, it is hereby directed that the liquidator shall also share the progress reports with the members of the Stakeholders' Consultation Committee (SCC) after receiving a confidential undertaking. Further, the liquidator shall submit the progress reports under Regulation 15 till the filing of the final report under Regulation 45.

**Preparation of preliminary report**

3. Regulation 13 of the Liquidation Regulations mandates the liquidator to submit a Preliminary Report to the AA detailing various aspects of the corporate debtor and the intended plan of action for carrying out the liquidation process. However, the present regulation lacks SCC consultation in preparation of the preliminary report thereby risking oversight of crucial stakeholder insights.

4. Accordingly, it is hereby directed that the liquidator shall seek suggestions / observations of the members of the SCC while preparing the Preliminary Report under regulation 13 and finalise the Preliminary Report after considering such suggestions / observations, and thereafter, submit it to the AA, Board and members of SCC.

**Sharing of final report, Form H, and process closure/dissolution order with IBBI**

5. It is hereby directed that the liquidator shall submit a copy of Form H along with final report filed before the Adjudicating Authority as per Regulation 45, and the order for process closure/dissolution to the Board to the email ID: liq.cirp@ibbi.gov.in.

6. This is issued in the exercise of the powers conferred under section 196 of the Insolvency and Bankruptcy Code, 2016.

Yours faithfully,  
-Sd-  
(Rajesh Tiwari)  
General Manager

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